



Sen. Andy Manar

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1 AMENDMENT TO SENATE BILL 1

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 1 by replacing  
3 everything after the enacting clause with the following:

4 "Section 1. This Act may be referred to as the School  
5 Funding Reform Act of 2015.

6 Section 905. The Economic Development Area Tax Increment  
7 Allocation Act is amended by changing Section 7 as follows:

8 (20 ILCS 620/7) (from Ch. 67 1/2, par. 1007)

9 Sec. 7. Creation of special tax allocation fund. If a  
10 municipality has adopted tax increment allocation financing  
11 for an economic development project area by ordinance, the  
12 county clerk has thereafter certified the "total initial  
13 equalized assessed value" of the taxable real property within  
14 such economic development project area in the manner provided  
15 in Section 6 of this Act, and the Department has approved and

1 certified the economic development project area, each year  
2 after the date of the certification by the county clerk of the  
3 "total initial equalized assessed value" until economic  
4 development project costs and all municipal obligations  
5 financing economic development project costs have been paid,  
6 the ad valorem taxes, if any, arising from the levies upon the  
7 taxable real property in the economic development project area  
8 by taxing districts and tax rates determined in the manner  
9 provided in subsection (b) of Section 6 of this Act shall be  
10 divided as follows:

11 (1) That portion of the taxes levied upon each taxable lot,  
12 block, tract or parcel of real property which is attributable  
13 to the lower of the current equalized assessed value or the  
14 initial equalized assessed value of each such taxable lot,  
15 block, tract, or parcel of real property existing at the time  
16 tax increment allocation financing was adopted, shall be  
17 allocated to and when collected shall be paid by the county  
18 collector to the respective affected taxing districts in the  
19 manner required by law in the absence of the adoption of tax  
20 increment allocation financing.

21 (2) That portion, if any, of those taxes which is  
22 attributable to the increase in the current equalized assessed  
23 valuation of each taxable lot, block, tract, or parcel of real  
24 property in the economic development project area, over and  
25 above the initial equalized assessed value of each property  
26 existing at the time tax increment allocation financing was

1 adopted, shall be allocated to and when collected shall be paid  
2 to the municipal treasurer, who shall deposit those taxes into  
3 a special fund called the special tax allocation fund of the  
4 municipality for the purpose of paying economic development  
5 project costs and obligations incurred in the payment thereof.

6 The municipality, by an ordinance adopting tax increment  
7 allocation financing, may pledge the funds in and to be  
8 deposited in the special tax allocation fund for the payment of  
9 obligations issued under this Act and for the payment of  
10 economic development project costs. No part of the current  
11 equalized assessed valuation of each property in the economic  
12 development project area attributable to any increase above the  
13 total initial equalized assessed value, of such properties  
14 shall be used in calculating the general State school aid  
15 formula, provided for in Section 18-8 of the School Code, or  
16 the primary State aid formula, provided for in Section 18-8.15  
17 of the School Code, until such time as all economic development  
18 projects costs have been paid as provided for in this Section.

19 When the economic development project costs, including  
20 without limitation all municipal obligations financing  
21 economic development project costs incurred under this Act,  
22 have been paid, all surplus funds then remaining in the special  
23 tax allocation fund shall be distributed by being paid by the  
24 municipal treasurer to the county collector, who shall  
25 immediately thereafter pay those funds to the taxing districts  
26 having taxable property in the economic development project

1 area in the same manner and proportion as the most recent  
2 distribution by the county collector to those taxing districts  
3 of real property taxes from real property in the economic  
4 development project area.

5 Upon the payment of all economic development project costs,  
6 retirement of obligations and the distribution of any excess  
7 monies pursuant to this Section the municipality shall adopt an  
8 ordinance dissolving the special tax allocation fund for the  
9 economic development project area, terminating the economic  
10 development project area, and terminating the use of tax  
11 increment allocation financing for the economic development  
12 project area. Thereafter the rates of the taxing districts  
13 shall be extended and taxes levied, collected and distributed  
14 in the manner applicable in the absence of the adoption of tax  
15 increment allocation financing.

16 Nothing in this Section shall be construed as relieving  
17 property in economic development project areas from being  
18 assessed as provided in the Property Tax Code, or as relieving  
19 owners of that property from paying a uniform rate of taxes, as  
20 required by Section 4 of Article IX of the Illinois  
21 Constitution.

22 (Source: P.A. 98-463, eff. 8-16-13.)

23 Section 910. The State Finance Act is amended by changing  
24 Section 13.2 as follows:

1 (30 ILCS 105/13.2) (from Ch. 127, par. 149.2)

2 Sec. 13.2. Transfers among line item appropriations.

3 (a) Transfers among line item appropriations from the same  
4 treasury fund for the objects specified in this Section may be  
5 made in the manner provided in this Section when the balance  
6 remaining in one or more such line item appropriations is  
7 insufficient for the purpose for which the appropriation was  
8 made.

9 (a-1) No transfers may be made from one agency to another  
10 agency, nor may transfers be made from one institution of  
11 higher education to another institution of higher education  
12 except as provided by subsection (a-4).

13 (a-2) Except as otherwise provided in this Section,  
14 transfers may be made only among the objects of expenditure  
15 enumerated in this Section, except that no funds may be  
16 transferred from any appropriation for personal services, from  
17 any appropriation for State contributions to the State  
18 Employees' Retirement System, from any separate appropriation  
19 for employee retirement contributions paid by the employer, nor  
20 from any appropriation for State contribution for employee  
21 group insurance. During State fiscal year 2005, an agency may  
22 transfer amounts among its appropriations within the same  
23 treasury fund for personal services, employee retirement  
24 contributions paid by employer, and State Contributions to  
25 retirement systems; notwithstanding and in addition to the  
26 transfers authorized in subsection (c) of this Section, the

1 fiscal year 2005 transfers authorized in this sentence may be  
2 made in an amount not to exceed 2% of the aggregate amount  
3 appropriated to an agency within the same treasury fund. During  
4 State fiscal year 2007, the Departments of Children and Family  
5 Services, Corrections, Human Services, and Juvenile Justice  
6 may transfer amounts among their respective appropriations  
7 within the same treasury fund for personal services, employee  
8 retirement contributions paid by employer, and State  
9 contributions to retirement systems. During State fiscal year  
10 2010, the Department of Transportation may transfer amounts  
11 among their respective appropriations within the same treasury  
12 fund for personal services, employee retirement contributions  
13 paid by employer, and State contributions to retirement  
14 systems. During State fiscal years 2010 and 2014 only, an  
15 agency may transfer amounts among its respective  
16 appropriations within the same treasury fund for personal  
17 services, employee retirement contributions paid by employer,  
18 and State contributions to retirement systems.  
19 Notwithstanding, and in addition to, the transfers authorized  
20 in subsection (c) of this Section, these transfers may be made  
21 in an amount not to exceed 2% of the aggregate amount  
22 appropriated to an agency within the same treasury fund.

23 (a-2.5) During State fiscal year 2015 only, the State's  
24 Attorneys Appellate Prosecutor may transfer amounts among its  
25 respective appropriations contained in operational line items  
26 within the same treasury fund. Notwithstanding, and in addition

1 to, the transfers authorized in subsection (c) of this Section,  
2 these transfers may be made in an amount not to exceed 4% of  
3 the aggregate amount appropriated to the State's Attorneys  
4 Appellate Prosecutor within the same treasury fund.

5 (a-3) Further, if an agency receives a separate  
6 appropriation for employee retirement contributions paid by  
7 the employer, any transfer by that agency into an appropriation  
8 for personal services must be accompanied by a corresponding  
9 transfer into the appropriation for employee retirement  
10 contributions paid by the employer, in an amount sufficient to  
11 meet the employer share of the employee contributions required  
12 to be remitted to the retirement system.

13 (a-4) Long-Term Care Rebalancing. The Governor may  
14 designate amounts set aside for institutional services  
15 appropriated from the General Revenue Fund or any other State  
16 fund that receives monies for long-term care services to be  
17 transferred to all State agencies responsible for the  
18 administration of community-based long-term care programs,  
19 including, but not limited to, community-based long-term care  
20 programs administered by the Department of Healthcare and  
21 Family Services, the Department of Human Services, and the  
22 Department on Aging, provided that the Director of Healthcare  
23 and Family Services first certifies that the amounts being  
24 transferred are necessary for the purpose of assisting persons  
25 in or at risk of being in institutional care to transition to  
26 community-based settings, including the financial data needed

1 to prove the need for the transfer of funds. The total amounts  
2 transferred shall not exceed 4% in total of the amounts  
3 appropriated from the General Revenue Fund or any other State  
4 fund that receives monies for long-term care services for each  
5 fiscal year. A notice of the fund transfer must be made to the  
6 General Assembly and posted at a minimum on the Department of  
7 Healthcare and Family Services website, the Governor's Office  
8 of Management and Budget website, and any other website the  
9 Governor sees fit. These postings shall serve as notice to the  
10 General Assembly of the amounts to be transferred. Notice shall  
11 be given at least 30 days prior to transfer.

12 (b) In addition to the general transfer authority provided  
13 under subsection (c), the following agencies have the specific  
14 transfer authority granted in this subsection:

15 The Department of Healthcare and Family Services is  
16 authorized to make transfers representing savings attributable  
17 to not increasing grants due to the births of additional  
18 children from line items for payments of cash grants to line  
19 items for payments for employment and social services for the  
20 purposes outlined in subsection (f) of Section 4-2 of the  
21 Illinois Public Aid Code.

22 The Department of Children and Family Services is  
23 authorized to make transfers not exceeding 2% of the aggregate  
24 amount appropriated to it within the same treasury fund for the  
25 following line items among these same line items: Foster Home  
26 and Specialized Foster Care and Prevention, Institutions and



1 Group Homes and Prevention, and Purchase of Adoption and  
2 Guardianship Services.

3 The Department on Aging is authorized to make transfers not  
4 exceeding 2% of the aggregate amount appropriated to it within  
5 the same treasury fund for the following Community Care Program  
6 line items among these same line items: purchase of services  
7 covered by the Community Care Program and Comprehensive Case  
8 Coordination.

9 The State Treasurer is authorized to make transfers among  
10 line item appropriations from the Capital Litigation Trust  
11 Fund, with respect to costs incurred in fiscal years 2002 and  
12 2003 only, when the balance remaining in one or more such line  
13 item appropriations is insufficient for the purpose for which  
14 the appropriation was made, provided that no such transfer may  
15 be made unless the amount transferred is no longer required for  
16 the purpose for which that appropriation was made.

17 The State Board of Education is authorized to make  
18 transfers from line item appropriations within the same  
19 treasury fund for General State Aid, ~~and~~ General State Aid -  
20 Hold Harmless, Primary State Aid, and Hold Harmless State  
21 Funding, provided that no such transfer may be made unless the  
22 amount transferred is no longer required for the purpose for  
23 which that appropriation was made, to the line item  
24 appropriation for Transitional Assistance when the balance  
25 remaining in such line item appropriation is insufficient for  
26 the purpose for which the appropriation was made.

1           The State Board of Education is authorized to make  
2 transfers between the following line item appropriations  
3 within the same treasury fund: Disabled Student  
4 Services/Materials (Section 14-13.01 of the School Code),  
5 Disabled Student Transportation Reimbursement (Section  
6 14-13.01 of the School Code), Disabled Student Tuition -  
7 Private Tuition (Section 14-7.02 of the School Code),  
8 Extraordinary Special Education (Section 14-7.02b of the  
9 School Code), Reimbursement for Free Lunch/Breakfast Program,  
10 Summer School Payments (Section 18-4.3 of the School Code), and  
11 Transportation - Regular/Vocational Reimbursement (Section  
12 29-5 of the School Code). Such transfers shall be made only  
13 when the balance remaining in one or more such line item  
14 appropriations is insufficient for the purpose for which the  
15 appropriation was made and provided that no such transfer may  
16 be made unless the amount transferred is no longer required for  
17 the purpose for which that appropriation was made.

18           The Department of Healthcare and Family Services is  
19 authorized to make transfers not exceeding 4% of the aggregate  
20 amount appropriated to it, within the same treasury fund, among  
21 the various line items appropriated for Medical Assistance.

22           (c) The sum of such transfers for an agency in a fiscal  
23 year shall not exceed 2% of the aggregate amount appropriated  
24 to it within the same treasury fund for the following objects:  
25 Personal Services; Extra Help; Student and Inmate  
26 Compensation; State Contributions to Retirement Systems; State

1 Contributions to Social Security; State Contribution for  
2 Employee Group Insurance; Contractual Services; Travel;  
3 Commodities; Printing; Equipment; Electronic Data Processing;  
4 Operation of Automotive Equipment; Telecommunications  
5 Services; Travel and Allowance for Committed, Paroled and  
6 Discharged Prisoners; Library Books; Federal Matching Grants  
7 for Student Loans; Refunds; Workers' Compensation,  
8 Occupational Disease, and Tort Claims; and, in appropriations  
9 to institutions of higher education, Awards and Grants.  
10 Notwithstanding the above, any amounts appropriated for  
11 payment of workers' compensation claims to an agency to which  
12 the authority to evaluate, administer and pay such claims has  
13 been delegated by the Department of Central Management Services  
14 may be transferred to any other expenditure object where such  
15 amounts exceed the amount necessary for the payment of such  
16 claims.

17 (c-1) Special provisions for State fiscal year 2003.  
18 Notwithstanding any other provision of this Section to the  
19 contrary, for State fiscal year 2003 only, transfers among line  
20 item appropriations to an agency from the same treasury fund  
21 may be made provided that the sum of such transfers for an  
22 agency in State fiscal year 2003 shall not exceed 3% of the  
23 aggregate amount appropriated to that State agency for State  
24 fiscal year 2003 for the following objects: personal services,  
25 except that no transfer may be approved which reduces the  
26 aggregate appropriations for personal services within an

1 agency; extra help; student and inmate compensation; State  
2 contributions to retirement systems; State contributions to  
3 social security; State contributions for employee group  
4 insurance; contractual services; travel; commodities;  
5 printing; equipment; electronic data processing; operation of  
6 automotive equipment; telecommunications services; travel and  
7 allowance for committed, paroled, and discharged prisoners;  
8 library books; federal matching grants for student loans;  
9 refunds; workers' compensation, occupational disease, and tort  
10 claims; and, in appropriations to institutions of higher  
11 education, awards and grants.

12 (c-2) Special provisions for State fiscal year 2005.  
13 Notwithstanding subsections (a), (a-2), and (c), for State  
14 fiscal year 2005 only, transfers may be made among any line  
15 item appropriations from the same or any other treasury fund  
16 for any objects or purposes, without limitation, when the  
17 balance remaining in one or more such line item appropriations  
18 is insufficient for the purpose for which the appropriation was  
19 made, provided that the sum of those transfers by a State  
20 agency shall not exceed 4% of the aggregate amount appropriated  
21 to that State agency for fiscal year 2005.

22 (d) Transfers among appropriations made to agencies of the  
23 Legislative and Judicial departments and to the  
24 constitutionally elected officers in the Executive branch  
25 require the approval of the officer authorized in Section 10 of  
26 this Act to approve and certify vouchers. Transfers among

1 appropriations made to the University of Illinois, Southern  
2 Illinois University, Chicago State University, Eastern  
3 Illinois University, Governors State University, Illinois  
4 State University, Northeastern Illinois University, Northern  
5 Illinois University, Western Illinois University, the Illinois  
6 Mathematics and Science Academy and the Board of Higher  
7 Education require the approval of the Board of Higher Education  
8 and the Governor. Transfers among appropriations to all other  
9 agencies require the approval of the Governor.

10 The officer responsible for approval shall certify that the  
11 transfer is necessary to carry out the programs and purposes  
12 for which the appropriations were made by the General Assembly  
13 and shall transmit to the State Comptroller a certified copy of  
14 the approval which shall set forth the specific amounts  
15 transferred so that the Comptroller may change his records  
16 accordingly. The Comptroller shall furnish the Governor with  
17 information copies of all transfers approved for agencies of  
18 the Legislative and Judicial departments and transfers  
19 approved by the constitutionally elected officials of the  
20 Executive branch other than the Governor, showing the amounts  
21 transferred and indicating the dates such changes were entered  
22 on the Comptroller's records.

23 (e) The State Board of Education, in consultation with the  
24 State Comptroller, may transfer line item appropriations for  
25 General State Aid or Primary State Aid between the Common  
26 School Fund and the Education Assistance Fund. With the advice

1 and consent of the Governor's Office of Management and Budget,  
2 the State Board of Education, in consultation with the State  
3 Comptroller, may transfer line item appropriations between the  
4 General Revenue Fund and the Education Assistance Fund for the  
5 following programs:

6 (1) Disabled Student Personnel Reimbursement (Section  
7 14-13.01 of the School Code);

8 (2) Disabled Student Transportation Reimbursement  
9 (subsection (b) of Section 14-13.01 of the School Code);

10 (3) Disabled Student Tuition - Private Tuition  
11 (Section 14-7.02 of the School Code);

12 (4) Extraordinary Special Education (Section 14-7.02b  
13 of the School Code);

14 (5) Reimbursement for Free Lunch/Breakfast Programs;

15 (6) Summer School Payments (Section 18-4.3 of the  
16 School Code);

17 (7) Transportation - Regular/Vocational Reimbursement  
18 (Section 29-5 of the School Code);

19 (8) Regular Education Reimbursement (Section 18-3 of  
20 the School Code); and

21 (9) Special Education Reimbursement (Section 14-7.03  
22 of the School Code).

23 (Source: P.A. 97-689, eff. 7-1-12; 98-24, eff. 6-19-13; 98-674,  
24 eff. 6-30-14.)

25 Section 915. The Property Tax Code is amended by changing

1 Sections 18-200 and 18-249 as follows:

2 (35 ILCS 200/18-200)

3 Sec. 18-200. School Code. A school district's State aid  
4 shall not be reduced under the computation under subsections  
5 5(a) through 5(h) of Part A of Section 18-8 of the School Code  
6 or under subsection (e) of Section 18-8.15 of the School Code  
7 due to the operating tax rate falling from above the minimum  
8 requirement of that Section of the School Code to below the  
9 minimum requirement of that Section of the School Code due to  
10 the operation of this Law.

11 (Source: P.A. 87-17; 88-455.)

12 (35 ILCS 200/18-249)

13 Sec. 18-249. Miscellaneous provisions.

14 (a) Certification of new property. For the 1994 levy year,  
15 the chief county assessment officer shall certify to the county  
16 clerk, after all changes by the board of review or board of  
17 appeals, as the case may be, the assessed value of new property  
18 by taxing district for the 1994 levy year under rules  
19 promulgated by the Department.

20 (b) School Code. A school district's State aid shall not be  
21 reduced under the computation under subsections 5(a) through  
22 5(h) of Part A of Section 18-8 of the School Code or under  
23 subsection (e) of Section 18-8.15 of the School Code due to the  
24 operating tax rate falling from above the minimum requirement

1 of that Section of the School Code to below the minimum  
2 requirement of that Section of the School Code due to the  
3 operation of this Law.

4 (c) Rules. The Department shall make and promulgate  
5 reasonable rules relating to the administration of the purposes  
6 and provisions of Sections 18-246 through 18-249 as may be  
7 necessary or appropriate.

8 (Source: P.A. 89-1, eff. 2-12-95.)

9 Section 920. The Innovation Development and Economy Act is  
10 amended by changing Section 33 as follows:

11 (50 ILCS 470/33)

12 Sec. 33. STAR Bonds School Improvement and Operations Trust  
13 Fund.

14 (a) The STAR Bonds School Improvement and Operations Trust  
15 Fund is created as a trust fund in the State treasury. Deposits  
16 into the Trust Fund shall be made as provided under this  
17 Section. Moneys in the Trust Fund shall be used by the  
18 Department of Revenue only for the purpose of making payments  
19 to school districts in educational service regions that include  
20 or are adjacent to the STAR bond district. Moneys in the Trust  
21 Fund are not subject to appropriation and shall be used solely  
22 as provided in this Section. All deposits into the Trust Fund  
23 shall be held in the Trust Fund by the State Treasurer as ex  
24 officio custodian separate and apart from all public moneys or



1 funds of this State and shall be administered by the Department  
2 exclusively for the purposes set forth in this Section. All  
3 moneys in the Trust Fund shall be invested and reinvested by  
4 the State Treasurer. All interest accruing from these  
5 investments shall be deposited in the Trust Fund.

6 (b) Upon approval of a STAR bond district, the political  
7 subdivision shall immediately transmit to the county clerk of  
8 the county in which the district is located a certified copy of  
9 the ordinance creating the district, a legal description of the  
10 district, a map of the district, identification of the year  
11 that the county clerk shall use for determining the total  
12 initial equalized assessed value of the district consistent  
13 with subsection (c), and a list of the parcel or tax  
14 identification number of each parcel of property included in  
15 the district.

16 (c) Upon approval of a STAR bond district, the county clerk  
17 immediately thereafter shall determine (i) the most recently  
18 ascertained equalized assessed value of each lot, block, tract,  
19 or parcel of real property within the STAR bond district, from  
20 which shall be deducted the homestead exemptions under Article  
21 15 of the Property Tax Code, which value shall be the initial  
22 equalized assessed value of each such piece of property, and  
23 (ii) the total equalized assessed value of all taxable real  
24 property within the district by adding together the most  
25 recently ascertained equalized assessed value of each taxable  
26 lot, block, tract, or parcel of real property within the

1 district, from which shall be deducted the homestead exemptions  
2 under Article 15 of the Property Tax Code, and shall certify  
3 that amount as the total initial equalized assessed value of  
4 the taxable real property within the STAR bond district.

5 (d) In reference to any STAR bond district created within  
6 any political subdivision, and in respect to which the county  
7 clerk has certified the total initial equalized assessed value  
8 of the property in the area, the political subdivision may  
9 thereafter request the clerk in writing to adjust the initial  
10 equalized value of all taxable real property within the STAR  
11 bond district by deducting therefrom the exemptions under  
12 Article 15 of the Property Tax Code applicable to each lot,  
13 block, tract, or parcel of real property within the STAR bond  
14 district. The county clerk shall immediately, after the written  
15 request to adjust the total initial equalized value is  
16 received, determine the total homestead exemptions in the STAR  
17 bond district as provided under Article 15 of the Property Tax  
18 Code by adding together the homestead exemptions provided by  
19 said Article on each lot, block, tract, or parcel of real  
20 property within the STAR bond district and then shall deduct  
21 the total of said exemptions from the total initial equalized  
22 assessed value. The county clerk shall then promptly certify  
23 that amount as the total initial equalized assessed value as  
24 adjusted of the taxable real property within the STAR bond  
25 district.

26 (e) The county clerk or other person authorized by law

1 shall compute the tax rates for each taxing district with all  
2 or a portion of its equalized assessed value located in the  
3 STAR bond district. The rate per cent of tax determined shall  
4 be extended to the current equalized assessed value of all  
5 property in the district in the same manner as the rate per  
6 cent of tax is extended to all other taxable property in the  
7 taxing district.

8 (f) Beginning with the assessment year in which the first  
9 destination user in the first STAR bond project in a STAR bond  
10 district makes its first retail sales and for each assessment  
11 year thereafter until final maturity of the last STAR bonds  
12 issued in the district, the county clerk or other person  
13 authorized by law shall determine the increase in equalized  
14 assessed value of all real property within the STAR bond  
15 district by subtracting the initial equalized assessed value of  
16 all property in the district certified under subsection (c)  
17 from the current equalized assessed value of all property in  
18 the district. Each year, the property taxes arising from the  
19 increase in equalized assessed value in the STAR bond district  
20 shall be determined for each taxing district and shall be  
21 certified to the county collector.

22 (g) Beginning with the year in which taxes are collected  
23 based on the assessment year in which the first destination  
24 user in the first STAR bond project in a STAR bond district  
25 makes its first retail sales and for each year thereafter until  
26 final maturity of the last STAR bonds issued in the district,

1 the county collector shall, within 30 days after receipt of  
2 property taxes, transmit to the Department to be deposited into  
3 the STAR Bonds School Improvement and Operations Trust Fund 15%  
4 of property taxes attributable to the increase in equalized  
5 assessed value within the STAR bond district from each taxing  
6 district as certified in subsection (f).

7 (h) The Department shall pay to the regional superintendent  
8 of schools whose educational service region includes Franklin  
9 and Williamson Counties, for each year for which money is  
10 remitted to the Department and paid into the STAR Bonds School  
11 Improvement and Operations Trust Fund, the money in the Fund as  
12 provided in this Section. The amount paid to each school  
13 district shall be allocated proportionately, based on each  
14 qualifying school district's fall enrollment for the  
15 then-current school year, such that the school district with  
16 the largest fall enrollment receives the largest proportionate  
17 share of money paid out of the Fund or by any other method or  
18 formula that the regional superintendent of schools deems fit,  
19 equitable, and in the public interest. The regional  
20 superintendent may allocate moneys to school districts that are  
21 outside of his or her educational service region or to other  
22 regional superintendents.

23 The Department shall determine the distributions under  
24 this Section using its best judgment and information. The  
25 Department shall be held harmless for the distributions made  
26 under this Section and all distributions shall be final.

1           (i) In any year that an assessment appeal is filed, the  
2 extension of taxes on any assessment so appealed shall not be  
3 delayed. In the case of an assessment that is altered, any  
4 taxes extended upon the unauthorized assessment or part thereof  
5 shall be abated, or, if already paid, shall be refunded with  
6 interest as provided in Section 23-20 of the Property Tax Code.  
7 In the case of an assessment appeal, the county collector shall  
8 notify the Department that an assessment appeal has been filed  
9 and the amount of the tax that would have been deposited in the  
10 STAR Bonds School Improvement and Operations Trust Fund. The  
11 county collector shall hold that amount in a separate fund  
12 until the appeal process is final. After the appeal process is  
13 finalized, the county collector shall transmit to the  
14 Department the amount of tax that remains, if any, after all  
15 required refunds are made. The Department shall pay any amount  
16 deposited into the Trust Fund under this Section in the same  
17 proportion as determined for payments for that taxable year  
18 under subsection (h).

19           (j) In any year that ad valorem taxes are allocated to the  
20 STAR Bonds School Improvement and Operations Trust Fund, that  
21 allocation shall not reduce or otherwise impact the school aid  
22 provided to any school district under the general State school  
23 aid formula provided for in Section 18-8.05 of the School Code  
24 or the primary State aid formula provided for in Section  
25 18-8.15 of the School Code.

26           (Source: P.A. 96-939, eff. 6-24-10.)

1           Section 925. The County Economic Development Project Area  
2 Property Tax Allocation Act is amended by changing Section 7 as  
3 follows:

4           (55 ILCS 85/7) (from Ch. 34, par. 7007)

5           Sec. 7. Creation of special tax allocation fund. If a  
6 county has adopted property tax allocation financing by  
7 ordinance for an economic development project area, the  
8 Department has approved and certified the economic development  
9 project area, and the county clerk has thereafter certified the  
10 "total initial equalized value" of the taxable real property  
11 within such economic development project area in the manner  
12 provided in subsection (b) of Section 6 of this Act, each year  
13 after the date of the certification by the county clerk of the  
14 "initial equalized assessed value" until economic development  
15 project costs and all county obligations financing economic  
16 development project costs have been paid, the ad valorem taxes,  
17 if any, arising from the levies upon the taxable real property  
18 in the economic development project area by taxing districts  
19 and tax rates determined in the manner provided in subsection  
20 (b) of Section 6 of this Act shall be divided as follows:

21           (1) That portion of the taxes levied upon each taxable  
22 lot, block, tract or parcel of real property which is  
23 attributable to the lower of the current equalized assessed  
24 value or the initial equalized assessed value of each such

1 taxable lot, block, tract, or parcel of real property  
2 existing at the time property tax allocation financing was  
3 adopted shall be allocated and when collected shall be paid  
4 by the county collector to the respective affected taxing  
5 districts in the manner required by the law in the absence  
6 of the adoption of property tax allocation financing.

7 (2) That portion, if any, of those taxes which is  
8 attributable to the increase in the current equalized  
9 assessed valuation of each taxable lot, block, tract, or  
10 parcel of real property in the economic development project  
11 are, over and above the initial equalized assessed value of  
12 each property existing at the time property tax allocation  
13 financing was adopted shall be allocated to and when  
14 collected shall be paid to the county treasurer, who shall  
15 deposit those taxes into a special fund called the special  
16 tax allocation fund of the county for the purpose of paying  
17 economic development project costs and obligations  
18 incurred in the payment thereof.

19 The county, by an ordinance adopting property tax  
20 allocation financing, may pledge the funds in and to be  
21 deposited in the special tax allocation fund for the payment of  
22 obligations issued under this Act and for the payment of  
23 economic development project costs. No part of the current  
24 equalized assessed valuation of each property in the economic  
25 development project area attributable to any increase above the  
26 total initial equalized assessed value of such properties shall

1 be used in calculating the general State school aid formula,  
2 provided for in Section 18-8 of the School Code, or the primary  
3 State aid formula, provided for in Section 18-8.15 of the  
4 School Code, until such time as all economic development  
5 projects costs have been paid as provided for in this Section.

6 Whenever a county issues bonds for the purpose of financing  
7 economic development project costs, the county may provide by  
8 ordinance for the appointment of a trustee, which may be any  
9 trust company within the State, and for the establishment of  
10 the funds or accounts to be maintained by such trustee as the  
11 county shall deem necessary to provide for the security and  
12 payment of the bonds. If the county provides for the  
13 appointment of a trustee, the trustee shall be considered the  
14 assignee of any payments assigned by the county pursuant to the  
15 ordinance and this Section. Any amounts paid to the trustee as  
16 assignee shall be deposited in the funds or accounts  
17 established pursuant to the trust agreement, and shall be held  
18 by the trustee in trust for the benefit of the holders of the  
19 bonds, and the holders shall have a lien on and a security  
20 interest in those bonds or accounts so long as the bonds remain  
21 outstanding and unpaid. Upon retirement of the bonds, the  
22 trustee shall pay over any excess amounts held to the county  
23 for deposit in the special tax allocation fund.

24 When the economic development project costs, including  
25 without limitation all county obligations financing economic  
26 development project costs incurred under this Act, have been



1 paid, all surplus funds then remaining in the special tax  
2 allocation funds shall be distributed by being paid by the  
3 county treasurer to the county collector, who shall immediately  
4 thereafter pay those funds to the taxing districts having  
5 taxable property in the economic development project area in  
6 the same manner and proportion as the most recent distribution  
7 by the county collector to those taxing districts of real  
8 property taxes from real property in the economic development  
9 project area.

10 Upon the payment of all economic development project costs,  
11 retirement of obligations and the distribution of any excess  
12 monies pursuant to this Section and not later than 23 years  
13 from the date of adoption of the ordinance adopting property  
14 tax allocation financing, the county shall adopt an ordinance  
15 dissolving the special tax allocation fund for the economic  
16 development project area and terminating the designation of the  
17 economic development project area as an economic development  
18 project area. Thereafter the rates of the taxing districts  
19 shall be extended and taxes levied, collected and distributed  
20 in the manner applicable in the absence of the adoption of  
21 property tax allocation financing.

22 Nothing in this Section shall be construed as relieving  
23 property in economic development project areas from being  
24 assessed as provided in the Property Tax Code or as relieving  
25 owners of that property from paying a uniform rate of taxes, as  
26 required by Section 4 of Article IX of the Illinois

1 Constitution of 1970.

2 (Source: P.A. 98-463, eff. 8-16-13.)

3 Section 930. The County Economic Development Project Area  
4 Tax Increment Allocation Act of 1991 is amended by changing  
5 Section 50 as follows:

6 (55 ILCS 90/50) (from Ch. 34, par. 8050)

7 Sec. 50. Special tax allocation fund.

8 (a) If a county clerk has certified the "total initial  
9 equalized assessed value" of the taxable real property within  
10 an economic development project area in the manner provided in  
11 Section 45, each year after the date of the certification by  
12 the county clerk of the "total initial equalized assessed  
13 value", until economic development project costs and all county  
14 obligations financing economic development project costs have  
15 been paid, the ad valorem taxes, if any, arising from the  
16 levies upon the taxable real property in the economic  
17 development project area by taxing districts and tax rates  
18 determined in the manner provided in subsection (b) of Section  
19 45 shall be divided as follows:

20 (1) That portion of the taxes levied upon each taxable  
21 lot, block, tract, or parcel of real property that is  
22 attributable to the lower of the current equalized assessed  
23 value or the initial equalized assessed value of each  
24 taxable lot, block, tract, or parcel of real property

1 existing at the time tax increment financing was adopted  
2 shall be allocated to (and when collected shall be paid by  
3 the county collector to) the respective affected taxing  
4 districts in the manner required by law in the absence of  
5 the adoption of tax increment allocation financing.

6 (2) That portion, if any, of the taxes that is  
7 attributable to the increase in the current equalized  
8 assessed valuation of each taxable lot, block, tract, or  
9 parcel of real property in the economic development project  
10 area, over and above the initial equalized assessed value  
11 of each property existing at the time tax increment  
12 financing was adopted, shall be allocated to (and when  
13 collected shall be paid to) the county treasurer, who shall  
14 deposit the taxes into a special fund (called the special  
15 tax allocation fund of the county) for the purpose of  
16 paying economic development project costs and obligations  
17 incurred in the payment of those costs.

18 (b) The county, by an ordinance adopting tax increment  
19 allocation financing, may pledge the monies in and to be  
20 deposited into the special tax allocation fund for the payment  
21 of obligations issued under this Act and for the payment of  
22 economic development project costs. No part of the current  
23 equalized assessed valuation of each property in the economic  
24 development project area attributable to any increase above the  
25 total initial equalized assessed value of those properties  
26 shall be used in calculating the general State ~~school~~ aid

1 formula under Section 18-8 of the School Code or the primary  
2 State aid formula under Section 18-8.15 of the School Code  
3 until all economic development projects costs have been paid as  
4 provided for in this Section.

5 (c) When the economic development projects costs,  
6 including without limitation all county obligations financing  
7 economic development project costs incurred under this Act,  
8 have been paid, all surplus monies then remaining in the  
9 special tax allocation fund shall be distributed by being paid  
10 by the county treasurer to the county collector, who shall  
11 immediately pay the monies to the taxing districts having  
12 taxable property in the economic development project area in  
13 the same manner and proportion as the most recent distribution  
14 by the county collector to those taxing districts of real  
15 property taxes from real property in the economic development  
16 project area.

17 (d) Upon the payment of all economic development project  
18 costs, retirement of obligations, and distribution of any  
19 excess monies under this Section, the county shall adopt an  
20 ordinance dissolving the special tax allocation fund for the  
21 economic development project area and terminating the  
22 designation of the economic development project area as an  
23 economic development project area. Thereafter, the rates of the  
24 taxing districts shall be extended and taxes shall be levied,  
25 collected, and distributed in the manner applicable in the  
26 absence of the adoption of tax increment allocation financing.

1 (e) Nothing in this Section shall be construed as relieving  
2 property in the economic development project areas from being  
3 assessed as provided in the Property Tax Code or as relieving  
4 owners of that property from paying a uniform rate of taxes as  
5 required by Section 4 of Article IX of the Illinois  
6 Constitution.

7 (Source: P.A. 98-463, eff. 8-16-13.)

8 Section 935. The Illinois Municipal Code is amended by  
9 changing Sections 11-74.4-3, 11-74.4-8, and 11-74.6-35 as  
10 follows:

11 (65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

12 Sec. 11-74.4-3. Definitions. The following terms, wherever  
13 used or referred to in this Division 74.4 shall have the  
14 following respective meanings, unless in any case a different  
15 meaning clearly appears from the context.

16 (a) For any redevelopment project area that has been  
17 designated pursuant to this Section by an ordinance adopted  
18 prior to November 1, 1999 (the effective date of Public Act  
19 91-478), "blighted area" shall have the meaning set forth in  
20 this Section prior to that date.

21 On and after November 1, 1999, "blighted area" means any  
22 improved or vacant area within the boundaries of a  
23 redevelopment project area located within the territorial  
24 limits of the municipality where:

1           (1) If improved, industrial, commercial, and  
2 residential buildings or improvements are detrimental to  
3 the public safety, health, or welfare because of a  
4 combination of 5 or more of the following factors, each of  
5 which is (i) present, with that presence documented, to a  
6 meaningful extent so that a municipality may reasonably  
7 find that the factor is clearly present within the intent  
8 of the Act and (ii) reasonably distributed throughout the  
9 improved part of the redevelopment project area:

10           (A) Dilapidation. An advanced state of disrepair  
11 or neglect of necessary repairs to the primary  
12 structural components of buildings or improvements in  
13 such a combination that a documented building  
14 condition analysis determines that major repair is  
15 required or the defects are so serious and so extensive  
16 that the buildings must be removed.

17           (B) Obsolescence. The condition or process of  
18 falling into disuse. Structures have become ill-suited  
19 for the original use.

20           (C) Deterioration. With respect to buildings,  
21 defects including, but not limited to, major defects in  
22 the secondary building components such as doors,  
23 windows, porches, gutters and downspouts, and fascia.  
24 With respect to surface improvements, that the  
25 condition of roadways, alleys, curbs, gutters,  
26 sidewalks, off-street parking, and surface storage

1 areas evidence deterioration, including, but not  
2 limited to, surface cracking, crumbling, potholes,  
3 depressions, loose paving material, and weeds  
4 protruding through paved surfaces.

5 (D) Presence of structures below minimum code  
6 standards. All structures that do not meet the  
7 standards of zoning, subdivision, building, fire, and  
8 other governmental codes applicable to property, but  
9 not including housing and property maintenance codes.

10 (E) Illegal use of individual structures. The use  
11 of structures in violation of applicable federal,  
12 State, or local laws, exclusive of those applicable to  
13 the presence of structures below minimum code  
14 standards.

15 (F) Excessive vacancies. The presence of buildings  
16 that are unoccupied or under-utilized and that  
17 represent an adverse influence on the area because of  
18 the frequency, extent, or duration of the vacancies.

19 (G) Lack of ventilation, light, or sanitary  
20 facilities. The absence of adequate ventilation for  
21 light or air circulation in spaces or rooms without  
22 windows, or that require the removal of dust, odor,  
23 gas, smoke, or other noxious airborne materials.  
24 Inadequate natural light and ventilation means the  
25 absence of skylights or windows for interior spaces or  
26 rooms and improper window sizes and amounts by room

1 area to window area ratios. Inadequate sanitary  
2 facilities refers to the absence or inadequacy of  
3 garbage storage and enclosure, bathroom facilities,  
4 hot water and kitchens, and structural inadequacies  
5 preventing ingress and egress to and from all rooms and  
6 units within a building.

7 (H) Inadequate utilities. Underground and overhead  
8 utilities such as storm sewers and storm drainage,  
9 sanitary sewers, water lines, and gas, telephone, and  
10 electrical services that are shown to be inadequate.  
11 Inadequate utilities are those that are: (i) of  
12 insufficient capacity to serve the uses in the  
13 redevelopment project area, (ii) deteriorated,  
14 antiquated, obsolete, or in disrepair, or (iii)  
15 lacking within the redevelopment project area.

16 (I) Excessive land coverage and overcrowding of  
17 structures and community facilities. The  
18 over-intensive use of property and the crowding of  
19 buildings and accessory facilities onto a site.  
20 Examples of problem conditions warranting the  
21 designation of an area as one exhibiting excessive land  
22 coverage are: (i) the presence of buildings either  
23 improperly situated on parcels or located on parcels of  
24 inadequate size and shape in relation to present-day  
25 standards of development for health and safety and (ii)  
26 the presence of multiple buildings on a single parcel.



1 For there to be a finding of excessive land coverage,  
2 these parcels must exhibit one or more of the following  
3 conditions: insufficient provision for light and air  
4 within or around buildings, increased threat of spread  
5 of fire due to the close proximity of buildings, lack  
6 of adequate or proper access to a public right-of-way,  
7 lack of reasonably required off-street parking, or  
8 inadequate provision for loading and service.

9 (J) Deleterious land use or layout. The existence  
10 of incompatible land-use relationships, buildings  
11 occupied by inappropriate mixed-uses, or uses  
12 considered to be noxious, offensive, or unsuitable for  
13 the surrounding area.

14 (K) Environmental clean-up. The proposed  
15 redevelopment project area has incurred Illinois  
16 Environmental Protection Agency or United States  
17 Environmental Protection Agency remediation costs for,  
18 or a study conducted by an independent consultant  
19 recognized as having expertise in environmental  
20 remediation has determined a need for, the clean-up of  
21 hazardous waste, hazardous substances, or underground  
22 storage tanks required by State or federal law,  
23 provided that the remediation costs constitute a  
24 material impediment to the development or  
25 redevelopment of the redevelopment project area.

26 (L) Lack of community planning. The proposed

1           redevelopment project area was developed prior to or  
2           without the benefit or guidance of a community plan.  
3           This means that the development occurred prior to the  
4           adoption by the municipality of a comprehensive or  
5           other community plan or that the plan was not followed  
6           at the time of the area's development. This factor must  
7           be documented by evidence of adverse or incompatible  
8           land-use relationships, inadequate street layout,  
9           improper subdivision, parcels of inadequate shape and  
10          size to meet contemporary development standards, or  
11          other evidence demonstrating an absence of effective  
12          community planning.

13           (M) The total equalized assessed value of the  
14          proposed redevelopment project area has declined for 3  
15          of the last 5 calendar years prior to the year in which  
16          the redevelopment project area is designated or is  
17          increasing at an annual rate that is less than the  
18          balance of the municipality for 3 of the last 5  
19          calendar years for which information is available or is  
20          increasing at an annual rate that is less than the  
21          Consumer Price Index for All Urban Consumers published  
22          by the United States Department of Labor or successor  
23          agency for 3 of the last 5 calendar years prior to the  
24          year in which the redevelopment project area is  
25          designated.

26          (2) If vacant, the sound growth of the redevelopment

1 project area is impaired by a combination of 2 or more of  
2 the following factors, each of which is (i) present, with  
3 that presence documented, to a meaningful extent so that a  
4 municipality may reasonably find that the factor is clearly  
5 present within the intent of the Act and (ii) reasonably  
6 distributed throughout the vacant part of the  
7 redevelopment project area to which it pertains:

8 (A) Obsolete platting of vacant land that results  
9 in parcels of limited or narrow size or configurations  
10 of parcels of irregular size or shape that would be  
11 difficult to develop on a planned basis and in a manner  
12 compatible with contemporary standards and  
13 requirements, or platting that failed to create  
14 rights-of-ways for streets or alleys or that created  
15 inadequate right-of-way widths for streets, alleys, or  
16 other public rights-of-way or that omitted easements  
17 for public utilities.

18 (B) Diversity of ownership of parcels of vacant  
19 land sufficient in number to retard or impede the  
20 ability to assemble the land for development.

21 (C) Tax and special assessment delinquencies exist  
22 or the property has been the subject of tax sales under  
23 the Property Tax Code within the last 5 years.

24 (D) Deterioration of structures or site  
25 improvements in neighboring areas adjacent to the  
26 vacant land.

1           (E) The area has incurred Illinois Environmental  
2           Protection Agency or United States Environmental  
3           Protection Agency remediation costs for, or a study  
4           conducted by an independent consultant recognized as  
5           having expertise in environmental remediation has  
6           determined a need for, the clean-up of hazardous waste,  
7           hazardous substances, or underground storage tanks  
8           required by State or federal law, provided that the  
9           remediation costs constitute a material impediment to  
10          the development or redevelopment of the redevelopment  
11          project area.

12          (F) The total equalized assessed value of the  
13          proposed redevelopment project area has declined for 3  
14          of the last 5 calendar years prior to the year in which  
15          the redevelopment project area is designated or is  
16          increasing at an annual rate that is less than the  
17          balance of the municipality for 3 of the last 5  
18          calendar years for which information is available or is  
19          increasing at an annual rate that is less than the  
20          Consumer Price Index for All Urban Consumers published  
21          by the United States Department of Labor or successor  
22          agency for 3 of the last 5 calendar years prior to the  
23          year in which the redevelopment project area is  
24          designated.

25          (3) If vacant, the sound growth of the redevelopment  
26          project area is impaired by one of the following factors

1 that (i) is present, with that presence documented, to a  
2 meaningful extent so that a municipality may reasonably  
3 find that the factor is clearly present within the intent  
4 of the Act and (ii) is reasonably distributed throughout  
5 the vacant part of the redevelopment project area to which  
6 it pertains:

7 (A) The area consists of one or more unused  
8 quarries, mines, or strip mine ponds.

9 (B) The area consists of unused rail yards, rail  
10 tracks, or railroad rights-of-way.

11 (C) The area, prior to its designation, is subject  
12 to (i) chronic flooding that adversely impacts on real  
13 property in the area as certified by a registered  
14 professional engineer or appropriate regulatory agency  
15 or (ii) surface water that discharges from all or a  
16 part of the area and contributes to flooding within the  
17 same watershed, but only if the redevelopment project  
18 provides for facilities or improvements to contribute  
19 to the alleviation of all or part of the flooding.

20 (D) The area consists of an unused or illegal  
21 disposal site containing earth, stone, building  
22 debris, or similar materials that were removed from  
23 construction, demolition, excavation, or dredge sites.

24 (E) Prior to November 1, 1999, the area is not less  
25 than 50 nor more than 100 acres and 75% of which is  
26 vacant (notwithstanding that the area has been used for

1 commercial agricultural purposes within 5 years prior  
2 to the designation of the redevelopment project area),  
3 and the area meets at least one of the factors itemized  
4 in paragraph (1) of this subsection, the area has been  
5 designated as a town or village center by ordinance or  
6 comprehensive plan adopted prior to January 1, 1982,  
7 and the area has not been developed for that designated  
8 purpose.

9 (F) The area qualified as a blighted improved area  
10 immediately prior to becoming vacant, unless there has  
11 been substantial private investment in the immediately  
12 surrounding area.

13 (b) For any redevelopment project area that has been  
14 designated pursuant to this Section by an ordinance adopted  
15 prior to November 1, 1999 (the effective date of Public Act  
16 91-478), "conservation area" shall have the meaning set forth  
17 in this Section prior to that date.

18 On and after November 1, 1999, "conservation area" means  
19 any improved area within the boundaries of a redevelopment  
20 project area located within the territorial limits of the  
21 municipality in which 50% or more of the structures in the area  
22 have an age of 35 years or more. Such an area is not yet a  
23 blighted area but because of a combination of 3 or more of the  
24 following factors is detrimental to the public safety, health,  
25 morals or welfare and such an area may become a blighted area:

26 (1) Dilapidation. An advanced state of disrepair or

1 neglect of necessary repairs to the primary structural  
2 components of buildings or improvements in such a  
3 combination that a documented building condition analysis  
4 determines that major repair is required or the defects are  
5 so serious and so extensive that the buildings must be  
6 removed.

7 (2) Obsolescence. The condition or process of falling  
8 into disuse. Structures have become ill-suited for the  
9 original use.

10 (3) Deterioration. With respect to buildings, defects  
11 including, but not limited to, major defects in the  
12 secondary building components such as doors, windows,  
13 porches, gutters and downspouts, and fascia. With respect  
14 to surface improvements, that the condition of roadways,  
15 alleys, curbs, gutters, sidewalks, off-street parking, and  
16 surface storage areas evidence deterioration, including,  
17 but not limited to, surface cracking, crumbling, potholes,  
18 depressions, loose paving material, and weeds protruding  
19 through paved surfaces.

20 (4) Presence of structures below minimum code  
21 standards. All structures that do not meet the standards of  
22 zoning, subdivision, building, fire, and other  
23 governmental codes applicable to property, but not  
24 including housing and property maintenance codes.

25 (5) Illegal use of individual structures. The use of  
26 structures in violation of applicable federal, State, or

1 local laws, exclusive of those applicable to the presence  
2 of structures below minimum code standards.

3 (6) Excessive vacancies. The presence of buildings  
4 that are unoccupied or under-utilized and that represent an  
5 adverse influence on the area because of the frequency,  
6 extent, or duration of the vacancies.

7 (7) Lack of ventilation, light, or sanitary  
8 facilities. The absence of adequate ventilation for light  
9 or air circulation in spaces or rooms without windows, or  
10 that require the removal of dust, odor, gas, smoke, or  
11 other noxious airborne materials. Inadequate natural light  
12 and ventilation means the absence or inadequacy of  
13 skylights or windows for interior spaces or rooms and  
14 improper window sizes and amounts by room area to window  
15 area ratios. Inadequate sanitary facilities refers to the  
16 absence or inadequacy of garbage storage and enclosure,  
17 bathroom facilities, hot water and kitchens, and  
18 structural inadequacies preventing ingress and egress to  
19 and from all rooms and units within a building.

20 (8) Inadequate utilities. Underground and overhead  
21 utilities such as storm sewers and storm drainage, sanitary  
22 sewers, water lines, and gas, telephone, and electrical  
23 services that are shown to be inadequate. Inadequate  
24 utilities are those that are: (i) of insufficient capacity  
25 to serve the uses in the redevelopment project area, (ii)  
26 deteriorated, antiquated, obsolete, or in disrepair, or



1 (iii) lacking within the redevelopment project area.

2 (9) Excessive land coverage and overcrowding of  
3 structures and community facilities. The over-intensive  
4 use of property and the crowding of buildings and accessory  
5 facilities onto a site. Examples of problem conditions  
6 warranting the designation of an area as one exhibiting  
7 excessive land coverage are: the presence of buildings  
8 either improperly situated on parcels or located on parcels  
9 of inadequate size and shape in relation to present-day  
10 standards of development for health and safety and the  
11 presence of multiple buildings on a single parcel. For  
12 there to be a finding of excessive land coverage, these  
13 parcels must exhibit one or more of the following  
14 conditions: insufficient provision for light and air  
15 within or around buildings, increased threat of spread of  
16 fire due to the close proximity of buildings, lack of  
17 adequate or proper access to a public right-of-way, lack of  
18 reasonably required off-street parking, or inadequate  
19 provision for loading and service.

20 (10) Deleterious land use or layout. The existence of  
21 incompatible land-use relationships, buildings occupied by  
22 inappropriate mixed-uses, or uses considered to be  
23 noxious, offensive, or unsuitable for the surrounding  
24 area.

25 (11) Lack of community planning. The proposed  
26 redevelopment project area was developed prior to or

1 without the benefit or guidance of a community plan. This  
2 means that the development occurred prior to the adoption  
3 by the municipality of a comprehensive or other community  
4 plan or that the plan was not followed at the time of the  
5 area's development. This factor must be documented by  
6 evidence of adverse or incompatible land-use  
7 relationships, inadequate street layout, improper  
8 subdivision, parcels of inadequate shape and size to meet  
9 contemporary development standards, or other evidence  
10 demonstrating an absence of effective community planning.

11 (12) The area has incurred Illinois Environmental  
12 Protection Agency or United States Environmental  
13 Protection Agency remediation costs for, or a study  
14 conducted by an independent consultant recognized as  
15 having expertise in environmental remediation has  
16 determined a need for, the clean-up of hazardous waste,  
17 hazardous substances, or underground storage tanks  
18 required by State or federal law, provided that the  
19 remediation costs constitute a material impediment to the  
20 development or redevelopment of the redevelopment project  
21 area.

22 (13) The total equalized assessed value of the proposed  
23 redevelopment project area has declined for 3 of the last 5  
24 calendar years for which information is available or is  
25 increasing at an annual rate that is less than the balance  
26 of the municipality for 3 of the last 5 calendar years for

1           which information is available or is increasing at an  
2           annual rate that is less than the Consumer Price Index for  
3           All Urban Consumers published by the United States  
4           Department of Labor or successor agency for 3 of the last 5  
5           calendar years for which information is available.

6           (c) "Industrial park" means an area in a blighted or  
7           conservation area suitable for use by any manufacturing,  
8           industrial, research or transportation enterprise, of  
9           facilities to include but not be limited to factories, mills,  
10          processing plants, assembly plants, packing plants,  
11          fabricating plants, industrial distribution centers,  
12          warehouses, repair overhaul or service facilities, freight  
13          terminals, research facilities, test facilities or railroad  
14          facilities.

15          (d) "Industrial park conservation area" means an area  
16          within the boundaries of a redevelopment project area located  
17          within the territorial limits of a municipality that is a labor  
18          surplus municipality or within 1 1/2 miles of the territorial  
19          limits of a municipality that is a labor surplus municipality  
20          if the area is annexed to the municipality; which area is zoned  
21          as industrial no later than at the time the municipality by  
22          ordinance designates the redevelopment project area, and which  
23          area includes both vacant land suitable for use as an  
24          industrial park and a blighted area or conservation area  
25          contiguous to such vacant land.

26          (e) "Labor surplus municipality" means a municipality in

1 which, at any time during the 6 months before the municipality  
2 by ordinance designates an industrial park conservation area,  
3 the unemployment rate was over 6% and was also 100% or more of  
4 the national average unemployment rate for that same time as  
5 published in the United States Department of Labor Bureau of  
6 Labor Statistics publication entitled "The Employment  
7 Situation" or its successor publication. For the purpose of  
8 this subsection, if unemployment rate statistics for the  
9 municipality are not available, the unemployment rate in the  
10 municipality shall be deemed to be the same as the unemployment  
11 rate in the principal county in which the municipality is  
12 located.

13 (f) "Municipality" shall mean a city, village,  
14 incorporated town, or a township that is located in the  
15 unincorporated portion of a county with 3 million or more  
16 inhabitants, if the county adopted an ordinance that approved  
17 the township's redevelopment plan.

18 (g) "Initial Sales Tax Amounts" means the amount of taxes  
19 paid under the Retailers' Occupation Tax Act, Use Tax Act,  
20 Service Use Tax Act, the Service Occupation Tax Act, the  
21 Municipal Retailers' Occupation Tax Act, and the Municipal  
22 Service Occupation Tax Act by retailers and servicemen on  
23 transactions at places located in a State Sales Tax Boundary  
24 during the calendar year 1985.

25 (g-1) "Revised Initial Sales Tax Amounts" means the amount  
26 of taxes paid under the Retailers' Occupation Tax Act, Use Tax

1 Act, Service Use Tax Act, the Service Occupation Tax Act, the  
2 Municipal Retailers' Occupation Tax Act, and the Municipal  
3 Service Occupation Tax Act by retailers and servicemen on  
4 transactions at places located within the State Sales Tax  
5 Boundary revised pursuant to Section 11-74.4-8a(9) of this Act.

6 (h) "Municipal Sales Tax Increment" means an amount equal  
7 to the increase in the aggregate amount of taxes paid to a  
8 municipality from the Local Government Tax Fund arising from  
9 sales by retailers and servicemen within the redevelopment  
10 project area or State Sales Tax Boundary, as the case may be,  
11 for as long as the redevelopment project area or State Sales  
12 Tax Boundary, as the case may be, exist over and above the  
13 aggregate amount of taxes as certified by the Illinois  
14 Department of Revenue and paid under the Municipal Retailers'  
15 Occupation Tax Act and the Municipal Service Occupation Tax Act  
16 by retailers and servicemen, on transactions at places of  
17 business located in the redevelopment project area or State  
18 Sales Tax Boundary, as the case may be, during the base year  
19 which shall be the calendar year immediately prior to the year  
20 in which the municipality adopted tax increment allocation  
21 financing. For purposes of computing the aggregate amount of  
22 such taxes for base years occurring prior to 1985, the  
23 Department of Revenue shall determine the Initial Sales Tax  
24 Amounts for such taxes and deduct therefrom an amount equal to  
25 4% of the aggregate amount of taxes per year for each year the  
26 base year is prior to 1985, but not to exceed a total deduction

1 of 12%. The amount so determined shall be known as the  
2 "Adjusted Initial Sales Tax Amounts". For purposes of  
3 determining the Municipal Sales Tax Increment, the Department  
4 of Revenue shall for each period subtract from the amount paid  
5 to the municipality from the Local Government Tax Fund arising  
6 from sales by retailers and servicemen on transactions located  
7 in the redevelopment project area or the State Sales Tax  
8 Boundary, as the case may be, the certified Initial Sales Tax  
9 Amounts, the Adjusted Initial Sales Tax Amounts or the Revised  
10 Initial Sales Tax Amounts for the Municipal Retailers'  
11 Occupation Tax Act and the Municipal Service Occupation Tax  
12 Act. For the State Fiscal Year 1989, this calculation shall be  
13 made by utilizing the calendar year 1987 to determine the tax  
14 amounts received. For the State Fiscal Year 1990, this  
15 calculation shall be made by utilizing the period from January  
16 1, 1988, until September 30, 1988, to determine the tax amounts  
17 received from retailers and servicemen pursuant to the  
18 Municipal Retailers' Occupation Tax and the Municipal Service  
19 Occupation Tax Act, which shall have deducted therefrom  
20 nine-twelfths of the certified Initial Sales Tax Amounts, the  
21 Adjusted Initial Sales Tax Amounts or the Revised Initial Sales  
22 Tax Amounts as appropriate. For the State Fiscal Year 1991,  
23 this calculation shall be made by utilizing the period from  
24 October 1, 1988, to June 30, 1989, to determine the tax amounts  
25 received from retailers and servicemen pursuant to the  
26 Municipal Retailers' Occupation Tax and the Municipal Service

1 Occupation Tax Act which shall have deducted therefrom  
2 nine-twelfths of the certified Initial Sales Tax Amounts,  
3 Adjusted Initial Sales Tax Amounts or the Revised Initial Sales  
4 Tax Amounts as appropriate. For every State Fiscal Year  
5 thereafter, the applicable period shall be the 12 months  
6 beginning July 1 and ending June 30 to determine the tax  
7 amounts received which shall have deducted therefrom the  
8 certified Initial Sales Tax Amounts, the Adjusted Initial Sales  
9 Tax Amounts or the Revised Initial Sales Tax Amounts, as the  
10 case may be.

11 (i) "Net State Sales Tax Increment" means the sum of the  
12 following: (a) 80% of the first \$100,000 of State Sales Tax  
13 Increment annually generated within a State Sales Tax Boundary;  
14 (b) 60% of the amount in excess of \$100,000 but not exceeding  
15 \$500,000 of State Sales Tax Increment annually generated within  
16 a State Sales Tax Boundary; and (c) 40% of all amounts in  
17 excess of \$500,000 of State Sales Tax Increment annually  
18 generated within a State Sales Tax Boundary. If, however, a  
19 municipality established a tax increment financing district in  
20 a county with a population in excess of 3,000,000 before  
21 January 1, 1986, and the municipality entered into a contract  
22 or issued bonds after January 1, 1986, but before December 31,  
23 1986, to finance redevelopment project costs within a State  
24 Sales Tax Boundary, then the Net State Sales Tax Increment  
25 means, for the fiscal years beginning July 1, 1990, and July 1,  
26 1991, 100% of the State Sales Tax Increment annually generated

1 within a State Sales Tax Boundary; and notwithstanding any  
2 other provision of this Act, for those fiscal years the  
3 Department of Revenue shall distribute to those municipalities  
4 100% of their Net State Sales Tax Increment before any  
5 distribution to any other municipality and regardless of  
6 whether or not those other municipalities will receive 100% of  
7 their Net State Sales Tax Increment. For Fiscal Year 1999, and  
8 every year thereafter until the year 2007, for any municipality  
9 that has not entered into a contract or has not issued bonds  
10 prior to June 1, 1988 to finance redevelopment project costs  
11 within a State Sales Tax Boundary, the Net State Sales Tax  
12 Increment shall be calculated as follows: By multiplying the  
13 Net State Sales Tax Increment by 90% in the State Fiscal Year  
14 1999; 80% in the State Fiscal Year 2000; 70% in the State  
15 Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the  
16 State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30%  
17 in the State Fiscal Year 2005; 20% in the State Fiscal Year  
18 2006; and 10% in the State Fiscal Year 2007. No payment shall  
19 be made for State Fiscal Year 2008 and thereafter.

20 Municipalities that issued bonds in connection with a  
21 redevelopment project in a redevelopment project area within  
22 the State Sales Tax Boundary prior to July 29, 1991, or that  
23 entered into contracts in connection with a redevelopment  
24 project in a redevelopment project area before June 1, 1988,  
25 shall continue to receive their proportional share of the  
26 Illinois Tax Increment Fund distribution until the date on



1 which the redevelopment project is completed or terminated. If,  
2 however, a municipality that issued bonds in connection with a  
3 redevelopment project in a redevelopment project area within  
4 the State Sales Tax Boundary prior to July 29, 1991 retires the  
5 bonds prior to June 30, 2007 or a municipality that entered  
6 into contracts in connection with a redevelopment project in a  
7 redevelopment project area before June 1, 1988 completes the  
8 contracts prior to June 30, 2007, then so long as the  
9 redevelopment project is not completed or is not terminated,  
10 the Net State Sales Tax Increment shall be calculated,  
11 beginning on the date on which the bonds are retired or the  
12 contracts are completed, as follows: By multiplying the Net  
13 State Sales Tax Increment by 60% in the State Fiscal Year 2002;  
14 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year  
15 2004; 30% in the State Fiscal Year 2005; 20% in the State  
16 Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No  
17 payment shall be made for State Fiscal Year 2008 and  
18 thereafter. Refunding of any bonds issued prior to July 29,  
19 1991, shall not alter the Net State Sales Tax Increment.

20 (j) "State Utility Tax Increment Amount" means an amount  
21 equal to the aggregate increase in State electric and gas tax  
22 charges imposed on owners and tenants, other than residential  
23 customers, of properties located within the redevelopment  
24 project area under Section 9-222 of the Public Utilities Act,  
25 over and above the aggregate of such charges as certified by  
26 the Department of Revenue and paid by owners and tenants, other

1 than residential customers, of properties within the  
2 redevelopment project area during the base year, which shall be  
3 the calendar year immediately prior to the year of the adoption  
4 of the ordinance authorizing tax increment allocation  
5 financing.

6 (k) "Net State Utility Tax Increment" means the sum of the  
7 following: (a) 80% of the first \$100,000 of State Utility Tax  
8 Increment annually generated by a redevelopment project area;  
9 (b) 60% of the amount in excess of \$100,000 but not exceeding  
10 \$500,000 of the State Utility Tax Increment annually generated  
11 by a redevelopment project area; and (c) 40% of all amounts in  
12 excess of \$500,000 of State Utility Tax Increment annually  
13 generated by a redevelopment project area. For the State Fiscal  
14 Year 1999, and every year thereafter until the year 2007, for  
15 any municipality that has not entered into a contract or has  
16 not issued bonds prior to June 1, 1988 to finance redevelopment  
17 project costs within a redevelopment project area, the Net  
18 State Utility Tax Increment shall be calculated as follows: By  
19 multiplying the Net State Utility Tax Increment by 90% in the  
20 State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70%  
21 in the State Fiscal Year 2001; 60% in the State Fiscal Year  
22 2002; 50% in the State Fiscal Year 2003; 40% in the State  
23 Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the  
24 State Fiscal Year 2006; and 10% in the State Fiscal Year 2007.  
25 No payment shall be made for the State Fiscal Year 2008 and  
26 thereafter.

1           Municipalities that issue bonds in connection with the  
2 redevelopment project during the period from June 1, 1988 until  
3 3 years after the effective date of this Amendatory Act of 1988  
4 shall receive the Net State Utility Tax Increment, subject to  
5 appropriation, for 15 State Fiscal Years after the issuance of  
6 such bonds. For the 16th through the 20th State Fiscal Years  
7 after issuance of the bonds, the Net State Utility Tax  
8 Increment shall be calculated as follows: By multiplying the  
9 Net State Utility Tax Increment by 90% in year 16; 80% in year  
10 17; 70% in year 18; 60% in year 19; and 50% in year 20.  
11 Refunding of any bonds issued prior to June 1, 1988, shall not  
12 alter the revised Net State Utility Tax Increment payments set  
13 forth above.

14           (1) "Obligations" mean bonds, loans, debentures, notes,  
15 special certificates or other evidence of indebtedness issued  
16 by the municipality to carry out a redevelopment project or to  
17 refund outstanding obligations.

18           (m) "Payment in lieu of taxes" means those estimated tax  
19 revenues from real property in a redevelopment project area  
20 derived from real property that has been acquired by a  
21 municipality which according to the redevelopment project or  
22 plan is to be used for a private use which taxing districts  
23 would have received had a municipality not acquired the real  
24 property and adopted tax increment allocation financing and  
25 which would result from levies made after the time of the  
26 adoption of tax increment allocation financing to the time the

1 current equalized value of real property in the redevelopment  
2 project area exceeds the total initial equalized value of real  
3 property in said area.

4 (n) "Redevelopment plan" means the comprehensive program  
5 of the municipality for development or redevelopment intended  
6 by the payment of redevelopment project costs to reduce or  
7 eliminate those conditions the existence of which qualified the  
8 redevelopment project area as a "blighted area" or  
9 "conservation area" or combination thereof or "industrial park  
10 conservation area," and thereby to enhance the tax bases of the  
11 taxing districts which extend into the redevelopment project  
12 area. On and after November 1, 1999 (the effective date of  
13 Public Act 91-478), no redevelopment plan may be approved or  
14 amended that includes the development of vacant land (i) with a  
15 golf course and related clubhouse and other facilities or (ii)  
16 designated by federal, State, county, or municipal government  
17 as public land for outdoor recreational activities or for  
18 nature preserves and used for that purpose within 5 years prior  
19 to the adoption of the redevelopment plan. For the purpose of  
20 this subsection, "recreational activities" is limited to mean  
21 camping and hunting. Each redevelopment plan shall set forth in  
22 writing the program to be undertaken to accomplish the  
23 objectives and shall include but not be limited to:

24 (A) an itemized list of estimated redevelopment  
25 project costs;

26 (B) evidence indicating that the redevelopment project

1 area on the whole has not been subject to growth and  
2 development through investment by private enterprise;

3 (C) an assessment of any financial impact of the  
4 redevelopment project area on or any increased demand for  
5 services from any taxing district affected by the plan and  
6 any program to address such financial impact or increased  
7 demand;

8 (D) the sources of funds to pay costs;

9 (E) the nature and term of the obligations to be  
10 issued;

11 (F) the most recent equalized assessed valuation of the  
12 redevelopment project area;

13 (G) an estimate as to the equalized assessed valuation  
14 after redevelopment and the general land uses to apply in  
15 the redevelopment project area;

16 (H) a commitment to fair employment practices and an  
17 affirmative action plan;

18 (I) if it concerns an industrial park conservation  
19 area, the plan shall also include a general description of  
20 any proposed developer, user and tenant of any property, a  
21 description of the type, structure and general character of  
22 the facilities to be developed, a description of the type,  
23 class and number of new employees to be employed in the  
24 operation of the facilities to be developed; and

25 (J) if property is to be annexed to the municipality,  
26 the plan shall include the terms of the annexation

1 agreement.

2 The provisions of items (B) and (C) of this subsection (n)  
3 shall not apply to a municipality that before March 14, 1994  
4 (the effective date of Public Act 88-537) had fixed, either by  
5 its corporate authorities or by a commission designated under  
6 subsection (k) of Section 11-74.4-4, a time and place for a  
7 public hearing as required by subsection (a) of Section  
8 11-74.4-5. No redevelopment plan shall be adopted unless a  
9 municipality complies with all of the following requirements:

10 (1) The municipality finds that the redevelopment  
11 project area on the whole has not been subject to growth  
12 and development through investment by private enterprise  
13 and would not reasonably be anticipated to be developed  
14 without the adoption of the redevelopment plan.

15 (2) The municipality finds that the redevelopment plan  
16 and project conform to the comprehensive plan for the  
17 development of the municipality as a whole, or, for  
18 municipalities with a population of 100,000 or more,  
19 regardless of when the redevelopment plan and project was  
20 adopted, the redevelopment plan and project either: (i)  
21 conforms to the strategic economic development or  
22 redevelopment plan issued by the designated planning  
23 authority of the municipality, or (ii) includes land uses  
24 that have been approved by the planning commission of the  
25 municipality.

26 (3) The redevelopment plan establishes the estimated

1 dates of completion of the redevelopment project and  
2 retirement of obligations issued to finance redevelopment  
3 project costs. Those dates may not be later than the dates  
4 set forth under Section 11-74.4-3.5.

5 A municipality may by municipal ordinance amend an  
6 existing redevelopment plan to conform to this paragraph  
7 (3) as amended by Public Act 91-478, which municipal  
8 ordinance may be adopted without further hearing or notice  
9 and without complying with the procedures provided in this  
10 Act pertaining to an amendment to or the initial approval  
11 of a redevelopment plan and project and designation of a  
12 redevelopment project area.

13 (3.5) The municipality finds, in the case of an  
14 industrial park conservation area, also that the  
15 municipality is a labor surplus municipality and that the  
16 implementation of the redevelopment plan will reduce  
17 unemployment, create new jobs and by the provision of new  
18 facilities enhance the tax base of the taxing districts  
19 that extend into the redevelopment project area.

20 (4) If any incremental revenues are being utilized  
21 under Section 8(a)(1) or 8(a)(2) of this Act in  
22 redevelopment project areas approved by ordinance after  
23 January 1, 1986, the municipality finds: (a) that the  
24 redevelopment project area would not reasonably be  
25 developed without the use of such incremental revenues, and  
26 (b) that such incremental revenues will be exclusively

1 utilized for the development of the redevelopment project  
2 area.

3 (5) If the redevelopment plan will not result in  
4 displacement of residents from 10 or more inhabited  
5 residential units, and the municipality certifies in the  
6 plan that such displacement will not result from the plan,  
7 a housing impact study need not be performed. If, however,  
8 the redevelopment plan would result in the displacement of  
9 residents from 10 or more inhabited residential units, or  
10 if the redevelopment project area contains 75 or more  
11 inhabited residential units and no certification is made,  
12 then the municipality shall prepare, as part of the  
13 separate feasibility report required by subsection (a) of  
14 Section 11-74.4-5, a housing impact study.

15 Part I of the housing impact study shall include (i)  
16 data as to whether the residential units are single family  
17 or multi-family units, (ii) the number and type of rooms  
18 within the units, if that information is available, (iii)  
19 whether the units are inhabited or uninhabited, as  
20 determined not less than 45 days before the date that the  
21 ordinance or resolution required by subsection (a) of  
22 Section 11-74.4-5 is passed, and (iv) data as to the racial  
23 and ethnic composition of the residents in the inhabited  
24 residential units. The data requirement as to the racial  
25 and ethnic composition of the residents in the inhabited  
26 residential units shall be deemed to be fully satisfied by



1 data from the most recent federal census.

2 Part II of the housing impact study shall identify the  
3 inhabited residential units in the proposed redevelopment  
4 project area that are to be or may be removed. If inhabited  
5 residential units are to be removed, then the housing  
6 impact study shall identify (i) the number and location of  
7 those units that will or may be removed, (ii) the  
8 municipality's plans for relocation assistance for those  
9 residents in the proposed redevelopment project area whose  
10 residences are to be removed, (iii) the availability of  
11 replacement housing for those residents whose residences  
12 are to be removed, and shall identify the type, location,  
13 and cost of the housing, and (iv) the type and extent of  
14 relocation assistance to be provided.

15 (6) On and after November 1, 1999, the housing impact  
16 study required by paragraph (5) shall be incorporated in  
17 the redevelopment plan for the redevelopment project area.

18 (7) On and after November 1, 1999, no redevelopment  
19 plan shall be adopted, nor an existing plan amended, nor  
20 shall residential housing that is occupied by households of  
21 low-income and very low-income persons in currently  
22 existing redevelopment project areas be removed after  
23 November 1, 1999 unless the redevelopment plan provides,  
24 with respect to inhabited housing units that are to be  
25 removed for households of low-income and very low-income  
26 persons, affordable housing and relocation assistance not

1 less than that which would be provided under the federal  
2 Uniform Relocation Assistance and Real Property  
3 Acquisition Policies Act of 1970 and the regulations under  
4 that Act, including the eligibility criteria. Affordable  
5 housing may be either existing or newly constructed  
6 housing. For purposes of this paragraph (7), "low-income  
7 households", "very low-income households", and "affordable  
8 housing" have the meanings set forth in the Illinois  
9 Affordable Housing Act. The municipality shall make a good  
10 faith effort to ensure that this affordable housing is  
11 located in or near the redevelopment project area within  
12 the municipality.

13 (8) On and after November 1, 1999, if, after the  
14 adoption of the redevelopment plan for the redevelopment  
15 project area, any municipality desires to amend its  
16 redevelopment plan to remove more inhabited residential  
17 units than specified in its original redevelopment plan,  
18 that change shall be made in accordance with the procedures  
19 in subsection (c) of Section 11-74.4-5.

20 (9) For redevelopment project areas designated prior  
21 to November 1, 1999, the redevelopment plan may be amended  
22 without further joint review board meeting or hearing,  
23 provided that the municipality shall give notice of any  
24 such changes by mail to each affected taxing district and  
25 registrant on the interested party registry, to authorize  
26 the municipality to expend tax increment revenues for

1 redevelopment project costs defined by paragraphs (5) and  
2 (7.5), subparagraphs (E) and (F) of paragraph (11), and  
3 paragraph (11.5) of subsection (q) of Section 11-74.4-3, so  
4 long as the changes do not increase the total estimated  
5 redevelopment project costs set out in the redevelopment  
6 plan by more than 5% after adjustment for inflation from  
7 the date the plan was adopted.

8 (o) "Redevelopment project" means any public and private  
9 development project in furtherance of the objectives of a  
10 redevelopment plan. On and after November 1, 1999 (the  
11 effective date of Public Act 91-478), no redevelopment plan may  
12 be approved or amended that includes the development of vacant  
13 land (i) with a golf course and related clubhouse and other  
14 facilities or (ii) designated by federal, State, county, or  
15 municipal government as public land for outdoor recreational  
16 activities or for nature preserves and used for that purpose  
17 within 5 years prior to the adoption of the redevelopment plan.  
18 For the purpose of this subsection, "recreational activities"  
19 is limited to mean camping and hunting.

20 (p) "Redevelopment project area" means an area designated  
21 by the municipality, which is not less in the aggregate than 1  
22 1/2 acres and in respect to which the municipality has made a  
23 finding that there exist conditions which cause the area to be  
24 classified as an industrial park conservation area or a  
25 blighted area or a conservation area, or a combination of both  
26 blighted areas and conservation areas.

1 (p-1) Notwithstanding any provision of this Act to the  
2 contrary, on and after August 25, 2009 (the effective date of  
3 Public Act 96-680), a redevelopment project area may include  
4 areas within a one-half mile radius of an existing or proposed  
5 Regional Transportation Authority Suburban Transit Access  
6 Route (STAR Line) station without a finding that the area is  
7 classified as an industrial park conservation area, a blighted  
8 area, a conservation area, or a combination thereof, but only  
9 if the municipality receives unanimous consent from the joint  
10 review board created to review the proposed redevelopment  
11 project area.

12 (q) "Redevelopment project costs", except for  
13 redevelopment project areas created pursuant to subsection  
14 (p-1), means and includes the sum total of all reasonable or  
15 necessary costs incurred or estimated to be incurred, and any  
16 such costs incidental to a redevelopment plan and a  
17 redevelopment project. Such costs include, without limitation,  
18 the following:

19 (1) Costs of studies, surveys, development of plans,  
20 and specifications, implementation and administration of  
21 the redevelopment plan including but not limited to staff  
22 and professional service costs for architectural,  
23 engineering, legal, financial, planning or other services,  
24 provided however that no charges for professional services  
25 may be based on a percentage of the tax increment  
26 collected; except that on and after November 1, 1999 (the

1 effective date of Public Act 91-478), no contracts for  
2 professional services, excluding architectural and  
3 engineering services, may be entered into if the terms of  
4 the contract extend beyond a period of 3 years. In  
5 addition, "redevelopment project costs" shall not include  
6 lobbying expenses. After consultation with the  
7 municipality, each tax increment consultant or advisor to a  
8 municipality that plans to designate or has designated a  
9 redevelopment project area shall inform the municipality  
10 in writing of any contracts that the consultant or advisor  
11 has entered into with entities or individuals that have  
12 received, or are receiving, payments financed by tax  
13 increment revenues produced by the redevelopment project  
14 area with respect to which the consultant or advisor has  
15 performed, or will be performing, service for the  
16 municipality. This requirement shall be satisfied by the  
17 consultant or advisor before the commencement of services  
18 for the municipality and thereafter whenever any other  
19 contracts with those individuals or entities are executed  
20 by the consultant or advisor;

21 (1.5) After July 1, 1999, annual administrative costs  
22 shall not include general overhead or administrative costs  
23 of the municipality that would still have been incurred by  
24 the municipality if the municipality had not designated a  
25 redevelopment project area or approved a redevelopment  
26 plan;

1           (1.6) The cost of marketing sites within the  
2 redevelopment project area to prospective businesses,  
3 developers, and investors;

4           (2) Property assembly costs, including but not limited  
5 to acquisition of land and other property, real or  
6 personal, or rights or interests therein, demolition of  
7 buildings, site preparation, site improvements that serve  
8 as an engineered barrier addressing ground level or below  
9 ground environmental contamination, including, but not  
10 limited to parking lots and other concrete or asphalt  
11 barriers, and the clearing and grading of land;

12           (3) Costs of rehabilitation, reconstruction or repair  
13 or remodeling of existing public or private buildings,  
14 fixtures, and leasehold improvements; and the cost of  
15 replacing an existing public building if pursuant to the  
16 implementation of a redevelopment project the existing  
17 public building is to be demolished to use the site for  
18 private investment or devoted to a different use requiring  
19 private investment; including any direct or indirect costs  
20 relating to Green Globes or LEED certified construction  
21 elements or construction elements with an equivalent  
22 certification;

23           (4) Costs of the construction of public works or  
24 improvements, including any direct or indirect costs  
25 relating to Green Globes or LEED certified construction  
26 elements or construction elements with an equivalent

1 certification, except that on and after November 1, 1999,  
2 redevelopment project costs shall not include the cost of  
3 constructing a new municipal public building principally  
4 used to provide offices, storage space, or conference  
5 facilities or vehicle storage, maintenance, or repair for  
6 administrative, public safety, or public works personnel  
7 and that is not intended to replace an existing public  
8 building as provided under paragraph (3) of subsection (q)  
9 of Section 11-74.4-3 unless either (i) the construction of  
10 the new municipal building implements a redevelopment  
11 project that was included in a redevelopment plan that was  
12 adopted by the municipality prior to November 1, 1999 or  
13 (ii) the municipality makes a reasonable determination in  
14 the redevelopment plan, supported by information that  
15 provides the basis for that determination, that the new  
16 municipal building is required to meet an increase in the  
17 need for public safety purposes anticipated to result from  
18 the implementation of the redevelopment plan;

19 (5) Costs of job training and retraining projects,  
20 including the cost of "welfare to work" programs  
21 implemented by businesses located within the redevelopment  
22 project area;

23 (6) Financing costs, including but not limited to all  
24 necessary and incidental expenses related to the issuance  
25 of obligations and which may include payment of interest on  
26 any obligations issued hereunder including interest

1 accruing during the estimated period of construction of any  
2 redevelopment project for which such obligations are  
3 issued and for not exceeding 36 months thereafter and  
4 including reasonable reserves related thereto;

5 (7) To the extent the municipality by written agreement  
6 accepts and approves the same, all or a portion of a taxing  
7 district's capital costs resulting from the redevelopment  
8 project necessarily incurred or to be incurred within a  
9 taxing district in furtherance of the objectives of the  
10 redevelopment plan and project.

11 (7.5) For redevelopment project areas designated (or  
12 redevelopment project areas amended to add or increase the  
13 number of tax-increment-financing assisted housing units)  
14 on or after November 1, 1999, an elementary, secondary, or  
15 unit school district's increased costs attributable to  
16 assisted housing units located within the redevelopment  
17 project area for which the developer or redeveloper  
18 receives financial assistance through an agreement with  
19 the municipality or because the municipality incurs the  
20 cost of necessary infrastructure improvements within the  
21 boundaries of the assisted housing sites necessary for the  
22 completion of that housing as authorized by this Act, and  
23 which costs shall be paid by the municipality from the  
24 Special Tax Allocation Fund when the tax increment revenue  
25 is received as a result of the assisted housing units and  
26 shall be calculated annually as follows:



1 (A) for foundation districts, excluding any school  
2 district in a municipality with a population in excess  
3 of 1,000,000, by multiplying the district's increase  
4 in attendance resulting from the net increase in new  
5 students enrolled in that school district who reside in  
6 housing units within the redevelopment project area  
7 that have received financial assistance through an  
8 agreement with the municipality or because the  
9 municipality incurs the cost of necessary  
10 infrastructure improvements within the boundaries of  
11 the housing sites necessary for the completion of that  
12 housing as authorized by this Act since the designation  
13 of the redevelopment project area by the most recently  
14 available per capita tuition cost as defined in Section  
15 10-20.12a of the School Code less any increase in  
16 general State aid as defined in Section 18-8.05 of the  
17 School Code or primary State aid as defined in Section  
18 18-8.15 of the School Code attributable to these added  
19 new students subject to the following annual  
20 limitations:

21 (i) for unit school districts with a district  
22 average 1995-96 Per Capita Tuition Charge of less  
23 than \$5,900, no more than 25% of the total amount  
24 of property tax increment revenue produced by  
25 those housing units that have received tax  
26 increment finance assistance under this Act;

1           (ii) for elementary school districts with a  
2           district average 1995-96 Per Capita Tuition Charge  
3           of less than \$5,900, no more than 17% of the total  
4           amount of property tax increment revenue produced  
5           by those housing units that have received tax  
6           increment finance assistance under this Act; and

7           (iii) for secondary school districts with a  
8           district average 1995-96 Per Capita Tuition Charge  
9           of less than \$5,900, no more than 8% of the total  
10          amount of property tax increment revenue produced  
11          by those housing units that have received tax  
12          increment finance assistance under this Act.

13          (B) For alternate method districts, flat grant  
14          districts, and foundation districts with a district  
15          average 1995-96 Per Capita Tuition Charge equal to or  
16          more than \$5,900, excluding any school district with a  
17          population in excess of 1,000,000, by multiplying the  
18          district's increase in attendance resulting from the  
19          net increase in new students enrolled in that school  
20          district who reside in housing units within the  
21          redevelopment project area that have received  
22          financial assistance through an agreement with the  
23          municipality or because the municipality incurs the  
24          cost of necessary infrastructure improvements within  
25          the boundaries of the housing sites necessary for the  
26          completion of that housing as authorized by this Act

1           since the designation of the redevelopment project  
2           area by the most recently available per capita tuition  
3           cost as defined in Section 10-20.12a of the School Code  
4           less any increase in general state aid as defined in  
5           Section 18-8.05 of the School Code or primary State aid  
6           as defined in Section 18-8.15 of the School Code  
7           attributable to these added new students subject to the  
8           following annual limitations:

9                   (i) for unit school districts, no more than 40%  
10                   of the total amount of property tax increment  
11                   revenue produced by those housing units that have  
12                   received tax increment finance assistance under  
13                   this Act;

14                   (ii) for elementary school districts, no more  
15                   than 27% of the total amount of property tax  
16                   increment revenue produced by those housing units  
17                   that have received tax increment finance  
18                   assistance under this Act; and

19                   (iii) for secondary school districts, no more  
20                   than 13% of the total amount of property tax  
21                   increment revenue produced by those housing units  
22                   that have received tax increment finance  
23                   assistance under this Act.

24           (C) For any school district in a municipality with  
25           a population in excess of 1,000,000, the following  
26           restrictions shall apply to the reimbursement of

1 increased costs under this paragraph (7.5):

2 (i) no increased costs shall be reimbursed  
3 unless the school district certifies that each of  
4 the schools affected by the assisted housing  
5 project is at or over its student capacity;

6 (ii) the amount reimbursable shall be reduced  
7 by the value of any land donated to the school  
8 district by the municipality or developer, and by  
9 the value of any physical improvements made to the  
10 schools by the municipality or developer; and

11 (iii) the amount reimbursed may not affect  
12 amounts otherwise obligated by the terms of any  
13 bonds, notes, or other funding instruments, or the  
14 terms of any redevelopment agreement.

15 Any school district seeking payment under this  
16 paragraph (7.5) shall, after July 1 and before  
17 September 30 of each year, provide the municipality  
18 with reasonable evidence to support its claim for  
19 reimbursement before the municipality shall be  
20 required to approve or make the payment to the school  
21 district. If the school district fails to provide the  
22 information during this period in any year, it shall  
23 forfeit any claim to reimbursement for that year.  
24 School districts may adopt a resolution waiving the  
25 right to all or a portion of the reimbursement  
26 otherwise required by this paragraph (7.5). By

1 acceptance of this reimbursement the school district  
2 waives the right to directly or indirectly set aside,  
3 modify, or contest in any manner the establishment of  
4 the redevelopment project area or projects;

5 (7.7) For redevelopment project areas designated (or  
6 redevelopment project areas amended to add or increase the  
7 number of tax-increment-financing assisted housing units)  
8 on or after January 1, 2005 (the effective date of Public  
9 Act 93-961), a public library district's increased costs  
10 attributable to assisted housing units located within the  
11 redevelopment project area for which the developer or  
12 redeveloper receives financial assistance through an  
13 agreement with the municipality or because the  
14 municipality incurs the cost of necessary infrastructure  
15 improvements within the boundaries of the assisted housing  
16 sites necessary for the completion of that housing as  
17 authorized by this Act shall be paid to the library  
18 district by the municipality from the Special Tax  
19 Allocation Fund when the tax increment revenue is received  
20 as a result of the assisted housing units. This paragraph  
21 (7.7) applies only if (i) the library district is located  
22 in a county that is subject to the Property Tax Extension  
23 Limitation Law or (ii) the library district is not located  
24 in a county that is subject to the Property Tax Extension  
25 Limitation Law but the district is prohibited by any other  
26 law from increasing its tax levy rate without a prior voter

1 referendum.

2 The amount paid to a library district under this  
3 paragraph (7.7) shall be calculated by multiplying (i) the  
4 net increase in the number of persons eligible to obtain a  
5 library card in that district who reside in housing units  
6 within the redevelopment project area that have received  
7 financial assistance through an agreement with the  
8 municipality or because the municipality incurs the cost of  
9 necessary infrastructure improvements within the  
10 boundaries of the housing sites necessary for the  
11 completion of that housing as authorized by this Act since  
12 the designation of the redevelopment project area by (ii)  
13 the per-patron cost of providing library services so long  
14 as it does not exceed \$120. The per-patron cost shall be  
15 the Total Operating Expenditures Per Capita for the library  
16 in the previous fiscal year. The municipality may deduct  
17 from the amount that it must pay to a library district  
18 under this paragraph any amount that it has voluntarily  
19 paid to the library district from the tax increment  
20 revenue. The amount paid to a library district under this  
21 paragraph (7.7) shall be no more than 2% of the amount  
22 produced by the assisted housing units and deposited into  
23 the Special Tax Allocation Fund.

24 A library district is not eligible for any payment  
25 under this paragraph (7.7) unless the library district has  
26 experienced an increase in the number of patrons from the

1 municipality that created the tax-increment-financing  
2 district since the designation of the redevelopment  
3 project area.

4 Any library district seeking payment under this  
5 paragraph (7.7) shall, after July 1 and before September 30  
6 of each year, provide the municipality with convincing  
7 evidence to support its claim for reimbursement before the  
8 municipality shall be required to approve or make the  
9 payment to the library district. If the library district  
10 fails to provide the information during this period in any  
11 year, it shall forfeit any claim to reimbursement for that  
12 year. Library districts may adopt a resolution waiving the  
13 right to all or a portion of the reimbursement otherwise  
14 required by this paragraph (7.7). By acceptance of such  
15 reimbursement, the library district shall forfeit any  
16 right to directly or indirectly set aside, modify, or  
17 contest in any manner whatsoever the establishment of the  
18 redevelopment project area or projects;

19 (8) Relocation costs to the extent that a municipality  
20 determines that relocation costs shall be paid or is  
21 required to make payment of relocation costs by federal or  
22 State law or in order to satisfy subparagraph (7) of  
23 subsection (n);

24 (9) Payment in lieu of taxes;

25 (10) Costs of job training, retraining, advanced  
26 vocational education or career education, including but

1 not limited to courses in occupational, semi-technical or  
2 technical fields leading directly to employment, incurred  
3 by one or more taxing districts, provided that such costs  
4 (i) are related to the establishment and maintenance of  
5 additional job training, advanced vocational education or  
6 career education programs for persons employed or to be  
7 employed by employers located in a redevelopment project  
8 area; and (ii) when incurred by a taxing district or taxing  
9 districts other than the municipality, are set forth in a  
10 written agreement by or among the municipality and the  
11 taxing district or taxing districts, which agreement  
12 describes the program to be undertaken, including but not  
13 limited to the number of employees to be trained, a  
14 description of the training and services to be provided,  
15 the number and type of positions available or to be  
16 available, itemized costs of the program and sources of  
17 funds to pay for the same, and the term of the agreement.  
18 Such costs include, specifically, the payment by community  
19 college districts of costs pursuant to Sections 3-37, 3-38,  
20 3-40 and 3-40.1 of the Public Community College Act and by  
21 school districts of costs pursuant to Sections 10-22.20a  
22 and 10-23.3a of The School Code;

23 (11) Interest cost incurred by a redeveloper related to  
24 the construction, renovation or rehabilitation of a  
25 redevelopment project provided that:

26 (A) such costs are to be paid directly from the



1 special tax allocation fund established pursuant to  
2 this Act;

3 (B) such payments in any one year may not exceed  
4 30% of the annual interest costs incurred by the  
5 redeveloper with regard to the redevelopment project  
6 during that year;

7 (C) if there are not sufficient funds available in  
8 the special tax allocation fund to make the payment  
9 pursuant to this paragraph (11) then the amounts so due  
10 shall accrue and be payable when sufficient funds are  
11 available in the special tax allocation fund;

12 (D) the total of such interest payments paid  
13 pursuant to this Act may not exceed 30% of the total  
14 (i) cost paid or incurred by the redeveloper for the  
15 redevelopment project plus (ii) redevelopment project  
16 costs excluding any property assembly costs and any  
17 relocation costs incurred by a municipality pursuant  
18 to this Act; and

19 (E) the cost limits set forth in subparagraphs (B)  
20 and (D) of paragraph (11) shall be modified for the  
21 financing of rehabilitated or new housing units for  
22 low-income households and very low-income households,  
23 as defined in Section 3 of the Illinois Affordable  
24 Housing Act. The percentage of 75% shall be substituted  
25 for 30% in subparagraphs (B) and (D) of paragraph (11).

26 (F) Instead of the eligible costs provided by

1           subparagraphs (B) and (D) of paragraph (11), as  
2           modified by this subparagraph, and notwithstanding any  
3           other provisions of this Act to the contrary, the  
4           municipality may pay from tax increment revenues up to  
5           50% of the cost of construction of new housing units to  
6           be occupied by low-income households and very  
7           low-income households as defined in Section 3 of the  
8           Illinois Affordable Housing Act. The cost of  
9           construction of those units may be derived from the  
10          proceeds of bonds issued by the municipality under this  
11          Act or other constitutional or statutory authority or  
12          from other sources of municipal revenue that may be  
13          reimbursed from tax increment revenues or the proceeds  
14          of bonds issued to finance the construction of that  
15          housing.

16           The eligible costs provided under this  
17          subparagraph (F) of paragraph (11) shall be an eligible  
18          cost for the construction, renovation, and  
19          rehabilitation of all low and very low-income housing  
20          units, as defined in Section 3 of the Illinois  
21          Affordable Housing Act, within the redevelopment  
22          project area. If the low and very low-income units are  
23          part of a residential redevelopment project that  
24          includes units not affordable to low and very  
25          low-income households, only the low and very  
26          low-income units shall be eligible for benefits under

1           subparagraph (F) of paragraph (11). The standards for  
2           maintaining the occupancy by low-income households and  
3           very low-income households, as defined in Section 3 of  
4           the Illinois Affordable Housing Act, of those units  
5           constructed with eligible costs made available under  
6           the provisions of this subparagraph (F) of paragraph  
7           (11) shall be established by guidelines adopted by the  
8           municipality. The responsibility for annually  
9           documenting the initial occupancy of the units by  
10          low-income households and very low-income households,  
11          as defined in Section 3 of the Illinois Affordable  
12          Housing Act, shall be that of the then current owner of  
13          the property. For ownership units, the guidelines will  
14          provide, at a minimum, for a reasonable recapture of  
15          funds, or other appropriate methods designed to  
16          preserve the original affordability of the ownership  
17          units. For rental units, the guidelines will provide,  
18          at a minimum, for the affordability of rent to low and  
19          very low-income households. As units become available,  
20          they shall be rented to income-eligible tenants. The  
21          municipality may modify these guidelines from time to  
22          time; the guidelines, however, shall be in effect for  
23          as long as tax increment revenue is being used to pay  
24          for costs associated with the units or for the  
25          retirement of bonds issued to finance the units or for  
26          the life of the redevelopment project area, whichever

1 is later.

2 (11.5) If the redevelopment project area is located  
3 within a municipality with a population of more than  
4 100,000, the cost of day care services for children of  
5 employees from low-income families working for businesses  
6 located within the redevelopment project area and all or a  
7 portion of the cost of operation of day care centers  
8 established by redevelopment project area businesses to  
9 serve employees from low-income families working in  
10 businesses located in the redevelopment project area. For  
11 the purposes of this paragraph, "low-income families"  
12 means families whose annual income does not exceed 80% of  
13 the municipal, county, or regional median income, adjusted  
14 for family size, as the annual income and municipal,  
15 county, or regional median income are determined from time  
16 to time by the United States Department of Housing and  
17 Urban Development.

18 (12) Unless explicitly stated herein the cost of  
19 construction of new privately-owned buildings shall not be  
20 an eligible redevelopment project cost.

21 (13) After November 1, 1999 (the effective date of  
22 Public Act 91-478), none of the redevelopment project costs  
23 enumerated in this subsection shall be eligible  
24 redevelopment project costs if those costs would provide  
25 direct financial support to a retail entity initiating  
26 operations in the redevelopment project area while

1 terminating operations at another Illinois location within  
2 10 miles of the redevelopment project area but outside the  
3 boundaries of the redevelopment project area municipality.  
4 For purposes of this paragraph, termination means a closing  
5 of a retail operation that is directly related to the  
6 opening of the same operation or like retail entity owned  
7 or operated by more than 50% of the original ownership in a  
8 redevelopment project area, but it does not mean closing an  
9 operation for reasons beyond the control of the retail  
10 entity, as documented by the retail entity, subject to a  
11 reasonable finding by the municipality that the current  
12 location contained inadequate space, had become  
13 economically obsolete, or was no longer a viable location  
14 for the retailer or serviceman.

15 (14) No cost shall be a redevelopment project cost in a  
16 redevelopment project area if used to demolish, remove, or  
17 substantially modify a historic resource, after August 26,  
18 2008 (the effective date of Public Act 95-934), unless no  
19 prudent and feasible alternative exists. "Historic  
20 resource" for the purpose of this item (14) means (i) a  
21 place or structure that is included or eligible for  
22 inclusion on the National Register of Historic Places or  
23 (ii) a contributing structure in a district on the National  
24 Register of Historic Places. This item (14) does not apply  
25 to a place or structure for which demolition, removal, or  
26 modification is subject to review by the preservation

1 agency of a Certified Local Government designated as such  
2 by the National Park Service of the United States  
3 Department of the Interior.

4 If a special service area has been established pursuant to  
5 the Special Service Area Tax Act or Special Service Area Tax  
6 Law, then any tax increment revenues derived from the tax  
7 imposed pursuant to the Special Service Area Tax Act or Special  
8 Service Area Tax Law may be used within the redevelopment  
9 project area for the purposes permitted by that Act or Law as  
10 well as the purposes permitted by this Act.

11 (q-1) For redevelopment project areas created pursuant to  
12 subsection (p-1), redevelopment project costs are limited to  
13 those costs in paragraph (q) that are related to the existing  
14 or proposed Regional Transportation Authority Suburban Transit  
15 Access Route (STAR Line) station.

16 (r) "State Sales Tax Boundary" means the redevelopment  
17 project area or the amended redevelopment project area  
18 boundaries which are determined pursuant to subsection (9) of  
19 Section 11-74.4-8a of this Act. The Department of Revenue shall  
20 certify pursuant to subsection (9) of Section 11-74.4-8a the  
21 appropriate boundaries eligible for the determination of State  
22 Sales Tax Increment.

23 (s) "State Sales Tax Increment" means an amount equal to  
24 the increase in the aggregate amount of taxes paid by retailers  
25 and servicemen, other than retailers and servicemen subject to  
26 the Public Utilities Act, on transactions at places of business

1 located within a State Sales Tax Boundary pursuant to the  
2 Retailers' Occupation Tax Act, the Use Tax Act, the Service Use  
3 Tax Act, and the Service Occupation Tax Act, except such  
4 portion of such increase that is paid into the State and Local  
5 Sales Tax Reform Fund, the Local Government Distributive Fund,  
6 the Local Government Tax Fund and the County and Mass Transit  
7 District Fund, for as long as State participation exists, over  
8 and above the Initial Sales Tax Amounts, Adjusted Initial Sales  
9 Tax Amounts or the Revised Initial Sales Tax Amounts for such  
10 taxes as certified by the Department of Revenue and paid under  
11 those Acts by retailers and servicemen on transactions at  
12 places of business located within the State Sales Tax Boundary  
13 during the base year which shall be the calendar year  
14 immediately prior to the year in which the municipality adopted  
15 tax increment allocation financing, less 3.0% of such amounts  
16 generated under the Retailers' Occupation Tax Act, Use Tax Act  
17 and Service Use Tax Act and the Service Occupation Tax Act,  
18 which sum shall be appropriated to the Department of Revenue to  
19 cover its costs of administering and enforcing this Section.  
20 For purposes of computing the aggregate amount of such taxes  
21 for base years occurring prior to 1985, the Department of  
22 Revenue shall compute the Initial Sales Tax Amount for such  
23 taxes and deduct therefrom an amount equal to 4% of the  
24 aggregate amount of taxes per year for each year the base year  
25 is prior to 1985, but not to exceed a total deduction of 12%.  
26 The amount so determined shall be known as the "Adjusted

1 Initial Sales Tax Amount". For purposes of determining the  
2 State Sales Tax Increment the Department of Revenue shall for  
3 each period subtract from the tax amounts received from  
4 retailers and servicemen on transactions located in the State  
5 Sales Tax Boundary, the certified Initial Sales Tax Amounts,  
6 Adjusted Initial Sales Tax Amounts or Revised Initial Sales Tax  
7 Amounts for the Retailers' Occupation Tax Act, the Use Tax Act,  
8 the Service Use Tax Act and the Service Occupation Tax Act. For  
9 the State Fiscal Year 1989 this calculation shall be made by  
10 utilizing the calendar year 1987 to determine the tax amounts  
11 received. For the State Fiscal Year 1990, this calculation  
12 shall be made by utilizing the period from January 1, 1988,  
13 until September 30, 1988, to determine the tax amounts received  
14 from retailers and servicemen, which shall have deducted  
15 therefrom nine-twelfths of the certified Initial Sales Tax  
16 Amounts, Adjusted Initial Sales Tax Amounts or the Revised  
17 Initial Sales Tax Amounts as appropriate. For the State Fiscal  
18 Year 1991, this calculation shall be made by utilizing the  
19 period from October 1, 1988, until June 30, 1989, to determine  
20 the tax amounts received from retailers and servicemen, which  
21 shall have deducted therefrom nine-twelfths of the certified  
22 Initial State Sales Tax Amounts, Adjusted Initial Sales Tax  
23 Amounts or the Revised Initial Sales Tax Amounts as  
24 appropriate. For every State Fiscal Year thereafter, the  
25 applicable period shall be the 12 months beginning July 1 and  
26 ending on June 30, to determine the tax amounts received which



1 shall have deducted therefrom the certified Initial Sales Tax  
2 Amounts, Adjusted Initial Sales Tax Amounts or the Revised  
3 Initial Sales Tax Amounts. Municipalities intending to receive  
4 a distribution of State Sales Tax Increment must report a list  
5 of retailers to the Department of Revenue by October 31, 1988  
6 and by July 31, of each year thereafter.

7 (t) "Taxing districts" means counties, townships, cities  
8 and incorporated towns and villages, school, road, park,  
9 sanitary, mosquito abatement, forest preserve, public health,  
10 fire protection, river conservancy, tuberculosis sanitarium  
11 and any other municipal corporations or districts with the  
12 power to levy taxes.

13 (u) "Taxing districts' capital costs" means those costs of  
14 taxing districts for capital improvements that are found by the  
15 municipal corporate authorities to be necessary and directly  
16 result from the redevelopment project.

17 (v) As used in subsection (a) of Section 11-74.4-3 of this  
18 Act, "vacant land" means any parcel or combination of parcels  
19 of real property without industrial, commercial, and  
20 residential buildings which has not been used for commercial  
21 agricultural purposes within 5 years prior to the designation  
22 of the redevelopment project area, unless the parcel is  
23 included in an industrial park conservation area or the parcel  
24 has been subdivided; provided that if the parcel was part of a  
25 larger tract that has been divided into 3 or more smaller  
26 tracts that were accepted for recording during the period from

1 1950 to 1990, then the parcel shall be deemed to have been  
2 subdivided, and all proceedings and actions of the municipality  
3 taken in that connection with respect to any previously  
4 approved or designated redevelopment project area or amended  
5 redevelopment project area are hereby validated and hereby  
6 declared to be legally sufficient for all purposes of this Act.  
7 For purposes of this Section and only for land subject to the  
8 subdivision requirements of the Plat Act, land is subdivided  
9 when the original plat of the proposed Redevelopment Project  
10 Area or relevant portion thereof has been properly certified,  
11 acknowledged, approved, and recorded or filed in accordance  
12 with the Plat Act and a preliminary plat, if any, for any  
13 subsequent phases of the proposed Redevelopment Project Area or  
14 relevant portion thereof has been properly approved and filed  
15 in accordance with the applicable ordinance of the  
16 municipality.

17 (w) "Annual Total Increment" means the sum of each  
18 municipality's annual Net Sales Tax Increment and each  
19 municipality's annual Net Utility Tax Increment. The ratio of  
20 the Annual Total Increment of each municipality to the Annual  
21 Total Increment for all municipalities, as most recently  
22 calculated by the Department, shall determine the proportional  
23 shares of the Illinois Tax Increment Fund to be distributed to  
24 each municipality.

25 (x) "LEED certified" means any certification level of  
26 construction elements by a qualified Leadership in Energy and

1 Environmental Design Accredited Professional as determined by  
2 the U.S. Green Building Council.

3 (y) "Green Globes certified" means any certification level  
4 of construction elements by a qualified Green Globes  
5 Professional as determined by the Green Building Initiative.

6 (Source: P.A. 96-328, eff. 8-11-09; 96-630, eff. 1-1-10;  
7 96-680, eff. 8-25-09; 96-1000, eff. 7-2-10; 97-101, eff.  
8 1-1-12.)

9 (65 ILCS 5/11-74.4-8) (from Ch. 24, par. 11-74.4-8)

10 Sec. 11-74.4-8. Tax increment allocation financing. A  
11 municipality may not adopt tax increment financing in a  
12 redevelopment project area after the effective date of this  
13 amendatory Act of 1997 that will encompass an area that is  
14 currently included in an enterprise zone created under the  
15 Illinois Enterprise Zone Act unless that municipality,  
16 pursuant to Section 5.4 of the Illinois Enterprise Zone Act,  
17 amends the enterprise zone designating ordinance to limit the  
18 eligibility for tax abatements as provided in Section 5.4.1 of  
19 the Illinois Enterprise Zone Act. A municipality, at the time a  
20 redevelopment project area is designated, may adopt tax  
21 increment allocation financing by passing an ordinance  
22 providing that the ad valorem taxes, if any, arising from the  
23 levies upon taxable real property in such redevelopment project  
24 area by taxing districts and tax rates determined in the manner  
25 provided in paragraph (c) of Section 11-74.4-9 each year after

1 the effective date of the ordinance until redevelopment project  
2 costs and all municipal obligations financing redevelopment  
3 project costs incurred under this Division have been paid shall  
4 be divided as follows:

5 (a) That portion of taxes levied upon each taxable lot,  
6 block, tract or parcel of real property which is attributable  
7 to the lower of the current equalized assessed value or the  
8 initial equalized assessed value of each such taxable lot,  
9 block, tract or parcel of real property in the redevelopment  
10 project area shall be allocated to and when collected shall be  
11 paid by the county collector to the respective affected taxing  
12 districts in the manner required by law in the absence of the  
13 adoption of tax increment allocation financing.

14 (b) Except from a tax levied by a township to retire bonds  
15 issued to satisfy court-ordered damages, that portion, if any,  
16 of such taxes which is attributable to the increase in the  
17 current equalized assessed valuation of each taxable lot,  
18 block, tract or parcel of real property in the redevelopment  
19 project area over and above the initial equalized assessed  
20 value of each property in the project area shall be allocated  
21 to and when collected shall be paid to the municipal treasurer  
22 who shall deposit said taxes into a special fund called the  
23 special tax allocation fund of the municipality for the purpose  
24 of paying redevelopment project costs and obligations incurred  
25 in the payment thereof. In any county with a population of  
26 3,000,000 or more that has adopted a procedure for collecting

1 taxes that provides for one or more of the installments of the  
2 taxes to be billed and collected on an estimated basis, the  
3 municipal treasurer shall be paid for deposit in the special  
4 tax allocation fund of the municipality, from the taxes  
5 collected from estimated bills issued for property in the  
6 redevelopment project area, the difference between the amount  
7 actually collected from each taxable lot, block, tract, or  
8 parcel of real property within the redevelopment project area  
9 and an amount determined by multiplying the rate at which taxes  
10 were last extended against the taxable lot, block, track, or  
11 parcel of real property in the manner provided in subsection  
12 (c) of Section 11-74.4-9 by the initial equalized assessed  
13 value of the property divided by the number of installments in  
14 which real estate taxes are billed and collected within the  
15 county; provided that the payments on or before December 31,  
16 1999 to a municipal treasurer shall be made only if each of the  
17 following conditions are met:

18 (1) The total equalized assessed value of the  
19 redevelopment project area as last determined was not less  
20 than 175% of the total initial equalized assessed value.

21 (2) Not more than 50% of the total equalized assessed  
22 value of the redevelopment project area as last determined  
23 is attributable to a piece of property assigned a single  
24 real estate index number.

25 (3) The municipal clerk has certified to the county  
26 clerk that the municipality has issued its obligations to

1           which there has been pledged the incremental property taxes  
2           of the redevelopment project area or taxes levied and  
3           collected on any or all property in the municipality or the  
4           full faith and credit of the municipality to pay or secure  
5           payment for all or a portion of the redevelopment project  
6           costs. The certification shall be filed annually no later  
7           than September 1 for the estimated taxes to be distributed  
8           in the following year; however, for the year 1992 the  
9           certification shall be made at any time on or before March  
10          31, 1992.

11           (4) The municipality has not requested that the total  
12          initial equalized assessed value of real property be  
13          adjusted as provided in subsection (b) of Section  
14          11-74.4-9.

15          The conditions of paragraphs (1) through (4) do not apply  
16          after December 31, 1999 to payments to a municipal treasurer  
17          made by a county with 3,000,000 or more inhabitants that has  
18          adopted an estimated billing procedure for collecting taxes. If  
19          a county that has adopted the estimated billing procedure makes  
20          an erroneous overpayment of tax revenue to the municipal  
21          treasurer, then the county may seek a refund of that  
22          overpayment. The county shall send the municipal treasurer a  
23          notice of liability for the overpayment on or before the  
24          mailing date of the next real estate tax bill within the  
25          county. The refund shall be limited to the amount of the  
26          overpayment.

1           It is the intent of this Division that after the effective  
2 date of this amendatory Act of 1988 a municipality's own ad  
3 valorem tax arising from levies on taxable real property be  
4 included in the determination of incremental revenue in the  
5 manner provided in paragraph (c) of Section 11-74.4-9. If the  
6 municipality does not extend such a tax, it shall annually  
7 deposit in the municipality's Special Tax Increment Fund an  
8 amount equal to 10% of the total contributions to the fund from  
9 all other taxing districts in that year. The annual 10% deposit  
10 required by this paragraph shall be limited to the actual  
11 amount of municipally produced incremental tax revenues  
12 available to the municipality from taxpayers located in the  
13 redevelopment project area in that year if: (a) the plan for  
14 the area restricts the use of the property primarily to  
15 industrial purposes, (b) the municipality establishing the  
16 redevelopment project area is a home-rule community with a 1990  
17 population of between 25,000 and 50,000, (c) the municipality  
18 is wholly located within a county with a 1990 population of  
19 over 750,000 and (d) the redevelopment project area was  
20 established by the municipality prior to June 1, 1990. This  
21 payment shall be in lieu of a contribution of ad valorem taxes  
22 on real property. If no such payment is made, any redevelopment  
23 project area of the municipality shall be dissolved.

24           If a municipality has adopted tax increment allocation  
25 financing by ordinance and the County Clerk thereafter  
26 certifies the "total initial equalized assessed value as

1 adjusted" of the taxable real property within such  
2 redevelopment project area in the manner provided in paragraph  
3 (b) of Section 11-74.4-9, each year after the date of the  
4 certification of the total initial equalized assessed value as  
5 adjusted until redevelopment project costs and all municipal  
6 obligations financing redevelopment project costs have been  
7 paid the ad valorem taxes, if any, arising from the levies upon  
8 the taxable real property in such redevelopment project area by  
9 taxing districts and tax rates determined in the manner  
10 provided in paragraph (c) of Section 11-74.4-9 shall be divided  
11 as follows:

12 (1) That portion of the taxes levied upon each taxable  
13 lot, block, tract or parcel of real property which is  
14 attributable to the lower of the current equalized assessed  
15 value or "current equalized assessed value as adjusted" or  
16 the initial equalized assessed value of each such taxable  
17 lot, block, tract, or parcel of real property existing at  
18 the time tax increment financing was adopted, minus the  
19 total current homestead exemptions under Article 15 of the  
20 Property Tax Code in the redevelopment project area shall  
21 be allocated to and when collected shall be paid by the  
22 county collector to the respective affected taxing  
23 districts in the manner required by law in the absence of  
24 the adoption of tax increment allocation financing.

25 (2) That portion, if any, of such taxes which is  
26 attributable to the increase in the current equalized



1        assessed valuation of each taxable lot, block, tract, or  
2        parcel of real property in the redevelopment project area,  
3        over and above the initial equalized assessed value of each  
4        property existing at the time tax increment financing was  
5        adopted, minus the total current homestead exemptions  
6        pertaining to each piece of property provided by Article 15  
7        of the Property Tax Code in the redevelopment project area,  
8        shall be allocated to and when collected shall be paid to  
9        the municipal Treasurer, who shall deposit said taxes into  
10       a special fund called the special tax allocation fund of  
11       the municipality for the purpose of paying redevelopment  
12       project costs and obligations incurred in the payment  
13       thereof.

14       The municipality may pledge in the ordinance the funds in  
15       and to be deposited in the special tax allocation fund for the  
16       payment of such costs and obligations. No part of the current  
17       equalized assessed valuation of each property in the  
18       redevelopment project area attributable to any increase above  
19       the total initial equalized assessed value, or the total  
20       initial equalized assessed value as adjusted, of such  
21       properties shall be used in calculating the general State  
22       ~~school~~ aid formula, provided for in Section 18-8 of the School  
23       Code, or the primary State aid formula, provided for in Section  
24       18-8.15 of the School Code, until such time as all  
25       redevelopment project costs have been paid as provided for in  
26       this Section.

1           Whenever a municipality issues bonds for the purpose of  
2 financing redevelopment project costs, such municipality may  
3 provide by ordinance for the appointment of a trustee, which  
4 may be any trust company within the State, and for the  
5 establishment of such funds or accounts to be maintained by  
6 such trustee as the municipality shall deem necessary to  
7 provide for the security and payment of the bonds. If such  
8 municipality provides for the appointment of a trustee, such  
9 trustee shall be considered the assignee of any payments  
10 assigned by the municipality pursuant to such ordinance and  
11 this Section. Any amounts paid to such trustee as assignee  
12 shall be deposited in the funds or accounts established  
13 pursuant to such trust agreement, and shall be held by such  
14 trustee in trust for the benefit of the holders of the bonds,  
15 and such holders shall have a lien on and a security interest  
16 in such funds or accounts so long as the bonds remain  
17 outstanding and unpaid. Upon retirement of the bonds, the  
18 trustee shall pay over any excess amounts held to the  
19 municipality for deposit in the special tax allocation fund.

20           When such redevelopment projects costs, including without  
21 limitation all municipal obligations financing redevelopment  
22 project costs incurred under this Division, have been paid, all  
23 surplus funds then remaining in the special tax allocation fund  
24 shall be distributed by being paid by the municipal treasurer  
25 to the Department of Revenue, the municipality and the county  
26 collector; first to the Department of Revenue and the

1 municipality in direct proportion to the tax incremental  
2 revenue received from the State and the municipality, but not  
3 to exceed the total incremental revenue received from the State  
4 or the municipality less any annual surplus distribution of  
5 incremental revenue previously made; with any remaining funds  
6 to be paid to the County Collector who shall immediately  
7 thereafter pay said funds to the taxing districts in the  
8 redevelopment project area in the same manner and proportion as  
9 the most recent distribution by the county collector to the  
10 affected districts of real property taxes from real property in  
11 the redevelopment project area.

12 Upon the payment of all redevelopment project costs, the  
13 retirement of obligations, the distribution of any excess  
14 monies pursuant to this Section, and final closing of the books  
15 and records of the redevelopment project area, the municipality  
16 shall adopt an ordinance dissolving the special tax allocation  
17 fund for the redevelopment project area and terminating the  
18 designation of the redevelopment project area as a  
19 redevelopment project area. Title to real or personal property  
20 and public improvements acquired by or for the municipality as  
21 a result of the redevelopment project and plan shall vest in  
22 the municipality when acquired and shall continue to be held by  
23 the municipality after the redevelopment project area has been  
24 terminated. Municipalities shall notify affected taxing  
25 districts prior to November 1 if the redevelopment project area  
26 is to be terminated by December 31 of that same year. If a

1 municipality extends estimated dates of completion of a  
2 redevelopment project and retirement of obligations to finance  
3 a redevelopment project, as allowed by this amendatory Act of  
4 1993, that extension shall not extend the property tax  
5 increment allocation financing authorized by this Section.  
6 Thereafter the rates of the taxing districts shall be extended  
7 and taxes levied, collected and distributed in the manner  
8 applicable in the absence of the adoption of tax increment  
9 allocation financing.

10 Nothing in this Section shall be construed as relieving  
11 property in such redevelopment project areas from being  
12 assessed as provided in the Property Tax Code or as relieving  
13 owners of such property from paying a uniform rate of taxes, as  
14 required by Section 4 of Article IX of the Illinois  
15 Constitution.

16 (Source: P.A. 98-463, eff. 8-16-13.)

17 (65 ILCS 5/11-74.6-35)

18 Sec. 11-74.6-35. Ordinance for tax increment allocation  
19 financing.

20 (a) A municipality, at the time a redevelopment project  
21 area is designated, may adopt tax increment allocation  
22 financing by passing an ordinance providing that the ad valorem  
23 taxes, if any, arising from the levies upon taxable real  
24 property within the redevelopment project area by taxing  
25 districts and tax rates determined in the manner provided in

1 subsection (b) of Section 11-74.6-40 each year after the  
2 effective date of the ordinance until redevelopment project  
3 costs and all municipal obligations financing redevelopment  
4 project costs incurred under this Act have been paid shall be  
5 divided as follows:

6 (1) That portion of the taxes levied upon each taxable  
7 lot, block, tract or parcel of real property that is  
8 attributable to the lower of the current equalized assessed  
9 value or the initial equalized assessed value or the  
10 updated initial equalized assessed value of each taxable  
11 lot, block, tract or parcel of real property in the  
12 redevelopment project area shall be allocated to and when  
13 collected shall be paid by the county collector to the  
14 respective affected taxing districts in the manner  
15 required by law without regard to the adoption of tax  
16 increment allocation financing.

17 (2) That portion, if any, of those taxes that is  
18 attributable to the increase in the current equalized  
19 assessed value of each taxable lot, block, tract or parcel  
20 of real property in the redevelopment project area, over  
21 and above the initial equalized assessed value or the  
22 updated initial equalized assessed value of each property  
23 in the project area, shall be allocated to and when  
24 collected shall be paid by the county collector to the  
25 municipal treasurer who shall deposit that portion of those  
26 taxes into a special fund called the special tax allocation

1 fund of the municipality for the purpose of paying  
2 redevelopment project costs and obligations incurred in  
3 the payment of those costs and obligations. In any county  
4 with a population of 3,000,000 or more that has adopted a  
5 procedure for collecting taxes that provides for one or  
6 more of the installments of the taxes to be billed and  
7 collected on an estimated basis, the municipal treasurer  
8 shall be paid for deposit in the special tax allocation  
9 fund of the municipality, from the taxes collected from  
10 estimated bills issued for property in the redevelopment  
11 project area, the difference between the amount actually  
12 collected from each taxable lot, block, tract, or parcel of  
13 real property within the redevelopment project area and an  
14 amount determined by multiplying the rate at which taxes  
15 were last extended against the taxable lot, block, track,  
16 or parcel of real property in the manner provided in  
17 subsection (b) of Section 11-74.6-40 by the initial  
18 equalized assessed value or the updated initial equalized  
19 assessed value of the property divided by the number of  
20 installments in which real estate taxes are billed and  
21 collected within the county, provided that the payments on  
22 or before December 31, 1999 to a municipal treasurer shall  
23 be made only if each of the following conditions are met:

24 (A) The total equalized assessed value of the  
25 redevelopment project area as last determined was not  
26 less than 175% of the total initial equalized assessed

1 value.

2 (B) Not more than 50% of the total equalized  
3 assessed value of the redevelopment project area as  
4 last determined is attributable to a piece of property  
5 assigned a single real estate index number.

6 (C) The municipal clerk has certified to the county  
7 clerk that the municipality has issued its obligations  
8 to which there has been pledged the incremental  
9 property taxes of the redevelopment project area or  
10 taxes levied and collected on any or all property in  
11 the municipality or the full faith and credit of the  
12 municipality to pay or secure payment for all or a  
13 portion of the redevelopment project costs. The  
14 certification shall be filed annually no later than  
15 September 1 for the estimated taxes to be distributed  
16 in the following year.

17 The conditions of paragraphs (A) through (C) do not apply  
18 after December 31, 1999 to payments to a municipal treasurer  
19 made by a county with 3,000,000 or more inhabitants that has  
20 adopted an estimated billing procedure for collecting taxes. If  
21 a county that has adopted the estimated billing procedure makes  
22 an erroneous overpayment of tax revenue to the municipal  
23 treasurer, then the county may seek a refund of that  
24 overpayment. The county shall send the municipal treasurer a  
25 notice of liability for the overpayment on or before the  
26 mailing date of the next real estate tax bill within the

1 county. The refund shall be limited to the amount of the  
2 overpayment.

3 (b) It is the intent of this Act that a municipality's own  
4 ad valorem tax arising from levies on taxable real property be  
5 included in the determination of incremental revenue in the  
6 manner provided in paragraph (b) of Section 11-74.6-40.

7 (c) If a municipality has adopted tax increment allocation  
8 financing for a redevelopment project area by ordinance and the  
9 county clerk thereafter certifies the total initial equalized  
10 assessed value or the total updated initial equalized assessed  
11 value of the taxable real property within such redevelopment  
12 project area in the manner provided in paragraph (a) or (b) of  
13 Section 11-74.6-40, each year after the date of the  
14 certification of the total initial equalized assessed value or  
15 the total updated initial equalized assessed value until  
16 redevelopment project costs and all municipal obligations  
17 financing redevelopment project costs have been paid, the ad  
18 valorem taxes, if any, arising from the levies upon the taxable  
19 real property in the redevelopment project area by taxing  
20 districts and tax rates determined in the manner provided in  
21 paragraph (b) of Section 11-74.6-40 shall be divided as  
22 follows:

23 (1) That portion of the taxes levied upon each taxable  
24 lot, block, tract or parcel of real property that is  
25 attributable to the lower of the current equalized assessed  
26 value or the initial equalized assessed value, or the



1 updated initial equalized assessed value of each parcel if  
2 the updated initial equalized assessed value of that parcel  
3 has been certified in accordance with Section 11-74.6-40,  
4 whichever has been most recently certified, of each taxable  
5 lot, block, tract, or parcel of real property existing at  
6 the time tax increment allocation financing was adopted in  
7 the redevelopment project area, shall be allocated to and  
8 when collected shall be paid by the county collector to the  
9 respective affected taxing districts in the manner  
10 required by law without regard to the adoption of tax  
11 increment allocation financing.

12 (2) That portion, if any, of those taxes that is  
13 attributable to the increase in the current equalized  
14 assessed value of each taxable lot, block, tract, or parcel  
15 of real property in the redevelopment project area, over  
16 and above the initial equalized assessed value of each  
17 property existing at the time tax increment allocation  
18 financing was adopted in the redevelopment project area, or  
19 the updated initial equalized assessed value of each parcel  
20 if the updated initial equalized assessed value of that  
21 parcel has been certified in accordance with Section  
22 11-74.6-40, shall be allocated to and when collected shall  
23 be paid to the municipal treasurer, who shall deposit those  
24 taxes into a special fund called the special tax allocation  
25 fund of the municipality for the purpose of paying  
26 redevelopment project costs and obligations incurred in

1 the payment thereof.

2 (d) The municipality may pledge in the ordinance the funds  
3 in and to be deposited in the special tax allocation fund for  
4 the payment of redevelopment project costs and obligations. No  
5 part of the current equalized assessed value of each property  
6 in the redevelopment project area attributable to any increase  
7 above the total initial equalized assessed value or the total  
8 initial updated equalized assessed value of the property, shall  
9 be used in calculating the general ~~General~~ State aid formula  
10 ~~School Aid Formula~~, provided for in Section 18-8 of the School  
11 Code, or the primary State aid formula, provided for in Section  
12 18-8.15 of the School Code, until all redevelopment project  
13 costs have been paid as provided for in this Section.

14 Whenever a municipality issues bonds for the purpose of  
15 financing redevelopment project costs, that municipality may  
16 provide by ordinance for the appointment of a trustee, which  
17 may be any trust company within the State, and for the  
18 establishment of any funds or accounts to be maintained by that  
19 trustee, as the municipality deems necessary to provide for the  
20 security and payment of the bonds. If the municipality provides  
21 for the appointment of a trustee, the trustee shall be  
22 considered the assignee of any payments assigned by the  
23 municipality under that ordinance and this Section. Any amounts  
24 paid to the trustee as assignee shall be deposited into the  
25 funds or accounts established under the trust agreement, and  
26 shall be held by the trustee in trust for the benefit of the

1 holders of the bonds. The holders of those bonds shall have a  
2 lien on and a security interest in those funds or accounts  
3 while the bonds remain outstanding and unpaid. Upon retirement  
4 of the bonds, the trustee shall pay over any excess amounts  
5 held to the municipality for deposit in the special tax  
6 allocation fund.

7 When the redevelopment projects costs, including without  
8 limitation all municipal obligations financing redevelopment  
9 project costs incurred under this Law, have been paid, all  
10 surplus funds then remaining in the special tax allocation fund  
11 shall be distributed by being paid by the municipal treasurer  
12 to the municipality and the county collector; first to the  
13 municipality in direct proportion to the tax incremental  
14 revenue received from the municipality, but not to exceed the  
15 total incremental revenue received from the municipality,  
16 minus any annual surplus distribution of incremental revenue  
17 previously made. Any remaining funds shall be paid to the  
18 county collector who shall immediately distribute that payment  
19 to the taxing districts in the redevelopment project area in  
20 the same manner and proportion as the most recent distribution  
21 by the county collector to the affected districts of real  
22 property taxes from real property situated in the redevelopment  
23 project area.

24 Upon the payment of all redevelopment project costs,  
25 retirement of obligations and the distribution of any excess  
26 moneys under this Section, the municipality shall adopt an

1 ordinance dissolving the special tax allocation fund for the  
2 redevelopment project area and terminating the designation of  
3 the redevelopment project area as a redevelopment project area.  
4 Thereafter the tax levies of taxing districts shall be  
5 extended, collected and distributed in the same manner  
6 applicable before the adoption of tax increment allocation  
7 financing. Municipality shall notify affected taxing districts  
8 prior to November if the redevelopment project area is to be  
9 terminated by December 31 of that same year.

10 Nothing in this Section shall be construed as relieving  
11 property in a redevelopment project area from being assessed as  
12 provided in the Property Tax Code or as relieving owners of  
13 that property from paying a uniform rate of taxes, as required  
14 by Section 4 of Article IX of the Illinois Constitution.

15 (Source: P.A. 91-474, eff. 11-1-99.)

16 Section 940. The Economic Development Project Area Tax  
17 Increment Allocation Act of 1995 is amended by changing Section  
18 50 as follows:

19 (65 ILCS 110/50)

20 Sec. 50. Special tax allocation fund.

21 (a) If a county clerk has certified the "total initial  
22 equalized assessed value" of the taxable real property within  
23 an economic development project area in the manner provided in  
24 Section 45, each year after the date of the certification by

1 the county clerk of the "total initial equalized assessed  
2 value", until economic development project costs and all  
3 municipal obligations financing economic development project  
4 costs have been paid, the ad valorem taxes, if any, arising  
5 from the levies upon the taxable real property in the economic  
6 development project area by taxing districts and tax rates  
7 determined in the manner provided in subsection (b) of Section  
8 45 shall be divided as follows:

9 (1) That portion of the taxes levied upon each taxable  
10 lot, block, tract, or parcel of real property that is  
11 attributable to the lower of the current equalized assessed  
12 value or the initial equalized assessed value of each  
13 taxable lot, block, tract, or parcel of real property  
14 existing at the time tax increment financing was adopted  
15 shall be allocated to (and when collected shall be paid by  
16 the county collector to) the respective affected taxing  
17 districts in the manner required by law in the absence of  
18 the adoption of tax increment allocation financing.

19 (2) That portion, if any, of the taxes that is  
20 attributable to the increase in the current equalized  
21 assessed valuation of each taxable lot, block, tract, or  
22 parcel of real property in the economic development project  
23 area, over and above the initial equalized assessed value  
24 of each property existing at the time tax increment  
25 financing was adopted, shall be allocated to (and when  
26 collected shall be paid to) the municipal treasurer, who

1 shall deposit the taxes into a special fund (called the  
2 special tax allocation fund of the municipality) for the  
3 purpose of paying economic development project costs and  
4 obligations incurred in the payment of those costs.

5 (b) The municipality, by an ordinance adopting tax  
6 increment allocation financing, may pledge the monies in and to  
7 be deposited into the special tax allocation fund for the  
8 payment of obligations issued under this Act and for the  
9 payment of economic development project costs. No part of the  
10 current equalized assessed valuation of each property in the  
11 economic development project area attributable to any increase  
12 above the total initial equalized assessed value of those  
13 properties shall be used in calculating the general State  
14 ~~school~~ aid formula under Section 18-8 of the School Code or the  
15 primary State aid formula under Section 18-8.15 of the School  
16 Code, until all economic development projects costs have been  
17 paid as provided for in this Section.

18 (c) When the economic development projects costs,  
19 including without limitation all municipal obligations  
20 financing economic development project costs incurred under  
21 this Act, have been paid, all surplus monies then remaining in  
22 the special tax allocation fund shall be distributed by being  
23 paid by the municipal treasurer to the county collector, who  
24 shall immediately pay the monies to the taxing districts having  
25 taxable property in the economic development project area in  
26 the same manner and proportion as the most recent distribution

1 by the county collector to those taxing districts of real  
2 property taxes from real property in the economic development  
3 project area.

4 (d) Upon the payment of all economic development project  
5 costs, retirement of obligations, and distribution of any  
6 excess monies under this Section and not later than 23 years  
7 from the date of the adoption of the ordinance establishing the  
8 economic development project area, the municipality shall  
9 adopt an ordinance dissolving the special tax allocation fund  
10 for the economic development project area and terminating the  
11 designation of the economic development project area as an  
12 economic development project area. Thereafter, the rates of the  
13 taxing districts shall be extended and taxes shall be levied,  
14 collected, and distributed in the manner applicable in the  
15 absence of the adoption of tax increment allocation financing.

16 (e) Nothing in this Section shall be construed as relieving  
17 property in the economic development project areas from being  
18 assessed as provided in the Property Tax Code or as relieving  
19 owners or lessees of that property from paying a uniform rate  
20 of taxes as required by Section 4 of Article IX of the Illinois  
21 Constitution.

22 (Source: P.A. 98-463, eff. 8-16-13.)

23 Section 945. The School Code is amended by changing  
24 Sections 1A-8, 1B-5, 1B-6, 1B-7, 1B-8, 1C-1, 1C-2, 1D-1, 1E-20,  
25 1F-20, 1F-62, 1H-20, 1H-70, 2-3.28, 2-3.33, 2-3.51.5, 2-3.66,

1 2-3.66b, 2-3.84, 2-3.109a, 3-14.21, 7-14A, 10-19, 10-22.5a,  
2 10-22.20, 10-29, 11E-135, 13A-8, 13B-20.20, 13B-45, 13B-50,  
3 13B-50.10, 13B-50.15, 14-7.02, 14-7.02b, 14-7.03, 14-13.01,  
4 14C-1, 14C-12, 17-1, 17-1.2, 17-1.5, 17-2.11, 17-2A, 18-4.3,  
5 18-8.05, 18-8.10, 18-9, 18-12, 26-16, 27-8.1, 27A-9, 27A-11,  
6 29-5, 34-2.3, 34-8.4, 34-18, 34-18.30, and 34-43.1 and by  
7 adding Section 18-8.15 as follows:

8 (105 ILCS 5/1A-8) (from Ch. 122, par. 1A-8)

9 Sec. 1A-8. Powers of the Board in Assisting Districts  
10 Deemed in Financial Difficulties. To promote the financial  
11 integrity of school districts, the State Board of Education  
12 shall be provided the necessary powers to promote sound  
13 financial management and continue operation of the public  
14 schools.

15 (a) The State Superintendent of Education may require a  
16 school district, including any district subject to Article 34A  
17 of this Code, to share financial information relevant to a  
18 proper investigation of the district's financial condition and  
19 the delivery of appropriate State financial, technical, and  
20 consulting services to the district if the district (i) has  
21 been designated, through the State Board of Education's School  
22 District Financial Profile System, as on financial warning or  
23 financial watch status, (ii) has failed to file an annual  
24 financial report, annual budget, deficit reduction plan, or  
25 other financial information as required by law, (iii) has been



1 identified, through the district's annual audit or other  
2 financial and management information, as in serious financial  
3 difficulty in the current or next school year, or (iv) is  
4 determined to be likely to fail to fully meet any regularly  
5 scheduled, payroll-period obligations when due or any debt  
6 service payments when due or both. In addition to financial,  
7 technical, and consulting services provided by the State Board  
8 of Education, at the request of a school district, the State  
9 Superintendent may provide for an independent financial  
10 consultant to assist the district review its financial  
11 condition and options.

12 (b) The State Board of Education, after proper  
13 investigation of a district's financial condition, may certify  
14 that a district, including any district subject to Article 34A,  
15 is in financial difficulty when any of the following conditions  
16 occur:

17 (1) The district has issued school or teacher orders  
18 for wages as permitted in Sections 8-16, 32-7.2 and 34-76  
19 of this Code.

20 (2) The district has issued tax anticipation warrants  
21 or tax anticipation notes in anticipation of a second  
22 year's taxes when warrants or notes in anticipation of  
23 current year taxes are still outstanding, as authorized by  
24 Sections 17-16, 34-23, 34-59 and 34-63 of this Code, or has  
25 issued short-term debt against 2 future revenue sources,  
26 such as, but not limited to, tax anticipation warrants and

1           general State aid or primary State aid ~~Aid~~ certificates or  
2           tax anticipation warrants and revenue anticipation notes.

3           (3) The district has for 2 consecutive years shown an  
4           excess of expenditures and other financing uses over  
5           revenues and other financing sources and beginning fund  
6           balances on its annual financial report for the aggregate  
7           totals of the Educational, Operations and Maintenance,  
8           Transportation, and Working Cash Funds.

9           (4) The district refuses to provide financial  
10          information or cooperate with the State Superintendent in  
11          an investigation of the district's financial condition.

12          (5) The district is likely to fail to fully meet any  
13          regularly scheduled, payroll-period obligations when due  
14          or any debt service payments when due or both.

15          No school district shall be certified by the State Board of  
16          Education to be in financial difficulty solely by reason of any  
17          of the above circumstances arising as a result of (i) the  
18          failure of the county to make any distribution of property tax  
19          money due the district at the time such distribution is due or  
20          (ii) the failure of this State to make timely payments of  
21          general State aid, primary State aid, or any of the mandated  
22          categoricals; or if the district clearly demonstrates to the  
23          satisfaction of the State Board of Education at the time of its  
24          determination that such condition no longer exists. If the  
25          State Board of Education certifies that a district in a city  
26          with 500,000 inhabitants or more is in financial difficulty,

1 the State Board shall so notify the Governor and the Mayor of  
2 the city in which the district is located. The State Board of  
3 Education may require school districts certified in financial  
4 difficulty, except those districts subject to Article 34A, to  
5 develop, adopt and submit a financial plan within 45 days after  
6 certification of financial difficulty. The financial plan  
7 shall be developed according to guidelines presented to the  
8 district by the State Board of Education within 14 days of  
9 certification. Such guidelines shall address the specific  
10 nature of each district's financial difficulties. Any proposed  
11 budget of the district shall be consistent with the financial  
12 plan submitted to and approved by the State Board of Education.

13 A district certified to be in financial difficulty, other  
14 than a district subject to Article 34A, shall report to the  
15 State Board of Education at such times and in such manner as  
16 the State Board may direct, concerning the district's  
17 compliance with each financial plan. The State Board may review  
18 the district's operations, obtain budgetary data and financial  
19 statements, require the district to produce reports, and have  
20 access to any other information in the possession of the  
21 district that it deems relevant. The State Board may issue  
22 recommendations or directives within its powers to the district  
23 to assist in compliance with the financial plan. The district  
24 shall produce such budgetary data, financial statements,  
25 reports and other information and comply with such directives.  
26 If the State Board of Education determines that a district has

1 failed to comply with its financial plan, the State Board of  
2 Education may rescind approval of the plan and appoint a  
3 Financial Oversight Panel for the district as provided in  
4 Section 1B-4. This action shall be taken only after the  
5 district has been given notice and an opportunity to appear  
6 before the State Board of Education to discuss its failure to  
7 comply with its financial plan.

8 No bonds, notes, teachers orders, tax anticipation  
9 warrants or other evidences of indebtedness shall be issued or  
10 sold by a school district or be legally binding upon or  
11 enforceable against a local board of education of a district  
12 certified to be in financial difficulty unless and until the  
13 financial plan required under this Section has been approved by  
14 the State Board of Education.

15 Any financial profile compiled and distributed by the State  
16 Board of Education in Fiscal Year 2009 or any fiscal year  
17 thereafter shall incorporate such adjustments as may be needed  
18 in the profile scores to reflect the financial effects of the  
19 inability or refusal of the State of Illinois to make timely  
20 disbursements of any general State aid, primary State aid, or  
21 mandated categorical aid payments due school districts or to  
22 fully reimburse school districts for mandated categorical  
23 programs pursuant to reimbursement formulas provided in this  
24 School Code.

25 (Source: P.A. 96-668, eff. 8-25-09; 96-1423, eff. 8-3-10;  
26 97-429, eff. 8-16-11.)

1 (105 ILCS 5/1B-5) (from Ch. 122, par. 1B-5)

2 Sec. 1B-5. When a petition for emergency financial  
3 assistance for a school district is allowed by the State Board  
4 under Section 1B-4, the State Superintendent shall within 10  
5 days thereafter appoint 3 members to serve at the State  
6 Superintendent's pleasure on a Financial Oversight Panel for  
7 the district. The State Superintendent shall designate one of  
8 the members of the Panel to serve as its Chairman. In the event  
9 of vacancy or resignation the State Superintendent shall  
10 appoint a successor within 10 days of receiving notice thereof.

11 Members of the Panel shall be selected primarily on the  
12 basis of their experience and education in financial  
13 management, with consideration given to persons knowledgeable  
14 in education finance. A member of the Panel may not be a board  
15 member or employee of the district for which the Panel is  
16 constituted, nor may a member have a direct financial interest  
17 in that district.

18 Panel members shall serve without compensation, but may be  
19 reimbursed for travel and other necessary expenses incurred in  
20 the performance of their official duties by the State Board.  
21 The amount reimbursed Panel members for their expenses shall be  
22 charged to the school district as part of any emergency  
23 financial assistance and incorporated as a part of the terms  
24 and conditions for repayment of such assistance or shall be  
25 deducted from the district's general State aid or primary State

1 aid as provided in Section 1B-8.

2       The first meeting of the Panel shall be held at the call of  
3 the Chairman. The Panel may elect such other officers as it  
4 deems appropriate. The Panel shall prescribe the times and  
5 places for its meetings and the manner in which regular and  
6 special meetings may be called, and shall comply with the Open  
7 Meetings Act.

8       Two members of the Panel shall constitute a quorum, and the  
9 affirmative vote of 2 members shall be necessary for any  
10 decision or action to be taken by the Panel.

11       The Panel and the State Superintendent shall cooperate with  
12 each other in the exercise of their respective powers. The  
13 Panel shall report not later than September 1 annually to the  
14 State Board and the State Superintendent with respect to its  
15 activities and the condition of the school district for the  
16 previous fiscal year.

17       Any Financial Oversight Panel established under this  
18 Article shall remain in existence for not less than 3 years nor  
19 more than 10 years from the date the State Board grants the  
20 petition under Section 1B-4. If after 3 years the school  
21 district has repaid all of its obligations resulting from  
22 emergency State financial assistance provided under this  
23 Article and has improved its financial situation, the board of  
24 education may, not more frequently than once in any 12 month  
25 period, petition the State Board to dissolve the Financial  
26 Oversight Panel, terminate the oversight responsibility, and

1 remove the district's certification under Section 1A-8 as a  
2 district in financial difficulty. In acting on such a petition  
3 the State Board shall give additional weight to the  
4 recommendations of the State Superintendent and the Financial  
5 Oversight Panel.

6 (Source: P.A. 88-618, eff. 9-9-94.)

7 (105 ILCS 5/1B-6) (from Ch. 122, par. 1B-6)

8 Sec. 1B-6. General powers. The purpose of the Financial  
9 Oversight Panel shall be to exercise financial control over the  
10 board of education, and, when approved by the State Board and  
11 the State Superintendent of Education, to furnish financial  
12 assistance so that the board can provide public education  
13 within the board's jurisdiction while permitting the board to  
14 meet its obligations to its creditors and the holders of its  
15 notes and bonds. Except as expressly limited by this Article,  
16 the Panel shall have all powers necessary to meet its  
17 responsibilities and to carry out its purposes and the purposes  
18 of this Article, including, but not limited to, the following  
19 powers:

20 (a) to sue and be sued;

21 (b) to provide for its organization and internal  
22 management;

23 (c) to appoint a Financial Administrator to serve as the  
24 chief executive officer of the Panel. The Financial  
25 Administrator may be an individual, partnership, corporation,

1 including an accounting firm, or other entity determined by the  
2 Panel to be qualified to serve; and to appoint other officers,  
3 agents, and employees of the Panel, define their duties and  
4 qualifications and fix their compensation and employee  
5 benefits;

6 (d) to approve the local board of education appointments to  
7 the positions of treasurer in a Class I county school unit and  
8 in each school district which forms a part of a Class II county  
9 school unit but which no longer is subject to the jurisdiction  
10 and authority of a township treasurer or trustees of schools of  
11 a township because the district has withdrawn from the  
12 jurisdiction and authority of the township treasurer and the  
13 trustees of schools of the township or because those offices  
14 have been abolished as provided in subsection (b) or (c) of  
15 Section 5-1, and chief school business official, if such  
16 official is not the superintendent of the district. Either the  
17 board or the Panel may remove such treasurer or chief school  
18 business official;

19 (e) to approve any and all bonds, notes, teachers orders,  
20 tax anticipation warrants, and other evidences of indebtedness  
21 prior to issuance or sale by the school district; and  
22 notwithstanding any other provision of The School Code, as now  
23 or hereafter amended, no bonds, notes, teachers orders, tax  
24 anticipation warrants or other evidences of indebtedness shall  
25 be issued or sold by the school district or be legally binding  
26 upon or enforceable against the local board of education unless



1 and until the approval of the Panel has been received;

2 (f) to approve all property tax levies of the school  
3 district and require adjustments thereto as the Panel deems  
4 necessary or advisable;

5 (g) to require and approve a school district financial  
6 plan;

7 (h) to approve and require revisions of the school district  
8 budget;

9 (i) to approve all contracts and other obligations as the  
10 Panel deems necessary and appropriate;

11 (j) to authorize emergency State financial assistance,  
12 including requirements regarding the terms and conditions of  
13 repayment of such assistance, and to require the board of  
14 education to levy a separate local property tax, subject to the  
15 limitations of Section 1B-8, sufficient to repay such  
16 assistance consistent with the terms and conditions of  
17 repayment and the district's approved financial plan and  
18 budget;

19 (k) to request the regional superintendent to make  
20 appointments to fill all vacancies on the local school board as  
21 provided in Section 10-10;

22 (l) to recommend dissolution or reorganization of the  
23 school district to the General Assembly if in the Panel's  
24 judgment the circumstances so require;

25 (m) to direct a phased reduction in the oversight  
26 responsibilities of the Financial Administrator and of the

1 Panel as the circumstances permit;

2 (n) to determine the amount of emergency State financial  
3 assistance to be made available to the school district, and to  
4 establish an operating budget for the Panel to be supported by  
5 funds available from such assistance, with the assistance and  
6 the budget required to be approved by the State Superintendent;

7 (o) to procure insurance against any loss in such amounts  
8 and from such insurers as it deems necessary;

9 (p) to engage the services of consultants for rendering  
10 professional and technical assistance and advice on matters  
11 within the Panel's power;

12 (q) to contract for and to accept any gifts, grants or  
13 loans of funds or property or financial or other aid in any  
14 form from the federal government, State government, unit of  
15 local government, school district or any agency or  
16 instrumentality thereof, or from any other private or public  
17 source, and to comply with the terms and conditions thereof;

18 (r) to pay the expenses of its operations based on the  
19 Panel's budget as approved by the State Superintendent from  
20 emergency financial assistance funds available to the district  
21 or from deductions from the district's general State aid or  
22 primary State aid;

23 (s) to do any and all things necessary or convenient to  
24 carry out its purposes and exercise the powers given to the  
25 Panel by this Article; and

26 (t) to recommend the creation of a school finance authority

1 pursuant to Article 1F of this Code.

2 (Source: P.A. 91-357, eff. 7-29-99; 92-855, eff. 12-6-02.)

3 (105 ILCS 5/1B-7) (from Ch. 122, par. 1B-7)

4 Sec. 1B-7. Financial Administrator; Powers and Duties. The  
5 Financial Administrator appointed by the Financial Oversight  
6 Panel shall serve as the Panel's chief executive officer. The  
7 Financial Administrator shall exercise the powers and duties  
8 required by the Panel, including but not limited to the  
9 following:

10 (a) to provide guidance and recommendations to the local  
11 board and officials of the school district in developing the  
12 district's financial plan and budget prior to board action;

13 (b) to direct the local board to reorganize its financial  
14 accounts, budgetary systems, and internal accounting and  
15 financial controls, in whatever manner the Panel deems  
16 appropriate to achieve greater financial responsibility and to  
17 reduce financial inefficiency, and to provide technical  
18 assistance to aid the district in accomplishing the  
19 reorganization;

20 (c) to make recommendations to the Financial Oversight  
21 Panel concerning the school district's financial plan and  
22 budget, and all other matters within the scope of the Panel's  
23 authority;

24 (d) to prepare and recommend to the Panel a proposal for  
25 emergency State financial assistance for the district,

1 including recommended terms and conditions of repayment, and an  
2 operations budget for the Panel to be funded from the emergency  
3 assistance or from deductions from the district's general State  
4 aid or primary State aid;

5 (e) to require the local board to prepare and submit  
6 preliminary staffing and budgetary analyses annually prior to  
7 February 1 in such manner and form as the Financial  
8 Administrator shall prescribe; and

9 (f) subject to the direction of the Panel, to do all other  
10 things necessary or convenient to carry out its purposes and  
11 exercise the powers given to the Panel under this Article.

12 (Source: P.A. 88-618, eff. 9-9-94.)

13 (105 ILCS 5/1B-8) (from Ch. 122, par. 1B-8)

14 Sec. 1B-8. There is created in the State Treasury a special  
15 fund to be known as the School District Emergency Financial  
16 Assistance Fund (the "Fund"). The School District Emergency  
17 Financial Assistance Fund shall consist of appropriations,  
18 loan repayments, grants from the federal government, and  
19 donations from any public or private source. Moneys in the Fund  
20 may be appropriated only to the Illinois Finance Authority and  
21 the State Board for those purposes authorized under this  
22 Article and Articles 1F and 1H of this Code. The appropriation  
23 may be allocated and expended by the State Board for  
24 contractual services to provide technical assistance or  
25 consultation to school districts to assess their financial

1 condition and to Financial Oversight Panels that petition for  
2 emergency financial assistance grants. The Illinois Finance  
3 Authority may provide loans to school districts which are the  
4 subject of an approved petition for emergency financial  
5 assistance under Section 1B-4, 1F-62, or 1H-65 of this Code.  
6 Neither the State Board of Education nor the Illinois Finance  
7 Authority may collect any fees for providing these services.

8 From the amount allocated to each such school district  
9 under this Article the State Board shall identify a sum  
10 sufficient to cover all approved costs of the Financial  
11 Oversight Panel established for the respective school  
12 district. If the State Board and State Superintendent of  
13 Education have not approved emergency financial assistance in  
14 conjunction with the appointment of a Financial Oversight  
15 Panel, the Panel's approved costs shall be paid from deductions  
16 from the district's general State aid or primary State aid.

17 The Financial Oversight Panel may prepare and file with the  
18 State Superintendent a proposal for emergency financial  
19 assistance for the school district and for its operations  
20 budget. No expenditures from the Fund shall be authorized by  
21 the State Superintendent until he or she has approved the  
22 request of the Panel, either as submitted or in such lesser  
23 amount determined by the State Superintendent.

24 The maximum amount of an emergency financial assistance  
25 loan which may be allocated to any school district under this  
26 Article, including moneys necessary for the operations of the

1 Panel, shall not exceed \$4,000 times the number of pupils  
2 enrolled in the school district during the school year ending  
3 June 30 prior to the date of approval by the State Board of the  
4 petition for emergency financial assistance, as certified to  
5 the local board and the Panel by the State Superintendent. An  
6 emergency financial assistance grant shall not exceed \$1,000  
7 times the number of such pupils. A district may receive both a  
8 loan and a grant.

9 The payment of an emergency State financial assistance  
10 grant or loan shall be subject to appropriation by the General  
11 Assembly. Payment of the emergency State financial assistance  
12 loan is subject to the applicable provisions of the Illinois  
13 Finance Authority Act. Emergency State financial assistance  
14 allocated and paid to a school district under this Article may  
15 be applied to any fund or funds from which the local board of  
16 education of that district is authorized to make expenditures  
17 by law.

18 Any emergency financial assistance grant proposed by the  
19 Financial Oversight Panel and approved by the State  
20 Superintendent may be paid in its entirety during the initial  
21 year of the Panel's existence or spread in equal or declining  
22 amounts over a period of years not to exceed the period of the  
23 Panel's existence. An emergency financial assistance loan  
24 proposed by the Financial Oversight Panel and approved by the  
25 Illinois Finance Authority may be paid in its entirety during  
26 the initial year of the Panel's existence or spread in equal or

1 declining amounts over a period of years not to exceed the  
2 period of the Panel's existence. All loans made by the Illinois  
3 Finance Authority for a school district shall be required to be  
4 repaid, with simple interest over the term of the loan at a  
5 rate equal to 50% of the one-year Constant Maturity Treasury  
6 (CMT) yield as last published by the Board of Governors of the  
7 Federal Reserve System before the date on which the district's  
8 loan is approved by the Illinois Finance Authority, not later  
9 than the date the Financial Oversight Panel ceases to exist.  
10 The Panel shall establish and the Illinois Finance Authority  
11 shall approve the terms and conditions, including the schedule,  
12 of repayments. The schedule shall provide for repayments  
13 commencing July 1 of each year or upon each fiscal year's  
14 receipt of moneys from a tax levy for emergency financial  
15 assistance. Repayment shall be incorporated into the annual  
16 budget of the school district and may be made from any fund or  
17 funds of the district in which there are moneys available. An  
18 emergency financial assistance loan to the Panel or district  
19 shall not be considered part of the calculation of a district's  
20 debt for purposes of the limitation specified in Section 19-1  
21 of this Code. Default on repayment is subject to the Illinois  
22 Grant Funds Recovery Act. When moneys are repaid as provided  
23 herein they shall not be made available to the local board for  
24 further use as emergency financial assistance under this  
25 Article at any time thereafter. All repayments required to be  
26 made by a school district shall be received by the State Board

1 and deposited in the School District Emergency Financial  
2 Assistance Fund.

3 In establishing the terms and conditions for the repayment  
4 obligation of the school district the Panel shall annually  
5 determine whether a separate local property tax levy is  
6 required. The board of any school district with a tax rate for  
7 educational purposes for the prior year of less than 120% of  
8 the maximum rate for educational purposes authorized by Section  
9 17-2 shall provide for a separate tax levy for emergency  
10 financial assistance repayment purposes. Such tax levy shall  
11 not be subject to referendum approval. The amount of the levy  
12 shall be equal to the amount necessary to meet the annual  
13 repayment obligations of the district as established by the  
14 Panel, or 20% of the amount levied for educational purposes for  
15 the prior year, whichever is less. However, no district shall  
16 be required to levy the tax if the district's operating tax  
17 rate as determined under Section 18-8, ~~or~~ 18-8.05, or 18-8.15  
18 exceeds 200% of the district's tax rate for educational  
19 purposes for the prior year.

20 (Source: P.A. 97-429, eff. 8-16-11.)

21 (105 ILCS 5/1C-1)

22 Sec. 1C-1. Purpose. The purpose of this Article is to  
23 permit greater flexibility and efficiency in the distribution  
24 and use of certain State funds available to local education  
25 agencies for the improvement of the quality of educational



1 services pursuant to locally established priorities.

2 Through fiscal year 2015, this ~~This~~ Article does not apply  
3 to school districts having a population in excess of 500,000  
4 inhabitants.

5 (Source: P.A. 88-555, eff. 7-27-94; 89-15, eff. 5-30-95;  
6 89-397, eff. 8-20-95; 89-626, eff. 8-9-96.)

7 (105 ILCS 5/1C-2)

8 Sec. 1C-2. Block grants.

9 (a) For fiscal year 1999, and each fiscal year thereafter,  
10 the State Board of Education shall award to school districts  
11 block grants as described in subsection (c). The State Board of  
12 Education may adopt rules and regulations necessary to  
13 implement this Section. In accordance with Section 2-3.32, all  
14 state block grants are subject to an audit. Therefore, block  
15 grant receipts and block grant expenditures shall be recorded  
16 to the appropriate fund code.

17 (b) (Blank).

18 (c) An Early Childhood Education Block Grant shall be  
19 created by combining the following programs: Preschool  
20 Education, Parental Training and Prevention Initiative. These  
21 funds shall be distributed to school districts and other  
22 entities on a competitive basis, except that the State Board of  
23 Education shall award to a school district having a population  
24 exceeding 500,000 inhabitants 37% of the funds in each fiscal  
25 year. Not less than 14% of this grant shall be used to fund

1 programs for children ages 0-3, which percentage shall increase  
2 to at least 20% by Fiscal Year 2016. However, if, in a given  
3 fiscal year, the amount appropriated for the Early Childhood  
4 Education Block Grant is insufficient to increase the  
5 percentage of the grant to fund programs for children ages 0-3  
6 without reducing the amount of the grant for existing providers  
7 of preschool education programs, then the percentage of the  
8 grant to fund programs for children ages 0-3 may be held steady  
9 instead of increased.

10 (Source: P.A. 98-645, eff. 7-1-14.)

11 (105 ILCS 5/1D-1)

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

13 (a) For fiscal year 1996 through fiscal year 2015 ~~and each~~  
14 ~~fiscal year thereafter~~, the State Board of Education shall  
15 award to a school district having a population exceeding  
16 500,000 inhabitants a general education block grant and an  
17 educational services block grant, determined as provided in  
18 this Section, in lieu of distributing to the district separate  
19 State funding for the programs described in subsections (b) and  
20 (c). The provisions of this Section, however, do not apply to  
21 any federal funds that the district is entitled to receive. In  
22 accordance with Section 2-3.32, all block grants are subject to  
23 an audit. Therefore, block grant receipts and block grant  
24 expenditures shall be recorded to the appropriate fund code for  
25 the designated block grant.

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

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

1 Assembly in enacting the provisions of this subsection (c) to  
2 relieve the district of the administrative burdens that impede  
3 efficiency and accompany single-program funding. The General  
4 Assembly encourages the board to pursue mandate waivers  
5 pursuant to Section 2-3.25g.

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

18 (d) For fiscal year 1996 through fiscal year 2015 ~~and each~~  
19 ~~fiscal year thereafter~~, the amount of the district's block  
20 grants shall be determined as follows: (i) with respect to each  
21 program that is included within each block grant, the district  
22 shall receive an amount equal to the same percentage of the  
23 current fiscal year appropriation made for that program as the  
24 percentage of the appropriation received by the district from  
25 the 1995 fiscal year appropriation made for that program, and  
26 (ii) the total amount that is due the district under the block

1 grant shall be the aggregate of the amounts that the district  
2 is entitled to receive for the fiscal year with respect to each  
3 program that is included within the block grant that the State  
4 Board of Education shall award the district under this Section  
5 for that fiscal year. In the case of the Summer Bridges  
6 program, the amount of the district's block grant shall be  
7 equal to 44% of the amount of the current fiscal year  
8 appropriation made for that program.

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

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

26 (g) Through fiscal year 2015, this ~~This~~ paragraph provides

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

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

19 (h) Notwithstanding any other provision of law, any school  
20 district receiving a block grant under this Section may  
21 classify all or a portion of the funds that it receives in a  
22 particular fiscal year from any block grant authorized under  
23 this Code or from general State aid pursuant to Section 18-8.05  
24 of this Code (other than supplemental general State aid) as  
25 funds received in connection with any funding program for which  
26 it is entitled to receive funds from the State in that fiscal

1 year (including, without limitation, any funding program  
2 referred to in subsection (c) of this Section), regardless of  
3 the source or timing of the receipt. The district may not  
4 classify more funds as funds received in connection with the  
5 funding program than the district is entitled to receive in  
6 that fiscal year for that program. Any classification by a  
7 district must be made by a resolution of its board of  
8 education. The resolution must identify the amount of any block  
9 grant or general State aid to be classified under this  
10 subsection (h) and must specify the funding program to which  
11 the funds are to be treated as received in connection  
12 therewith. This resolution is controlling as to the  
13 classification of funds referenced therein. A certified copy of  
14 the resolution must be sent to the State Superintendent of  
15 Education. The resolution shall still take effect even though a  
16 copy of the resolution has not been sent to the State  
17 Superintendent of Education in a timely manner. No  
18 classification under this subsection (h) by a district shall  
19 affect the total amount or timing of money the district is  
20 entitled to receive under this Code. No classification under  
21 this subsection (h) by a district shall in any way relieve the  
22 district from or affect any requirements that otherwise would  
23 apply with respect to the block grant as provided in this  
24 Section, including any accounting of funds by source, reporting  
25 expenditures by original source and purpose, reporting  
26 requirements, or requirements of provision of services.

1 (Source: P.A. 97-238, eff. 8-2-11; 97-324, eff. 8-12-11;  
2 97-813, eff. 7-13-12.)

3 (105 ILCS 5/1E-20)

4 (This Section scheduled to be repealed in accordance with  
5 105 ILCS 5/1E-165)

6 Sec. 1E-20. Members of Authority; meetings.

7 (a) When a petition for a School Finance Authority is  
8 allowed by the State Board under Section 1E-15 of this Code,  
9 the State Superintendent shall within 10 days thereafter  
10 appoint 5 members to serve on a School Finance Authority for  
11 the district. Of the initial members, 2 shall be appointed to  
12 serve a term of 2 years and 3 shall be appointed to serve a term  
13 of 3 years. Thereafter, each member shall serve for a term of 3  
14 years and until his or her successor has been appointed. The  
15 State Superintendent shall designate one of the members of the  
16 Authority to serve as its Chairperson. In the event of vacancy  
17 or resignation, the State Superintendent shall, within 10 days  
18 after receiving notice, appoint a successor to serve out that  
19 member's term. The State Superintendent may remove a member for  
20 incompetence, malfeasance, neglect of duty, or other just  
21 cause.

22 Members of the Authority shall be selected primarily on the  
23 basis of their experience and education in financial  
24 management, with consideration given to persons knowledgeable  
25 in education finance. Two members of the Authority shall be



1 residents of the school district that the Authority serves. A  
2 member of the Authority may not be a member of the district's  
3 school board or an employee of the district nor may a member  
4 have a direct financial interest in the district.

5 Authority members shall serve without compensation, but  
6 may be reimbursed by the State Board for travel and other  
7 necessary expenses incurred in the performance of their  
8 official duties. Unless paid from bonds issued under Section  
9 1E-65 of this Code, the amount reimbursed members for their  
10 expenses shall be charged to the school district as part of any  
11 emergency financial assistance and incorporated as a part of  
12 the terms and conditions for repayment of the assistance or  
13 shall be deducted from the district's general State aid or  
14 primary State aid as provided in Section 1B-8 of this Code.

15 The Authority may elect such officers as it deems  
16 appropriate.

17 (b) The first meeting of the Authority shall be held at the  
18 call of the Chairperson. The Authority shall prescribe the  
19 times and places for its meetings and the manner in which  
20 regular and special meetings may be called and shall comply  
21 with the Open Meetings Act.

22 Three members of the Authority shall constitute a quorum.  
23 When a vote is taken upon any measure before the Authority, a  
24 quorum being present, a majority of the votes of the members  
25 voting on the measure shall determine the outcome.

26 (Source: P.A. 92-547, eff. 6-13-02.)

1 (105 ILCS 5/1F-20)

2 (This Section scheduled to be repealed in accordance with 105  
3 ILCS 5/1F-165)

4 Sec. 1F-20. Members of Authority; meetings.

5 (a) Upon establishment of a School Finance Authority under  
6 Section 1F-15 of this Code, the State Superintendent shall  
7 within 15 days thereafter appoint 5 members to serve on a  
8 School Finance Authority for the district. Of the initial  
9 members, 2 shall be appointed to serve a term of 2 years and 3  
10 shall be appointed to serve a term of 3 years. Thereafter, each  
11 member shall serve for a term of 3 years and until his or her  
12 successor has been appointed. The State Superintendent shall  
13 designate one of the members of the Authority to serve as its  
14 Chairperson. In the event of vacancy or resignation, the State  
15 Superintendent shall, within 10 days after receiving notice,  
16 appoint a successor to serve out that member's term. The State  
17 Superintendent may remove a member for incompetence,  
18 malfeasance, neglect of duty, or other just cause.

19 Members of the Authority shall be selected primarily on the  
20 basis of their experience and education in financial  
21 management, with consideration given to persons knowledgeable  
22 in education finance. Two members of the Authority shall be  
23 residents of the school district that the Authority serves. A  
24 member of the Authority may not be a member of the district's  
25 school board or an employee of the district nor may a member

1 have a direct financial interest in the district.

2 Authority members shall be paid a stipend approved by the  
3 State Superintendent of not more than \$100 per meeting and may  
4 be reimbursed by the State Board for travel and other necessary  
5 expenses incurred in the performance of their official duties.  
6 Unless paid from bonds issued under Section 1F-65 of this Code,  
7 the amount reimbursed members for their expenses shall be  
8 charged to the school district as part of any emergency  
9 financial assistance and incorporated as a part of the terms  
10 and conditions for repayment of the assistance or shall be  
11 deducted from the district's general State aid or primary State  
12 aid as provided in Section 1B-8 of this Code.

13 The Authority may elect such officers as it deems  
14 appropriate.

15 (b) The first meeting of the Authority shall be held at the  
16 call of the Chairperson. The Authority shall prescribe the  
17 times and places for its meetings and the manner in which  
18 regular and special meetings may be called and shall comply  
19 with the Open Meetings Act.

20 Three members of the Authority shall constitute a quorum.  
21 When a vote is taken upon any measure before the Authority, a  
22 quorum being present, a majority of the votes of the members  
23 voting on the measure shall determine the outcome.

24 (Source: P.A. 94-234, eff. 7-1-06.)

1 (This Section scheduled to be repealed in accordance with 105  
2 ILCS 5/1F-165)

3 Sec. 1F-62. School District Emergency Financial Assistance  
4 Fund; grants and loans.

5 (a) Moneys in the School District Emergency Financial  
6 Assistance Fund established under Section 1B-8 of this Code may  
7 be allocated and expended by the State Board as grants to  
8 provide technical and consulting services to school districts  
9 to assess their financial condition and by the Illinois Finance  
10 Authority for emergency financial assistance loans to a School  
11 Finance Authority that petitions for emergency financial  
12 assistance. An emergency financial assistance loan to a School  
13 Finance Authority or borrowing from sources other than the  
14 State shall not be considered as part of the calculation of a  
15 district's debt for purposes of the limitation specified in  
16 Section 19-1 of this Code. From the amount allocated to each  
17 School Finance Authority, the State Board shall identify a sum  
18 sufficient to cover all approved costs of the School Finance  
19 Authority. If the State Board and State Superintendent have not  
20 approved emergency financial assistance in conjunction with  
21 the appointment of a School Finance Authority, the Authority's  
22 approved costs shall be paid from deductions from the  
23 district's general State aid or primary State aid.

24 The School Finance Authority may prepare and file with the  
25 State Superintendent a proposal for emergency financial  
26 assistance for the school district and for its operations

1 budget. No expenditures shall be authorized by the State  
2 Superintendent until he or she has approved the proposal of the  
3 School Finance Authority, either as submitted or in such lesser  
4 amount determined by the State Superintendent.

5 (b) The amount of an emergency financial assistance loan  
6 that may be allocated to a School Finance Authority under this  
7 Article, including moneys necessary for the operations of the  
8 School Finance Authority, and borrowing from sources other than  
9 the State shall not exceed, in the aggregate, \$4,000 times the  
10 number of pupils enrolled in the district during the school  
11 year ending June 30 prior to the date of approval by the State  
12 Board of the petition for emergency financial assistance, as  
13 certified to the school board and the School Finance Authority  
14 by the State Superintendent. However, this limitation does not  
15 apply to borrowing by the district secured by amounts levied by  
16 the district prior to establishment of the School Finance  
17 Authority. An emergency financial assistance grant shall not  
18 exceed \$1,000 times the number of such pupils. A district may  
19 receive both a loan and a grant.

20 (c) The payment of a State emergency financial assistance  
21 grant or loan shall be subject to appropriation by the General  
22 Assembly. State emergency financial assistance allocated and  
23 paid to a School Finance Authority under this Article may be  
24 applied to any fund or funds from which the School Finance  
25 Authority is authorized to make expenditures by law.

26 (d) Any State emergency financial assistance proposed by

1 the School Finance Authority and approved by the State  
2 Superintendent may be paid in its entirety during the initial  
3 year of the School Finance Authority's existence or spread in  
4 equal or declining amounts over a period of years not to exceed  
5 the period of the School Finance Authority's existence. The  
6 State Superintendent shall not approve any loan to the School  
7 Finance Authority unless the School Finance Authority has been  
8 unable to borrow sufficient funds to operate the district.

9 All loan payments made from the School District Emergency  
10 Financial Assistance Fund to a School Finance Authority shall  
11 be required to be repaid not later than the date the School  
12 Finance Authority ceases to exist, with simple interest over  
13 the term of the loan at a rate equal to 50% of the one-year  
14 Constant Maturity Treasury (CMT) yield as last published by the  
15 Board of Governors of the Federal Reserve System before the  
16 date on which the School Finance Authority's loan is approved  
17 by the State Board.

18 The School Finance Authority shall establish and the  
19 Illinois Finance Authority shall approve the terms and  
20 conditions of the loan, including the schedule of repayments.  
21 The schedule shall provide for repayments commencing July 1 of  
22 each year or upon each fiscal year's receipt of moneys from a  
23 tax levy for emergency financial assistance. Repayment shall be  
24 incorporated into the annual budget of the district and may be  
25 made from any fund or funds of the district in which there are  
26 moneys available. Default on repayment is subject to the

1 Illinois Grant Funds Recovery Act. When moneys are repaid as  
2 provided in this Section, they shall not be made available to  
3 the School Finance Authority for further use as emergency  
4 financial assistance under this Article at any time thereafter.  
5 All repayments required to be made by a School Finance  
6 Authority shall be received by the State Board and deposited in  
7 the School District Emergency Financial Assistance Fund.

8 In establishing the terms and conditions for the repayment  
9 obligation of the School Finance Authority, the School Finance  
10 Authority shall annually determine whether a separate local  
11 property tax levy is required to meet that obligation. The  
12 School Finance Authority shall provide for a separate tax levy  
13 for emergency financial assistance repayment purposes. This  
14 tax levy shall not be subject to referendum approval. The  
15 amount of the levy shall not exceed the amount necessary to  
16 meet the annual emergency financial repayment obligations of  
17 the district, including principal and interest, as established  
18 by the School Finance Authority.

19 (Source: P.A. 94-234, eff. 7-1-06.)

20 (105 ILCS 5/1H-20)

21 Sec. 1H-20. Members of Panel; meetings.

22 (a) Upon establishment of a Financial Oversight Panel under  
23 Section 1H-15 of this Code, the State Superintendent shall  
24 within 15 working days thereafter appoint 5 members to serve on  
25 a Financial Oversight Panel for the district. Members appointed

1 to the Panel shall serve at the pleasure of the State  
2 Superintendent. The State Superintendent shall designate one  
3 of the members of the Panel to serve as its Chairperson. In the  
4 event of vacancy or resignation, the State Superintendent  
5 shall, within 10 days after receiving notice, appoint a  
6 successor to serve out that member's term.

7 (b) Members of the Panel shall be selected primarily on the  
8 basis of their experience and education in financial  
9 management, with consideration given to persons knowledgeable  
10 in education finance. Two members of the Panel shall be  
11 residents of the school district that the Panel serves. A  
12 member of the Panel may not be a member of the district's  
13 school board or an employee of the district nor may a member  
14 have a direct financial interest in the district.

15 (c) Panel members may be reimbursed by the State Board for  
16 travel and other necessary expenses incurred in the performance  
17 of their official duties. The amount reimbursed members for  
18 their expenses shall be charged to the school district as part  
19 of any emergency financial assistance and incorporated as a  
20 part of the terms and conditions for repayment of the  
21 assistance or shall be deducted from the district's general  
22 State aid or primary State aid as provided in Section 1H-65 of  
23 this Code.

24 (d) With the exception of the chairperson, who shall be  
25 designated as provided in subsection (a) of this Section, the  
26 Panel may elect such officers as it deems appropriate.



1 (e) The first meeting of the Panel shall be held at the  
2 call of the Chairperson. The Panel shall prescribe the times  
3 and places for its meetings and the manner in which regular and  
4 special meetings may be called and shall comply with the Open  
5 Meetings Act. The Panel shall also comply with the Freedom of  
6 Information Act.

7 (f) Three members of the Panel shall constitute a quorum. A  
8 majority of members present is required to pass a measure.

9 (Source: P.A. 97-429, eff. 8-16-11.)

10 (105 ILCS 5/1H-70)

11 Sec. 1H-70. Tax anticipation warrants, tax anticipation  
12 notes, revenue anticipation certificates or notes, general  
13 State aid or primary State aid anticipation certificates, and  
14 lines of credit. With the approval of the State Superintendent  
15 and provided that the district is unable to secure short-term  
16 financing after 3 attempts, a Panel shall have the same power  
17 as a district to do the following:

18 (1) issue tax anticipation warrants under the  
19 provisions of Section 17-16 of this Code against taxes  
20 levied by either the school board or the Panel pursuant to  
21 Section 1H-25 of this Code;

22 (2) issue tax anticipation notes under the provisions  
23 of the Tax Anticipation Note Act against taxes levied by  
24 either the school board or the Panel pursuant to Section  
25 1H-25 of this Code;

1           (3) issue revenue anticipation certificates or notes  
2           under the provisions of the Revenue Anticipation Act;

3           (4) issue general State aid or primary State aid  
4           anticipation certificates under the provisions of Section  
5           18-18 of this Code; and

6           (5) establish and utilize lines of credit under the  
7           provisions of Section 17-17 of this Code.

8           Tax anticipation warrants, tax anticipation notes, revenue  
9           anticipation certificates or notes, general State aid or  
10          primary State aid anticipation certificates, and lines of  
11          credit are considered borrowing from sources other than the  
12          State and are subject to Section 1H-65 of this Code.

13          (Source: P.A. 97-429, eff. 8-16-11.)

14          (105 ILCS 5/2-3.28) (from Ch. 122, par. 2-3.28)

15          Sec. 2-3.28. Rules and regulations of budget and accounting  
16          systems. To prescribe rules and regulations defining what shall  
17          constitute a budget and accounting system required under this  
18          Act. The rules and regulations shall prescribe the minimum  
19          extent of verification, the type of audit, the extent of the  
20          audit report and shall require compliance with statutory  
21          requirements and standards and such requirements as the State  
22          Board of Education deems necessary for an adequate budget and  
23          accounting system. For the 2016-2017 school year and  
24          thereafter, the rules and regulations shall prescribe a system  
25          for accounting for revenues and expenditures at the individual

1 school level that includes without limitation the following:

2 (1) accounting for expenditures for school  
3 administration, regular instruction, special education  
4 instruction, instructional programs for children of  
5 limited English-speaking ability, instructional support  
6 services, and pupil support services;

7 (2) salary expenditures reflecting actual staff  
8 salaries at each school;

9 (3) accounting for operations, including  
10 non-instructional pupil services, facilities, and business  
11 services; and

12 (4) such other requirements as the State Board of  
13 Education deems necessary to provide for a uniform and  
14 transparent system of accounting at the school level.

15 (Source: P.A. 81-1508.)

16 (105 ILCS 5/2-3.33) (from Ch. 122, par. 2-3.33)

17 Sec. 2-3.33. Recomputation of claims. To recompute within  
18 3 years from the final date for filing of a claim any claim for  
19 reimbursement to any school district if the claim has been  
20 found to be incorrect and to adjust subsequent claims  
21 accordingly, and to recompute and adjust any such claims within  
22 6 years from the final date for filing when there has been an  
23 adverse court or administrative agency decision on the merits  
24 affecting the tax revenues of the school district. However, no  
25 such adjustment shall be made regarding equalized assessed

1 valuation unless the district's equalized assessed valuation  
2 is changed by greater than \$250,000 or 2%. Any adjustments for  
3 claims recomputed for the 2014-2015 school year and prior  
4 school years shall be applied to the apportionment of primary  
5 State financial aid in Section 18-8.15 of this Code beginning  
6 in the 2015-2016 school year and thereafter.

7 Except in the case of an adverse court or administrative  
8 agency decision, no recomputation of a State aid claim shall be  
9 made pursuant to this Section as a result of a reduction in the  
10 assessed valuation of a school district from the assessed  
11 valuation of the district reported to the State Board of  
12 Education by the Department of Revenue under Section 18-8.05 or  
13 18-8.15 of this Code unless the requirements of Section 16-15  
14 of the Property Tax Code and Section 2-3.84 of this Code are  
15 complied with in all respects.

16 This paragraph applies to all requests for recomputation of  
17 a general State aid or primary State aid claim received after  
18 June 30, 2003. In recomputing a general State aid or primary  
19 State aid claim that was originally calculated using an  
20 extension limitation equalized assessed valuation under  
21 paragraph (3) of subsection (G) of Section 18-8.05 of this Code  
22 or paragraph (2) of subsection (h) of Section 18-8.15 of this  
23 Code, a qualifying reduction in equalized assessed valuation  
24 shall be deducted from the extension limitation equalized  
25 assessed valuation that was used in calculating the original  
26 claim.

1           From the total amount of general State aid or primary State  
2 aid to be provided to districts, adjustments as a result of  
3 recomputation under this Section together with adjustments  
4 under Section 2-3.84 must not exceed \$25 million, in the  
5 aggregate for all districts under both Sections combined, of  
6 the general State aid or primary State aid appropriation in any  
7 fiscal year; if necessary, amounts shall be prorated among  
8 districts. If it is necessary to prorate claims under this  
9 paragraph, then that portion of each prorated claim that is  
10 approved but not paid in the current fiscal year may be  
11 resubmitted as a valid claim in the following fiscal year.

12       (Source: P.A. 93-845, eff. 7-30-04.)

13           (105 ILCS 5/2-3.51.5)

14           Sec. 2-3.51.5. School Safety and Educational Improvement  
15 Block Grant Program. To improve the level of education and  
16 safety of students from kindergarten through grade 12 in school  
17 districts and State-recognized, non-public schools. The State  
18 Board of Education is authorized to fund a School Safety and  
19 Educational Improvement Block Grant Program.

20           (1) For school districts, the program shall provide funding  
21 for school safety, textbooks and software, electronic  
22 textbooks and the technological equipment necessary to gain  
23 access to and use electronic textbooks, teacher training and  
24 curriculum development, school improvements, school report  
25 cards under Section 10-17a, and criminal history records checks

1 under Sections 10-21.9 and 34-18.5. For State-recognized,  
2 non-public schools, the program shall provide funding for  
3 secular textbooks and software, criminal history records  
4 checks, and health and safety mandates to the extent that the  
5 funds are expended for purely secular purposes. A school  
6 district or laboratory school as defined in Section 18-8, ~~or~~  
7 18-8.05, or 18-8.15 is not required to file an application in  
8 order to receive the categorical funding to which it is  
9 entitled under this Section. Funds for the School Safety and  
10 Educational Improvement Block Grant Program shall be  
11 distributed to school districts and laboratory schools based on  
12 the prior year's best 3 months average daily attendance. Funds  
13 for the School Safety and Educational Improvement Block Grant  
14 Program shall be distributed to State-recognized, non-public  
15 schools based on the average daily attendance figure for the  
16 previous school year provided to the State Board of Education.  
17 The State Board of Education shall develop an application that  
18 requires State-recognized, non-public schools to submit  
19 average daily attendance figures. A State-recognized,  
20 non-public school must submit the application and average daily  
21 attendance figure prior to receiving funds under this Section.  
22 The State Board of Education shall promulgate rules and  
23 regulations necessary for the implementation of this program.

24 (2) Distribution of moneys to school districts and  
25 State-recognized, non-public schools shall be made in 2  
26 semi-annual installments, one payment on or before October 30,

1 and one payment prior to April 30, of each fiscal year.

2 (3) Grants under the School Safety and Educational  
3 Improvement Block Grant Program shall be awarded provided there  
4 is an appropriation for the program, and funding levels for  
5 each district shall be prorated according to the amount of the  
6 appropriation.

7 (4) The provisions of this Section are in the public  
8 interest, are for the public benefit, and serve secular public  
9 purposes.

10 (Source: P.A. 98-972, eff. 8-15-14.)

11 (105 ILCS 5/2-3.66) (from Ch. 122, par. 2-3.66)

12 Sec. 2-3.66. Truants' alternative and optional education  
13 programs. To establish projects to offer modified  
14 instructional programs or other services designed to prevent  
15 students from dropping out of school, including programs  
16 pursuant to Section 2-3.41, and to serve as a part time or full  
17 time option in lieu of regular school attendance and to award  
18 grants to local school districts, educational service regions  
19 or community college districts from appropriated funds to  
20 assist districts in establishing such projects. The education  
21 agency may operate its own program or enter into a contract  
22 with another not-for-profit entity to implement the program.  
23 The projects shall allow dropouts, up to and including age 21,  
24 potential dropouts, including truants, uninvolved, unmotivated  
25 and disaffected students, as defined by State Board of

1 Education rules and regulations, to enroll, as an alternative  
2 to regular school attendance, in an optional education program  
3 which may be established by school board policy and is in  
4 conformance with rules adopted by the State Board of Education.  
5 Truants' Alternative and Optional Education programs funded  
6 pursuant to this Section shall be planned by a student, the  
7 student's parents or legal guardians, unless the student is 18  
8 years or older, and school officials and shall culminate in an  
9 individualized optional education plan. Such plan shall focus  
10 on academic or vocational skills, or both, and may include, but  
11 not be limited to, evening school, summer school, community  
12 college courses, adult education, preparation courses for high  
13 school equivalency testing, vocational training, work  
14 experience, programs to enhance self concept and parenting  
15 courses. School districts which are awarded grants pursuant to  
16 this Section shall be authorized to provide day care services  
17 to children of students who are eligible and desire to enroll  
18 in programs established and funded under this Section, but only  
19 if and to the extent that such day care is necessary to enable  
20 those eligible students to attend and participate in the  
21 programs and courses which are conducted pursuant to this  
22 Section. School districts and regional offices of education may  
23 claim general State aid under Section 18-8.05 or primary State  
24 aid under Section 18-8.15 for students enrolled in truants'  
25 alternative and optional education programs, provided that  
26 such students are receiving services that are supplemental to a



1 program leading to a high school diploma and are otherwise  
2 eligible to be claimed for general State aid under Section  
3 18-8.05 or primary State aid under Section 18-8.15, as  
4 applicable.

5 (Source: P.A. 98-718, eff. 1-1-15.)

6 (105 ILCS 5/2-3.66b)

7 Sec. 2-3.66b. IHOPE Program.

8 (a) There is established the Illinois Hope and Opportunity  
9 Pathways through Education (IHOPE) Program. The State Board of  
10 Education shall implement and administer the IHOPE Program. The  
11 goal of the IHOPE Program is to develop a comprehensive system  
12 in this State to re-enroll significant numbers of high school  
13 dropouts in programs that will enable them to earn their high  
14 school diploma.

15 (b) The IHOPE Program shall award grants, subject to  
16 appropriation for this purpose, to educational service regions  
17 and a school district organized under Article 34 of this Code  
18 from appropriated funds to assist in establishing  
19 instructional programs and other services designed to  
20 re-enroll high school dropouts. From any funds appropriated for  
21 the IHOPE Program, the State Board of Education may use up to  
22 5% for administrative costs, including the performance of a  
23 program evaluation and the hiring of staff to implement and  
24 administer the program.

25 The IHOPE Program shall provide incentive grant funds for

1 regional offices of education and a school district organized  
2 under Article 34 of this Code to develop partnerships with  
3 school districts, public community colleges, and community  
4 groups to build comprehensive plans to re-enroll high school  
5 dropouts in their regions or districts.

6 Programs funded through the IHOPE Program shall allow high  
7 school dropouts, up to and including age 21 notwithstanding  
8 Section 26-2 of this Code, to re-enroll in an educational  
9 program in conformance with rules adopted by the State Board of  
10 Education. Programs may include without limitation  
11 comprehensive year-round programming, evening school, summer  
12 school, community college courses, adult education, vocational  
13 training, work experience, programs to enhance self-concept,  
14 and parenting courses. Any student in the IHOPE Program who  
15 wishes to earn a high school diploma must meet the  
16 prerequisites to receiving a high school diploma specified in  
17 Section 27-22 of this Code and any other graduation  
18 requirements of the student's district of residence. Any  
19 student who successfully completes the requirements for his or  
20 her graduation shall receive a diploma identifying the student  
21 as graduating from his or her district of residence.

22 (c) In order to be eligible for funding under the IHOPE  
23 Program, an interested regional office of education or a school  
24 district organized under Article 34 of this Code shall develop  
25 an IHOPE Plan to be approved by the State Board of Education.  
26 The State Board of Education shall develop rules for the IHOPE

1 Program that shall set forth the requirements for the  
2 development of the IHOPE Plan. Each Plan shall involve school  
3 districts, public community colleges, and key community  
4 programs that work with high school dropouts located in an  
5 educational service region or the City of Chicago before the  
6 Plan is sent to the State Board for approval. No funds may be  
7 distributed to a regional office of education or a school  
8 district organized under Article 34 of this Code until the  
9 State Board has approved the Plan.

10 (d) A regional office of education or a school district  
11 organized under Article 34 of this Code may operate its own  
12 program funded by the IHOPE Program or enter into a contract  
13 with other not-for-profit entities, including school  
14 districts, public community colleges, and not-for-profit  
15 community-based organizations, to operate a program.

16 A regional office of education or a school district  
17 organized under Article 34 of this Code that receives an IHOPE  
18 grant from the State Board of Education may provide funds under  
19 a sub-grant, as specified in the IHOPE Plan, to other  
20 not-for-profit entities to provide services according to the  
21 IHOPE Plan that was developed. These other entities may include  
22 school districts, public community colleges, or not-for-profit  
23 community-based organizations or a cooperative partnership  
24 among these entities.

25 (e) In order to distribute funding based upon the need to  
26 ensure delivery of programs that will have the greatest impact,

1 IHOPE Program funding must be distributed based upon the  
2 proportion of dropouts in the educational service region or  
3 school district, in the case of a school district organized  
4 under Article 34 of this Code, to the total number of dropouts  
5 in this State. This formula shall employ the dropout data  
6 provided by school districts to the State Board of Education.

7 A regional office of education or a school district  
8 organized under Article 34 of this Code may claim State aid  
9 under Section 18-8.05 or 18-8.15 of this Code for students  
10 enrolled in a program funded by the IHOPE Program, provided  
11 that the State Board of Education has approved the IHOPE Plan  
12 and that these students are receiving services that are meeting  
13 the requirements of Section 27-22 of this Code for receipt of a  
14 high school diploma and are otherwise eligible to be claimed  
15 for general State aid under Section 18-8.05 of this Code or  
16 primary State aid under Section 18-8.15 of this Code, including  
17 provisions related to the minimum number of days of pupil  
18 attendance pursuant to Section 10-19 of this Code and the  
19 minimum number of daily hours of school work and any exceptions  
20 thereto as defined by the State Board of Education in rules.

21 (f) IHOPE categories of programming may include the  
22 following:

23 (1) Full-time programs that are comprehensive,  
24 year-round programs.

25 (2) Part-time programs combining work and study  
26 scheduled at various times that are flexible to the needs

1 of students.

2 (3) Online programs and courses in which students take  
3 courses and complete on-site, supervised tests that  
4 measure the student's mastery of a specific course needed  
5 for graduation. Students may take courses online and earn  
6 credit or students may prepare to take supervised tests for  
7 specific courses for credit leading to receipt of a high  
8 school diploma.

9 (4) Dual enrollment in which students attend high  
10 school classes in combination with community college  
11 classes or students attend community college classes while  
12 simultaneously earning high school credit and eventually a  
13 high school diploma.

14 (g) In order to have successful comprehensive programs  
15 re-enrolling and graduating low-skilled high school dropouts,  
16 programs funded through the IHOPE Program shall include all of  
17 the following components:

18 (1) Small programs (70 to 100 students) at a separate  
19 school site with a distinct identity. Programs may be  
20 larger with specific need and justification, keeping in  
21 mind that it is crucial to keep programs small to be  
22 effective.

23 (2) Specific performance-based goals and outcomes and  
24 measures of enrollment, attendance, skills, credits,  
25 graduation, and the transition to college, training, and  
26 employment.

1           (3) Strong, experienced leadership and teaching staff  
2 who are provided with ongoing professional development.

3           (4) Voluntary enrollment.

4           (5) High standards for student learning, integrating  
5 work experience, and education, including during the  
6 school year and after school, and summer school programs  
7 that link internships, work, and learning.

8           (6) Comprehensive programs providing extensive support  
9 services.

10          (7) Small teams of students supported by full-time paid  
11 mentors who work to retain and help those students  
12 graduate.

13          (8) A comprehensive technology learning center with  
14 Internet access and broad-based curriculum focusing on  
15 academic and career subject areas.

16          (9) Learning opportunities that incorporate action  
17 into study.

18          (h) Programs funded through the IHOPE Program must report  
19 data to the State Board of Education as requested. This  
20 information shall include, but is not limited to, student  
21 enrollment figures, attendance information, course completion  
22 data, graduation information, and post-graduation information,  
23 as available.

24          (i) Rules must be developed by the State Board of Education  
25 to set forth the fund distribution process to regional offices  
26 of education and a school district organized under Article 34

1 of this Code, the planning and the conditions upon which an  
2 IHOPE Plan would be approved by State Board, and other rules to  
3 develop the IHOPE Program.

4 (Source: P.A. 96-106, eff. 7-30-09.)

5 (105 ILCS 5/2-3.84) (from Ch. 122, par. 2-3.84)

6 Sec. 2-3.84. In calculating the amount of State aid to be  
7 apportioned to the various school districts in this State, the  
8 State Board of Education shall incorporate and deduct the total  
9 aggregate adjustments to assessments made by the State Property  
10 Tax Appeal Board or Cook County Board of Appeals, as reported  
11 pursuant to Section 16-15 of the Property Tax Code or Section  
12 129.1 of the Revenue Act of 1939 by the Department of Revenue,  
13 from the equalized assessed valuation that is otherwise to be  
14 utilized in the initial calculation.

15 From the total amount of general State aid or primary State  
16 aid to be provided to districts, adjustments under this Section  
17 together with adjustments as a result of recomputation under  
18 Section 2-3.33 must not exceed \$25 million, in the aggregate  
19 for all districts under both Sections combined, of the general  
20 State aid or primary State aid appropriation in any fiscal  
21 year; if necessary, amounts shall be prorated among districts.  
22 If it is necessary to prorate claims under this paragraph, then  
23 that portion of each prorated claim that is approved but not  
24 paid in the current fiscal year may be resubmitted as a valid  
25 claim in the following fiscal year.

1 (Source: P.A. 93-845, eff. 7-30-04.)

2 (105 ILCS 5/2-3.109a)

3 Sec. 2-3.109a. Laboratory schools grant eligibility. A  
4 laboratory school as defined in Section 18-8 or 18-8.15 may  
5 apply for and be eligible to receive, subject to the same  
6 restrictions applicable to school districts, any grant  
7 administered by the State Board of Education that is available  
8 for school districts.

9 (Source: P.A. 90-566, eff. 1-2-98.)

10 (105 ILCS 5/3-14.21) (from Ch. 122, par. 3-14.21)

11 Sec. 3-14.21. Inspection of schools.

12 (a) The regional superintendent shall inspect and survey  
13 all public schools under his or her supervision and notify the  
14 board of education, or the trustees of schools in a district  
15 with trustees, in writing before July 30, whether or not the  
16 several schools in their district have been kept as required by  
17 law, using forms provided by the State Board of Education which  
18 are based on the Health/Life Safety Code for Public Schools  
19 adopted under Section 2-3.12. The regional superintendent  
20 shall report his or her findings to the State Board of  
21 Education on forms provided by the State Board of Education.

22 (b) If the regional superintendent determines that a school  
23 board has failed in a timely manner to correct urgent items  
24 identified in a previous life-safety report completed under



1 Section 2-3.12 or as otherwise previously ordered by the  
2 regional superintendent, the regional superintendent shall  
3 order the school board to adopt and submit to the regional  
4 superintendent a plan for the immediate correction of the  
5 building violations. This plan shall be adopted following a  
6 public hearing that is conducted by the school board on the  
7 violations and the plan and that is preceded by at least 7  
8 days' prior notice of the hearing published in a newspaper of  
9 general circulation within the school district. If the regional  
10 superintendent determines in the next annual inspection that  
11 the plan has not been completed and that the violations have  
12 not been corrected, the regional superintendent shall submit a  
13 report to the State Board of Education with a recommendation  
14 that the State Board withhold from payments of general State  
15 aid or primary State aid due to the district an amount  
16 necessary to correct the outstanding violations. The State  
17 Board, upon notice to the school board and to the regional  
18 superintendent, shall consider the report at a meeting of the  
19 State Board, and may order that a sufficient amount of general  
20 State aid or primary State aid be withheld from payments due to  
21 the district to correct the violations. This amount shall be  
22 paid to the regional superintendent who shall contract on  
23 behalf of the school board for the correction of the  
24 outstanding violations.

25 (c) The Office of the State Fire Marshal or a qualified  
26 fire official, as defined in Section 2-3.12 of this Code, to

1 whom the State Fire Marshal has delegated his or her authority  
2 shall conduct an annual fire safety inspection of each school  
3 building in this State. The State Fire Marshal or the fire  
4 official shall coordinate its inspections with the regional  
5 superintendent. The inspection shall be based on the fire  
6 safety code authorized in Section 2-3.12 of this Code. Any  
7 violations shall be reported in writing to the regional  
8 superintendent and shall reference the specific code sections  
9 where a discrepancy has been identified within 15 days after  
10 the inspection has been conducted. The regional superintendent  
11 shall address those violations that are not corrected in a  
12 timely manner pursuant to subsection (b) of this Section. The  
13 inspection must be at no cost to the school district.

14 (d) If a municipality or, in the case of an unincorporated  
15 area, a county or, if applicable, a fire protection district  
16 wishes to perform new construction inspections under the  
17 jurisdiction of a regional superintendent, then the entity must  
18 register this wish with the regional superintendent. These  
19 inspections must be based on the building code authorized in  
20 Section 2-3.12 of this Code. The inspections must be at no cost  
21 to the school district.

22 (Source: P.A. 96-734, eff. 8-25-09.)

23 (105 ILCS 5/7-14A) (from Ch. 122, par. 7-14A)

24 Sec. 7-14A. Annexation Compensation. There shall be no  
25 accounting made after a mere change in boundaries when no new

1 district is created, except that those districts whose  
2 enrollment increases by 90% or more as a result of annexing  
3 territory detached from another district pursuant to this  
4 Article are eligible for supplementary State aid payments in  
5 accordance with Section 11E-135 of this Code. Eligible annexing  
6 districts shall apply to the State Board of Education for  
7 supplementary State aid payments by submitting enrollment  
8 figures for the year immediately preceding and the year  
9 immediately following the effective date of the boundary change  
10 for both the district gaining territory and the district losing  
11 territory. Copies of any intergovernmental agreements between  
12 the district gaining territory and the district losing  
13 territory detailing any transfer of fund balances and staff  
14 must also be submitted. In all instances of changes in  
15 boundaries, the district losing territory shall not count the  
16 average daily attendance of pupils living in the territory  
17 during the year preceding the effective date of the boundary  
18 change in its claim for reimbursement under Section 18-8 or  
19 18-8.15 for the school year following the effective date of the  
20 change in boundaries and the district receiving the territory  
21 shall count the average daily attendance of pupils living in  
22 the territory during the year preceding the effective date of  
23 the boundary change in its claim for reimbursement under  
24 Section 18-8 or 18-8.15 for the school year following the  
25 effective date of the change in boundaries. The changes to this  
26 Section made by this amendatory Act of the 95th General

1 Assembly are intended to be retroactive and applicable to any  
2 annexation taking effect on or after July 1, 2004.

3 (Source: P.A. 95-707, eff. 1-11-08.)

4 (105 ILCS 5/10-19) (from Ch. 122, par. 10-19)

5 Sec. 10-19. Length of school term - experimental programs.  
6 Each school board shall annually prepare a calendar for the  
7 school term, specifying the opening and closing dates and  
8 providing a minimum term of at least 185 days to insure 176  
9 days of actual pupil attendance, computable under Section  
10 18-8.05 or 18-8.15, except that for the 1980-1981 school year  
11 only 175 days of actual pupil attendance shall be required  
12 because of the closing of schools pursuant to Section 24-2 on  
13 January 29, 1981 upon the appointment by the President of that  
14 day as a day of thanksgiving for the freedom of the Americans  
15 who had been held hostage in Iran. Any days allowed by law for  
16 teachers' institutes but not used as such or used as parental  
17 institutes as provided in Section 10-22.18d shall increase the  
18 minimum term by the school days not so used. Except as provided  
19 in Section 10-19.1, the board may not extend the school term  
20 beyond such closing date unless that extension of term is  
21 necessary to provide the minimum number of computable days. In  
22 case of such necessary extension school employees shall be paid  
23 for such additional time on the basis of their regular  
24 contracts. A school board may specify a closing date earlier  
25 than that set on the annual calendar when the schools of the

1 district have provided the minimum number of computable days  
2 under this Section. Nothing in this Section prevents the board  
3 from employing superintendents of schools, principals and  
4 other nonteaching personnel for a period of 12 months, or in  
5 the case of superintendents for a period in accordance with  
6 Section 10-23.8, or prevents the board from employing other  
7 personnel before or after the regular school term with payment  
8 of salary proportionate to that received for comparable work  
9 during the school term.

10 A school board may make such changes in its calendar for  
11 the school term as may be required by any changes in the legal  
12 school holidays prescribed in Section 24-2. A school board may  
13 make changes in its calendar for the school term as may be  
14 necessary to reflect the utilization of teachers' institute  
15 days as parental institute days as provided in Section  
16 10-22.18d.

17 The calendar for the school term and any changes must be  
18 submitted to and approved by the regional superintendent of  
19 schools before the calendar or changes may take effect.

20 With the prior approval of the State Board of Education and  
21 subject to review by the State Board of Education every 3  
22 years, any school board may, by resolution of its board and in  
23 agreement with affected exclusive collective bargaining  
24 agents, establish experimental educational programs, including  
25 but not limited to programs for self-directed learning or  
26 outside of formal class periods, which programs when so

1 approved shall be considered to comply with the requirements of  
2 this Section as respects numbers of days of actual pupil  
3 attendance and with the other requirements of this Act as  
4 respects courses of instruction.

5 (Source: P.A. 98-756, eff. 7-16-14.)

6 (105 ILCS 5/10-22.5a) (from Ch. 122, par. 10-22.5a)

7 Sec. 10-22.5a. Attendance by dependents of United States  
8 military personnel, foreign exchange students, and certain  
9 nonresident pupils.

10 (a) To enter into written agreements with cultural exchange  
11 organizations, or with nationally recognized eleemosynary  
12 institutions that promote excellence in the arts, mathematics,  
13 or science. The written agreements may provide for tuition free  
14 attendance at the local district school by foreign exchange  
15 students, or by nonresident pupils of eleemosynary  
16 institutions. The local board of education, as part of the  
17 agreement, may require that the cultural exchange program or  
18 the eleemosynary institutions provide services to the district  
19 in exchange for the waiver of nonresident tuition.

20 To enter into written agreements with adjacent school  
21 districts to provide for tuition free attendance by a student  
22 of the adjacent district when requested for the student's  
23 health and safety by the student or parent and both districts  
24 determine that the student's health or safety will be served by  
25 such attendance. Districts shall not be required to enter into

1 such agreements nor be required to alter existing  
2 transportation services due to the attendance of such  
3 non-resident pupils.

4 (a-5) If, at the time of enrollment, a dependent of United  
5 States military personnel is housed in temporary housing  
6 located outside of a school district, but will be living within  
7 the district within 60 days after the time of initial  
8 enrollment, the dependent must be allowed to enroll, subject to  
9 the requirements of this subsection (a-5), and must not be  
10 charged tuition. Any United States military personnel  
11 attempting to enroll a dependent under this subsection (a-5)  
12 shall provide proof that the dependent will be living within  
13 the district within 60 days after the time of initial  
14 enrollment. Proof of residency may include, but is not limited  
15 to, postmarked mail addressed to the military personnel and  
16 sent to an address located within the district, a lease  
17 agreement for occupancy of a residence located within the  
18 district, or proof of ownership of a residence located within  
19 the district.

20 (b) Nonresident pupils and foreign exchange students  
21 attending school on a tuition free basis under such agreements  
22 and nonresident dependents of United States military personnel  
23 attending school on a tuition free basis may be counted for the  
24 purposes of determining the apportionment of State aid provided  
25 under Section 18-8.05 or 18-8.15 of this Code. No organization  
26 or institution participating in agreements authorized under

1 this Section may exclude any individual for participation in  
2 its program on account of the person's race, color, sex,  
3 religion or nationality.

4 (Source: P.A. 98-739, eff. 7-16-14.)

5 (105 ILCS 5/10-22.20) (from Ch. 122, par. 10-22.20)

6 Sec. 10-22.20. Classes for adults and youths whose  
7 schooling has been interrupted; conditions for State  
8 reimbursement; use of child care facilities.

9 (a) To establish special classes for the instruction (1) of  
10 persons of age 21 years or over and (2) of persons less than  
11 age 21 and not otherwise in attendance in public school, for  
12 the purpose of providing adults in the community and youths  
13 whose schooling has been interrupted with such additional basic  
14 education, vocational skill training, and other instruction as  
15 may be necessary to increase their qualifications for  
16 employment or other means of self-support and their ability to  
17 meet their responsibilities as citizens, including courses of  
18 instruction regularly accepted for graduation from elementary  
19 or high schools and for Americanization and high school  
20 equivalency testing review classes.

21 The board shall pay the necessary expenses of such classes  
22 out of school funds of the district, including costs of student  
23 transportation and such facilities or provision for child-care  
24 as may be necessary in the judgment of the board to permit  
25 maximum utilization of the courses by students with children,



1 and other special needs of the students directly related to  
2 such instruction. The expenses thus incurred shall be subject  
3 to State reimbursement, as provided in this Section. The board  
4 may make a tuition charge for persons taking instruction who  
5 are not subject to State reimbursement, such tuition charge not  
6 to exceed the per capita cost of such classes.

7 The cost of such instruction, including the additional  
8 expenses herein authorized, incurred for recipients of  
9 financial aid under the Illinois Public Aid Code, or for  
10 persons for whom education and training aid has been authorized  
11 under Section 9-8 of that Code, shall be assumed in its  
12 entirety from funds appropriated by the State to the Illinois  
13 Community College Board.

14 (b) The Illinois Community College Board shall establish  
15 the standards for the courses of instruction reimbursed under  
16 this Section. The Illinois Community College Board shall  
17 supervise the administration of the programs. The Illinois  
18 Community College Board shall determine the cost of instruction  
19 in accordance with standards established by the Illinois  
20 Community College Board, including therein other incidental  
21 costs as herein authorized, which shall serve as the basis of  
22 State reimbursement in accordance with the provisions of this  
23 Section. In the approval of programs and the determination of  
24 the cost of instruction, the Illinois Community College Board  
25 shall provide for the maximum utilization of federal funds for  
26 such programs. The Illinois Community College Board shall also

1 provide for:

2 (1) the development of an index of need for program  
3 planning and for area funding allocations, as defined by  
4 the Illinois Community College Board;

5 (2) the method for calculating hours of instruction, as  
6 defined by the Illinois Community College Board, claimable  
7 for reimbursement and a method to phase in the calculation  
8 and for adjusting the calculations in cases where the  
9 services of a program are interrupted due to circumstances  
10 beyond the control of the program provider;

11 (3) a plan for the reallocation of funds to increase  
12 the amount allocated for grants based upon program  
13 performance as set forth in subsection (d) below; and

14 (4) the development of standards for determining  
15 grants based upon performance as set forth in subsection  
16 (d) below and a plan for the phased-in implementation of  
17 those standards.

18 For instruction provided by school districts and community  
19 college districts beginning July 1, 1996 and thereafter,  
20 reimbursement provided by the Illinois Community College Board  
21 for classes authorized by this Section shall be provided from  
22 funds appropriated for the reimbursement criteria set forth in  
23 subsection (c) below.

24 (c) Upon the annual approval of the Illinois Community  
25 College Board, reimbursement shall be first provided for  
26 transportation, child care services, and other special needs of

1 the students directly related to instruction and then from the  
2 funds remaining an amount equal to the product of the total  
3 credit hours or units of instruction approved by the Illinois  
4 Community College Board, multiplied by the following:

5 (1) For adult basic education, the maximum  
6 reimbursement per credit hour or per unit of instruction  
7 shall be equal to (i) through fiscal year 2015, the general  
8 state aid per pupil foundation level established in  
9 subsection (B) of Section 18-8.05, divided by 60, or (ii)  
10 in fiscal year 2016 and thereafter, the foundation level  
11 established pursuant to subsection (b) of Section 18-8.15  
12 of this Code, divided by 60;

13 (2) The maximum reimbursement per credit hour or per  
14 unit of instruction in subparagraph (1) above shall be  
15 weighted for students enrolled in classes defined as  
16 vocational skills and approved by the Illinois Community  
17 College Board by 1.25;

18 (3) The maximum reimbursement per credit hour or per  
19 unit of instruction in subparagraph (1) above shall be  
20 multiplied by .90 for students enrolled in classes defined  
21 as adult secondary education programs and approved by the  
22 Illinois Community College Board;

23 (4) (Blank); and

24 (5) Funding for program years after 1999-2000 shall be  
25 determined by the Illinois Community College Board.

26 (d) Upon its annual approval, the Illinois Community

1 College Board shall provide grants to eligible programs for  
2 supplemental activities to improve or expand services under the  
3 Adult Education Act. Eligible programs shall be determined  
4 based upon performance outcomes of students in the programs as  
5 set by the Illinois Community College Board.

6 (e) Reimbursement under this Section shall not exceed the  
7 actual costs of the approved program.

8 If the amount appropriated to the Illinois Community  
9 College Board for reimbursement under this Section is less than  
10 the amount required under this Act, the apportionment shall be  
11 proportionately reduced.

12 School districts and community college districts may  
13 assess students up to \$3.00 per credit hour, for classes other  
14 than Adult Basic Education level programs, if needed to meet  
15 program costs.

16 (f) An education plan shall be established for each adult  
17 or youth whose schooling has been interrupted and who is  
18 participating in the instructional programs provided under  
19 this Section.

20 Each school board and community college shall keep an  
21 accurate and detailed account of the students assigned to and  
22 receiving instruction under this Section who are subject to  
23 State reimbursement and shall submit reports of services  
24 provided commencing with fiscal year 1997 as required by the  
25 Illinois Community College Board.

26 For classes authorized under this Section, a credit hour or

1 unit of instruction is equal to 15 hours of direct instruction  
2 for students enrolled in approved adult education programs at  
3 midterm and making satisfactory progress, in accordance with  
4 standards established by the Illinois Community College Board.

5 (g) Upon proof submitted to the Illinois Department of  
6 Human Services of the payment of all claims submitted under  
7 this Section, that Department shall apply for federal funds  
8 made available therefor and any federal funds so received shall  
9 be paid into the General Revenue Fund in the State Treasury.

10 School districts or community colleges providing classes  
11 under this Section shall submit applications to the Illinois  
12 Community College Board for preapproval in accordance with the  
13 standards established by the Illinois Community College Board.  
14 Payments shall be made by the Illinois Community College Board  
15 based upon approved programs. Interim expenditure reports may  
16 be required by the Illinois Community College Board. Final  
17 claims for the school year shall be submitted to the regional  
18 superintendents for transmittal to the Illinois Community  
19 College Board. Final adjusted payments shall be made by  
20 September 30.

21 If a school district or community college district fails to  
22 provide, or is providing unsatisfactory or insufficient  
23 classes under this Section, the Illinois Community College  
24 Board may enter into agreements with public or private  
25 educational or other agencies other than the public schools for  
26 the establishment of such classes.

1 (h) If a school district or community college district  
2 establishes child-care facilities for the children of  
3 participants in classes established under this Section, it may  
4 extend the use of these facilities to students who have  
5 obtained employment and to other persons in the community whose  
6 children require care and supervision while the parent or other  
7 person in charge of the children is employed or otherwise  
8 absent from the home during all or part of the day. It may make  
9 the facilities available before and after as well as during  
10 regular school hours to school age and preschool age children  
11 who may benefit thereby, including children who require care  
12 and supervision pending the return of their parent or other  
13 person in charge of their care from employment or other  
14 activity requiring absence from the home.

15 The Illinois Community College Board shall pay to the board  
16 the cost of care in the facilities for any child who is a  
17 recipient of financial aid under the Illinois Public Aid Code.

18 The board may charge for care of children for whom it  
19 cannot make claim under the provisions of this Section. The  
20 charge shall not exceed per capita cost, and to the extent  
21 feasible, shall be fixed at a level which will permit  
22 utilization by employed parents of low or moderate income. It  
23 may also permit any other State or local governmental agency or  
24 private agency providing care for children to purchase care.

25 After July 1, 1970 when the provisions of Section 10-20.20  
26 become operative in the district, children in a child-care

1 facility shall be transferred to the kindergarten established  
2 under that Section for such portion of the day as may be  
3 required for the kindergarten program, and only the prorated  
4 costs of care and training provided in the Center for the  
5 remaining period shall be charged to the Illinois Department of  
6 Human Services or other persons or agencies paying for such  
7 care.

8 (i) The provisions of this Section shall also apply to  
9 school districts having a population exceeding 500,000.

10 (j) In addition to claiming reimbursement under this  
11 Section, a school district may claim general State aid under  
12 Section 18-8.05 or primary State aid under Section 18-8.15 for  
13 any student under age 21 who is enrolled in courses accepted  
14 for graduation from elementary or high school and who otherwise  
15 meets the requirements of Section 18-8.05 or 18-8.15, as  
16 applicable.

17 (Source: P.A. 98-718, eff. 1-1-15.)

18 (105 ILCS 5/10-29)

19 Sec. 10-29. Remote educational programs.

20 (a) For purposes of this Section, "remote educational  
21 program" means an educational program delivered to students in  
22 the home or other location outside of a school building that  
23 meets all of the following criteria:

24 (1) A student may participate in the program only after  
25 the school district, pursuant to adopted school board

1 policy, and a person authorized to enroll the student under  
2 Section 10-20.12b of this Code determine that a remote  
3 educational program will best serve the student's  
4 individual learning needs. The adopted school board policy  
5 shall include, but not be limited to, all of the following:

6 (A) Criteria for determining that a remote  
7 educational program will best serve a student's  
8 individual learning needs. The criteria must include  
9 consideration of, at a minimum, a student's prior  
10 attendance, disciplinary record, and academic history.

11 (B) Any limitations on the number of students or  
12 grade levels that may participate in a remote  
13 educational program.

14 (C) A description of the process that the school  
15 district will use to approve participation in the  
16 remote educational program. The process must include  
17 without limitation a requirement that, for any student  
18 who qualifies to receive services pursuant to the  
19 federal Individuals with Disabilities Education  
20 Improvement Act of 2004, the student's participation  
21 in a remote educational program receive prior approval  
22 from the student's individualized education program  
23 team.

24 (D) A description of the process the school  
25 district will use to develop and approve a written  
26 remote educational plan that meets the requirements of



1 subdivision (5) of this subsection (a).

2 (E) A description of the system the school district  
3 will establish to calculate the number of clock hours a  
4 student is participating in instruction in accordance  
5 with the remote educational program.

6 (F) A description of the process for renewing a  
7 remote educational program at the expiration of its  
8 term.

9 (G) Such other terms and provisions as the school  
10 district deems necessary to provide for the  
11 establishment and delivery of a remote educational  
12 program.

13 (2) The school district has determined that the remote  
14 educational program's curriculum is aligned to State  
15 learning standards and that the program offers instruction  
16 and educational experiences consistent with those given to  
17 students at the same grade level in the district.

18 (3) The remote educational program is delivered by  
19 instructors that meet the following qualifications:

20 (A) they are certificated under Article 21 of this  
21 Code;

22 (B) they meet applicable highly qualified criteria  
23 under the federal No Child Left Behind Act of 2001; and

24 (C) they have responsibility for all of the  
25 following elements of the program: planning  
26 instruction, diagnosing learning needs, prescribing

1 content delivery through class activities, assessing  
2 learning, reporting outcomes to administrators and  
3 parents and guardians, and evaluating the effects of  
4 instruction.

5 (4) During the period of time from and including the  
6 opening date to the closing date of the regular school term  
7 of the school district established pursuant to Section  
8 10-19 of this Code, participation in a remote educational  
9 program may be claimed for general State aid purposes under  
10 Section 18-8.05 of this Code or primary State aid purposes  
11 under Section 18-8.15 of this Code on any calendar day,  
12 notwithstanding whether the day is a day of pupil  
13 attendance or institute day on the school district's  
14 calendar or any other provision of law restricting  
15 instruction on that day. If the district holds year-round  
16 classes in some buildings, the district shall classify each  
17 student's participation in a remote educational program as  
18 either on a year-round or a non-year-round schedule for  
19 purposes of claiming general State aid or primary State  
20 aid. Outside of the regular school term of the district,  
21 the remote educational program may be offered as part of  
22 any summer school program authorized by this Code.

23 (5) Each student participating in a remote educational  
24 program must have a written remote educational plan that  
25 has been approved by the school district and a person  
26 authorized to enroll the student under Section 10-20.12b of

1       this Code. The school district and a person authorized to  
2       enroll the student under Section 10-20.12b of this Code  
3       must approve any amendment to a remote educational plan.  
4       The remote educational plan must include, but is not  
5       limited to, all of the following:

6               (A) Specific achievement goals for the student  
7               aligned to State learning standards.

8               (B) A description of all assessments that will be  
9               used to measure student progress, which description  
10              shall indicate the assessments that will be  
11              administered at an attendance center within the school  
12              district.

13              (C) A description of the progress reports that will  
14              be provided to the school district and the person or  
15              persons authorized to enroll the student under Section  
16              10-20.12b of this Code.

17              (D) Expectations, processes, and schedules for  
18              interaction between a teacher and student.

19              (E) A description of the specific responsibilities  
20              of the student's family and the school district with  
21              respect to equipment, materials, phone and Internet  
22              service, and any other requirements applicable to the  
23              home or other location outside of a school building  
24              necessary for the delivery of the remote educational  
25              program.

26              (F) If applicable, a description of how the remote

1 educational program will be delivered in a manner  
2 consistent with the student's individualized education  
3 program required by Section 614(d) of the federal  
4 Individuals with Disabilities Education Improvement  
5 Act of 2004 or plan to ensure compliance with Section  
6 504 of the federal Rehabilitation Act of 1973.

7 (G) A description of the procedures and  
8 opportunities for participation in academic and  
9 extra-curricular activities and programs within the  
10 school district.

11 (H) The identification of a parent, guardian, or  
12 other responsible adult who will provide direct  
13 supervision of the program. The plan must include an  
14 acknowledgment by the parent, guardian, or other  
15 responsible adult that he or she may engage only in  
16 non-teaching duties not requiring instructional  
17 judgment or the evaluation of a student. The plan shall  
18 designate the parent, guardian, or other responsible  
19 adult as non-teaching personnel or volunteer personnel  
20 under subsection (a) of Section 10-22.34 of this Code.

21 (I) The identification of a school district  
22 administrator who will oversee the remote educational  
23 program on behalf of the school district and who may be  
24 contacted by the student's parents with respect to any  
25 issues or concerns with the program.

26 (J) The term of the student's participation in the

1 remote educational program, which may not extend for  
2 longer than 12 months, unless the term is renewed by  
3 the district in accordance with subdivision (7) of this  
4 subsection (a).

5 (K) A description of the specific location or  
6 locations in which the program will be delivered. If  
7 the remote educational program is to be delivered to a  
8 student in any location other than the student's home,  
9 the plan must include a written determination by the  
10 school district that the location will provide a  
11 learning environment appropriate for the delivery of  
12 the program. The location or locations in which the  
13 program will be delivered shall be deemed a long  
14 distance teaching reception area under subsection (a)  
15 of Section 10-22.34 of this Code.

16 (L) Certification by the school district that the  
17 plan meets all other requirements of this Section.

18 (6) Students participating in a remote educational  
19 program must be enrolled in a school district attendance  
20 center pursuant to the school district's enrollment policy  
21 or policies. A student participating in a remote  
22 educational program must be tested as part of all  
23 assessments administered by the school district pursuant  
24 to Section 2-3.64a-5 of this Code at the attendance center  
25 in which the student is enrolled and in accordance with the  
26 attendance center's assessment policies and schedule. The

1 student must be included within all adequate yearly  
2 progress and other accountability determinations for the  
3 school district and attendance center under State and  
4 federal law.

5 (7) The term of a student's participation in a remote  
6 educational program may not extend for longer than 12  
7 months, unless the term is renewed by the school district.  
8 The district may only renew a student's participation in a  
9 remote educational program following an evaluation of the  
10 student's progress in the program, a determination that the  
11 student's continuation in the program will best serve the  
12 student's individual learning needs, and an amendment to  
13 the student's written remote educational plan addressing  
14 any changes for the upcoming term of the program.

15 (b) A school district may, by resolution of its school  
16 board, establish a remote educational program.

17 (c) Clock hours of instruction by students in a remote  
18 educational program meeting the requirements of this Section  
19 may be claimed by the school district and shall be counted as  
20 school work for general State aid purposes in accordance with  
21 and subject to the limitations of Section 18-8.05 of this Code  
22 or primary State aid purposes in accordance with and subject to  
23 the limitations of Section 18-8.15 of this Code.

24 (d) The impact of remote educational programs on wages,  
25 hours, and terms and conditions of employment of educational  
26 employees within the school district shall be subject to local

1 collective bargaining agreements.

2 (e) The use of a home or other location outside of a school  
3 building for a remote educational program shall not cause the  
4 home or other location to be deemed a public school facility.

5 (f) A remote educational program may be used, but is not  
6 required, for instruction delivered to a student in the home or  
7 other location outside of a school building that is not claimed  
8 for general State aid purposes under Section 18-8.05 of this  
9 Code or primary State aid purposes under Section 18-8.15 of  
10 this Code.

11 (g) School districts that, pursuant to this Section, adopt  
12 a policy for a remote educational program must submit to the  
13 State Board of Education a copy of the policy and any  
14 amendments thereto, as well as data on student participation in  
15 a format specified by the State Board of Education. The State  
16 Board of Education may perform or contract with an outside  
17 entity to perform an evaluation of remote educational programs  
18 in this State.

19 (h) The State Board of Education may adopt any rules  
20 necessary to ensure compliance by remote educational programs  
21 with the requirements of this Section and other applicable  
22 legal requirements.

23 (Source: P.A. 97-339, eff. 8-12-11; 98-972, eff. 8-15-14.)

24 (105 ILCS 5/11E-135)

25 Sec. 11E-135. Incentives. For districts reorganizing under

1 this Article and for a district or districts that annex all of  
2 the territory of one or more entire other school districts in  
3 accordance with Article 7 of this Code, the following payments  
4 shall be made from appropriations made for these purposes:

5 (a)(1) For a combined school district, as defined in  
6 Section 11E-20 of this Code, or for a unit district, as defined  
7 in Section 11E-25 of this Code, for its first year of  
8 existence, the general State aid and supplemental general State  
9 aid calculated under Section 18-8.05 of this Code or the  
10 primary State aid and supplemental grants calculated under  
11 Section 18-8.15 of this Code, as applicable, shall be computed  
12 for the new district and for the previously existing districts  
13 for which property is totally included within the new district.  
14 If the computation on the basis of the previously existing  
15 districts is greater, a supplementary payment equal to the  
16 difference shall be made for the first 4 years of existence of  
17 the new district.

18 (2) For a school district that annexes all of the territory  
19 of one or more entire other school districts as defined in  
20 Article 7 of this Code, for the first year during which the  
21 change of boundaries attributable to the annexation becomes  
22 effective for all purposes, as determined under Section 7-9 of  
23 this Code, the general State aid and supplemental general State  
24 aid calculated under Section 18-8.05 of this Code or the  
25 primary State aid and supplemental grants calculated under  
26 Section 18-8.15 of this Code, as applicable, shall be computed



1 for the annexing district as constituted after the annexation  
2 and for the annexing and each annexed district as constituted  
3 prior to the annexation; and if the computation on the basis of  
4 the annexing and annexed districts as constituted prior to the  
5 annexation is greater, then a supplementary payment equal to  
6 the difference shall be made for the first 4 years of existence  
7 of the annexing school district as constituted upon the  
8 annexation.

9 (3) For 2 or more school districts that annex all of the  
10 territory of one or more entire other school districts, as  
11 defined in Article 7 of this Code, for the first year during  
12 which the change of boundaries attributable to the annexation  
13 becomes effective for all purposes, as determined under Section  
14 7-9 of this Code, the general State aid and supplemental  
15 general State aid calculated under Section 18-8.05 of this Code  
16 or the primary State aid and supplemental grants calculated  
17 under Section 18-8.15 of this Code, as applicable, shall be  
18 computed for each annexing district as constituted after the  
19 annexation and for each annexing and annexed district as  
20 constituted prior to the annexation; and if the aggregate of  
21 the general State aid and supplemental general State aid or  
22 primary State aid and supplemental grants, as applicable, as so  
23 computed for the annexing districts as constituted after the  
24 annexation is less than the aggregate of the general State aid  
25 and supplemental general State aid or primary State aid and  
26 supplemental grants, as applicable, as so computed for the

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

21 (4) For a school district conversion, as defined in Section  
22 11E-15 of this Code, or a multi-unit conversion, as defined in  
23 subsection (b) of Section 11E-30 of this Code, if in their  
24 first year of existence the newly created elementary districts  
25 and the newly created high school district, from a school  
26 district conversion, or the newly created elementary district

1 or districts and newly created combined high school - unit  
2 district, from a multi-unit conversion, qualify for less  
3 general State aid under Section 18-8.05 of this Code or primary  
4 State aid under Section 18-8.15 of this Code than would have  
5 been payable under Section 18-8.05 or 18-8.15, as applicable,  
6 for that same year to the previously existing districts, then a  
7 supplementary payment equal to that difference shall be made  
8 for the first 4 years of existence of the newly created  
9 districts. The aggregate amount of each supplementary payment  
10 shall be allocated among the newly created districts in the  
11 proportion that the deemed pupil enrollment in each district  
12 during its first year of existence bears to the actual  
13 aggregate pupil enrollment in all of the districts during their  
14 first year of existence. For purposes of each allocation:

15 (A) the deemed pupil enrollment of the newly created  
16 high school district from a school district conversion  
17 shall be an amount equal to its actual pupil enrollment for  
18 its first year of existence multiplied by 1.25;

19 (B) the deemed pupil enrollment of each newly created  
20 elementary district from a school district conversion  
21 shall be an amount equal to its actual pupil enrollment for  
22 its first year of existence reduced by an amount equal to  
23 the product obtained when the amount by which the newly  
24 created high school district's deemed pupil enrollment  
25 exceeds its actual pupil enrollment for its first year of  
26 existence is multiplied by a fraction, the numerator of

1 which is the actual pupil enrollment of the newly created  
2 elementary district for its first year of existence and the  
3 denominator of which is the actual aggregate pupil  
4 enrollment of all of the newly created elementary districts  
5 for their first year of existence;

6 (C) the deemed high school pupil enrollment of the  
7 newly created combined high school - unit district from a  
8 multi-unit conversion shall be an amount equal to its  
9 actual grades 9 through 12 pupil enrollment for its first  
10 year of existence multiplied by 1.25; and

11 (D) the deemed elementary pupil enrollment of each  
12 newly created district from a multi-unit conversion shall  
13 be an amount equal to each district's actual grade K  
14 through 8 pupil enrollment for its first year of existence,  
15 reduced by an amount equal to the product obtained when the  
16 amount by which the newly created combined high school -  
17 unit district's deemed high school pupil enrollment  
18 exceeds its actual grade 9 through 12 pupil enrollment for  
19 its first year of existence is multiplied by a fraction,  
20 the numerator of which is the actual grade K through 8  
21 pupil enrollment of each newly created district for its  
22 first year of existence and the denominator of which is the  
23 actual aggregate grade K through 8 pupil enrollment of all  
24 such newly created districts for their first year of  
25 existence.

26 The aggregate amount of each supplementary payment under

1 this subdivision (4) and the amount thereof to be allocated to  
2 the newly created districts shall be computed by the State  
3 Board of Education on the basis of pupil enrollment and other  
4 data, which shall be certified to the State Board of Education,  
5 on forms that it shall provide for that purpose, by the  
6 regional superintendent of schools for each educational  
7 service region in which the newly created districts are  
8 located.

9 (5) For a partial elementary unit district, as defined in  
10 subsection (a) or (c) of Section 11E-30 of this Code, if, in  
11 the first year of existence, the newly created partial  
12 elementary unit district qualifies for less general State aid  
13 and supplemental general State aid under Section 18-8.05 of  
14 this Code or less primary State aid and supplemental grants  
15 under Section 18-8.15 of this Code, as applicable, than would  
16 have been payable under those Sections ~~that Section~~ for that  
17 same year to the previously existing districts that formed the  
18 partial elementary unit district, then a supplementary payment  
19 equal to that difference shall be made to the partial  
20 elementary unit district for the first 4 years of existence of  
21 that newly created district.

22 (6) For an elementary opt-in, as described in subsection  
23 (d) of Section 11E-30 of this Code, the general State aid or  
24 primary State aid difference shall be computed in accordance  
25 with paragraph (5) of this subsection (a) as if the elementary  
26 opt-in was included in an optional elementary unit district at

1 the optional elementary unit district's original effective  
2 date. If the calculation in this paragraph (6) is less than  
3 that calculated in paragraph (5) of this subsection (a) at the  
4 optional elementary unit district's original effective date,  
5 then no adjustments may be made. If the calculation in this  
6 paragraph (6) is more than that calculated in paragraph (5) of  
7 this subsection (a) at the optional elementary unit district's  
8 original effective date, then the excess must be paid as  
9 follows:

10 (A) If the effective date for the elementary opt-in is  
11 one year after the effective date for the optional  
12 elementary unit district, 100% of the calculated excess  
13 shall be paid to the optional elementary unit district in  
14 each of the first 4 years after the effective date of the  
15 elementary opt-in.

16 (B) If the effective date for the elementary opt-in is  
17 2 years after the effective date for the optional  
18 elementary unit district, 75% of the calculated excess  
19 shall be paid to the optional elementary unit district in  
20 each of the first 4 years after the effective date of the  
21 elementary opt-in.

22 (C) If the effective date for the elementary opt-in is  
23 3 years after the effective date for the optional  
24 elementary unit district, 50% of the calculated excess  
25 shall be paid to the optional elementary unit district in  
26 each of the first 4 years after the effective date of the

1 elementary opt-in.

2 (D) If the effective date for the elementary opt-in is  
3 4 years after the effective date for the optional  
4 elementary unit district, 25% of the calculated excess  
5 shall be paid to the optional elementary unit district in  
6 each of the first 4 years after the effective date of the  
7 elementary opt-in.

8 (E) If the effective date for the elementary opt-in is  
9 5 years after the effective date for the optional  
10 elementary unit district, the optional elementary unit  
11 district is not eligible for any additional incentives due  
12 to the elementary opt-in.

13 (6.5) For a school district that annexes territory detached  
14 from another school district whereby the enrollment of the  
15 annexing district increases by 90% or more as a result of the  
16 annexation, for the first year during which the change of  
17 boundaries attributable to the annexation becomes effective  
18 for all purposes as determined under Section 7-9 of this Code,  
19 the general State aid and supplemental general State aid or  
20 primary State aid and supplemental grants, as applicable,  
21 calculated under this Section shall be computed for the  
22 district gaining territory and the district losing territory as  
23 constituted after the annexation and for the same districts as  
24 constituted prior to the annexation; and if the aggregate of  
25 the general State aid and supplemental general State aid or  
26 primary State aid and supplemental grants, as applicable, as so

1 computed for the district gaining territory and the district  
2 losing territory as constituted after the annexation is less  
3 than the aggregate of the general State aid and supplemental  
4 general State aid or primary State aid and supplemental grants,  
5 as applicable, as so computed for the district gaining  
6 territory and the district losing territory as constituted  
7 prior to the annexation, then a supplementary payment shall be  
8 made to the annexing district for the first 4 years of  
9 existence after the annexation, equal to the difference  
10 multiplied by the ratio of student enrollment in the territory  
11 detached to the total student enrollment in the district losing  
12 territory for the year prior to the effective date of the  
13 annexation. The amount of the total difference and the  
14 proportion paid to the annexing district shall be computed by  
15 the State Board of Education on the basis of pupil enrollment  
16 and other data that must be submitted to the State Board of  
17 Education in accordance with Section 7-14A of this Code. The  
18 changes to this Section made by Public Act 95-707 are intended  
19 to be retroactive and applicable to any annexation taking  
20 effect on or after July 1, 2004. For annexations that are  
21 eligible for payments under this paragraph (6.5) and that are  
22 effective on or after July 1, 2004, but before January 11, 2008  
23 (the effective date of Public Act 95-707), the first required  
24 yearly payment under this paragraph (6.5) shall be paid in the  
25 fiscal year of January 11, 2008 (the effective date of Public  
26 Act 95-707). Subsequent required yearly payments shall be paid



1 in subsequent fiscal years until the payment obligation under  
2 this paragraph (6.5) is complete.

3 (7) Claims for financial assistance under this subsection  
4 (a) may not be recomputed except as expressly provided under  
5 Section 18-8.05 or 18-8.15 of this Code.

6 (8) Any supplementary payment made under this subsection  
7 (a) must be treated as separate from all other payments made  
8 pursuant to Section 18-8.05 or 18-8.15 of this Code.

9 (b) (1) After the formation of a combined school district,  
10 as defined in Section 11E-20 of this Code, or a unit district,  
11 as defined in Section 11E-25 of this Code, a computation shall  
12 be made to determine the difference between the salaries  
13 effective in each of the previously existing districts on June  
14 30, prior to the creation of the new district. For the first 4  
15 years after the formation of the new district, a supplementary  
16 State aid reimbursement shall be paid to the new district equal  
17 to the difference between the sum of the salaries earned by  
18 each of the certificated members of the new district, while  
19 employed in one of the previously existing districts during the  
20 year immediately preceding the formation of the new district,  
21 and the sum of the salaries those certificated members would  
22 have been paid during the year immediately prior to the  
23 formation of the new district if placed on the salary schedule  
24 of the previously existing district with the highest salary  
25 schedule.

26 (2) After the territory of one or more school districts is

1 annexed by one or more other school districts as defined in  
2 Article 7 of this Code, a computation shall be made to  
3 determine the difference between the salaries effective in each  
4 annexed district and in the annexing district or districts as  
5 they were each constituted on June 30 preceding the date when  
6 the change of boundaries attributable to the annexation became  
7 effective for all purposes, as determined under Section 7-9 of  
8 this Code. For the first 4 years after the annexation, a  
9 supplementary State aid reimbursement shall be paid to each  
10 annexing district as constituted after the annexation equal to  
11 the difference between the sum of the salaries earned by each  
12 of the certificated members of the annexing district as  
13 constituted after the annexation, while employed in an annexed  
14 or annexing district during the year immediately preceding the  
15 annexation, and the sum of the salaries those certificated  
16 members would have been paid during the immediately preceding  
17 year if placed on the salary schedule of whichever of the  
18 annexing or annexed districts had the highest salary schedule  
19 during the immediately preceding year.

20 (3) For each new high school district formed under a school  
21 district conversion, as defined in Section 11E-15 of this Code,  
22 the State shall make a supplementary payment for 4 years equal  
23 to the difference between the sum of the salaries earned by  
24 each certified member of the new high school district, while  
25 employed in one of the previously existing districts, and the  
26 sum of the salaries those certified members would have been

1 paid if placed on the salary schedule of the previously  
2 existing district with the highest salary schedule.

3 (4) For each newly created partial elementary unit  
4 district, the State shall make a supplementary payment for 4  
5 years equal to the difference between the sum of the salaries  
6 earned by each certified member of the newly created partial  
7 elementary unit district, while employed in one of the  
8 previously existing districts that formed the partial  
9 elementary unit district, and the sum of the salaries those  
10 certified members would have been paid if placed on the salary  
11 schedule of the previously existing district with the highest  
12 salary schedule. The salary schedules used in the calculation  
13 shall be those in effect in the previously existing districts  
14 for the school year prior to the creation of the new partial  
15 elementary unit district.

16 (5) For an elementary district opt-in, as described in  
17 subsection (d) of Section 11E-30 of this Code, the salary  
18 difference incentive shall be computed in accordance with  
19 paragraph (4) of this subsection (b) as if the opted-in  
20 elementary district was included in the optional elementary  
21 unit district at the optional elementary unit district's  
22 original effective date. If the calculation in this paragraph  
23 (5) is less than that calculated in paragraph (4) of this  
24 subsection (b) at the optional elementary unit district's  
25 original effective date, then no adjustments may be made. If  
26 the calculation in this paragraph (5) is more than that

1 calculated in paragraph (4) of this subsection (b) at the  
2 optional elementary unit district's original effective date,  
3 then the excess must be paid as follows:

4 (A) If the effective date for the elementary opt-in is  
5 one year after the effective date for the optional  
6 elementary unit district, 100% of the calculated excess  
7 shall be paid to the optional elementary unit district in  
8 each of the first 4 years after the effective date of the  
9 elementary opt-in.

10 (B) If the effective date for the elementary opt-in is  
11 2 years after the effective date for the optional  
12 elementary unit district, 75% of the calculated excess  
13 shall be paid to the optional elementary unit district in  
14 each of the first 4 years after the effective date of the  
15 elementary opt-in.

16 (C) If the effective date for the elementary opt-in is  
17 3 years after the effective date for the optional  
18 elementary unit district, 50% of the calculated excess  
19 shall be paid to the optional elementary unit district in  
20 each of the first 4 years after the effective date of the  
21 elementary opt-in.

22 (D) If the effective date for the elementary opt-in is  
23 4 years after the effective date for the partial elementary  
24 unit district, 25% of the calculated excess shall be paid  
25 to the optional elementary unit district in each of the  
26 first 4 years after the effective date of the elementary

1 opt-in.

2 (E) If the effective date for the elementary opt-in is  
3 5 years after the effective date for the optional  
4 elementary unit district, the optional elementary unit  
5 district is not eligible for any additional incentives due  
6 to the elementary opt-in.

7 (5.5) After the formation of a cooperative high school by 2  
8 or more school districts under Section 10-22.22c of this Code,  
9 a computation shall be made to determine the difference between  
10 the salaries effective in each of the previously existing high  
11 schools on June 30 prior to the formation of the cooperative  
12 high school. For the first 4 years after the formation of the  
13 cooperative high school, a supplementary State aid  
14 reimbursement shall be paid to the cooperative high school  
15 equal to the difference between the sum of the salaries earned  
16 by each of the certificated members of the cooperative high  
17 school while employed in one of the previously existing high  
18 schools during the year immediately preceding the formation of  
19 the cooperative high school and the sum of the salaries those  
20 certificated members would have been paid during the year  
21 immediately prior to the formation of the cooperative high  
22 school if placed on the salary schedule of the previously  
23 existing high school with the highest salary schedule.

24 (5.10) After the annexation of territory detached from  
25 another school district whereby the enrollment of the annexing  
26 district increases by 90% or more as a result of the

1 annexation, a computation shall be made to determine the  
2 difference between the salaries effective in the district  
3 gaining territory and the district losing territory as they  
4 each were constituted on June 30 preceding the date when the  
5 change of boundaries attributable to the annexation became  
6 effective for all purposes as determined under Section 7-9 of  
7 this Code. For the first 4 years after the annexation, a  
8 supplementary State aid reimbursement shall be paid to the  
9 annexing district equal to the difference between the sum of  
10 the salaries earned by each of the certificated members of the  
11 annexing district as constituted after the annexation while  
12 employed in the district gaining territory or the district  
13 losing territory during the year immediately preceding the  
14 annexation and the sum of the salaries those certificated  
15 members would have been paid during such immediately preceding  
16 year if placed on the salary schedule of whichever of the  
17 district gaining territory or district losing territory had the  
18 highest salary schedule during the immediately preceding year.  
19 To be eligible for supplementary State aid reimbursement under  
20 this Section, the intergovernmental agreement to be submitted  
21 pursuant to Section 7-14A of this Code must show that staff  
22 members were transferred from the control of the district  
23 losing territory to the control of the district gaining  
24 territory in the annexation. The changes to this Section made  
25 by Public Act 95-707 are intended to be retroactive and  
26 applicable to any annexation taking effect on or after July 1,

1 2004. For annexations that are eligible for payments under this  
2 paragraph (5.10) and that are effective on or after July 1,  
3 2004, but before January 11, 2008 (the effective date of Public  
4 Act 95-707), the first required yearly payment under this  
5 paragraph (5.10) shall be paid in the fiscal year of January  
6 11, 2008 (the effective date of Public Act 95-707). Subsequent  
7 required yearly payments shall be paid in subsequent fiscal  
8 years until the payment obligation under this paragraph (5.10)  
9 is complete.

10 (5.15) After the deactivation of a school facility in  
11 accordance with Section 10-22.22b of this Code, a computation  
12 shall be made to determine the difference between the salaries  
13 effective in the sending school district and each receiving  
14 school district on June 30 prior to the deactivation of the  
15 school facility. For the lesser of the first 4 years after the  
16 deactivation of the school facility or the length of the  
17 deactivation agreement, including any renewals of the original  
18 deactivation agreement, a supplementary State aid  
19 reimbursement shall be paid to each receiving district equal to  
20 the difference between the sum of the salaries earned by each  
21 of the certificated members transferred to that receiving  
22 district as a result of the deactivation while employed in the  
23 sending district during the year immediately preceding the  
24 deactivation and the sum of the salaries those certificated  
25 members would have been paid during the year immediately  
26 preceding the deactivation if placed on the salary schedule of

1 the sending or receiving district with the highest salary  
2 schedule.

3 (6) The supplementary State aid reimbursement under this  
4 subsection (b) shall be treated as separate from all other  
5 payments made pursuant to Section 18-8.05 of this Code. In the  
6 case of the formation of a new district or cooperative high  
7 school or a deactivation, reimbursement shall begin during the  
8 first year of operation of the new district or cooperative high  
9 school or the first year of the deactivation, and in the case  
10 of an annexation of the territory of one or more school  
11 districts by one or more other school districts or the  
12 annexation of territory detached from a school district whereby  
13 the enrollment of the annexing district increases by 90% or  
14 more as a result of the annexation, reimbursement shall begin  
15 during the first year when the change in boundaries  
16 attributable to the annexation becomes effective for all  
17 purposes as determined pursuant to Section 7-9 of this Code,  
18 except that for an annexation of territory detached from a  
19 school district that is effective on or after July 1, 2004, but  
20 before January 11, 2008 (the effective date of Public Act  
21 95-707), whereby the enrollment of the annexing district  
22 increases by 90% or more as a result of the annexation,  
23 reimbursement shall begin during the fiscal year of January 11,  
24 2008 (the effective date of Public Act 95-707). Each year that  
25 the new, annexing, or receiving district or cooperative high  
26 school, as the case may be, is entitled to receive



1 reimbursement, the number of eligible certified members who are  
2 employed on October 1 in the district or cooperative high  
3 school shall be certified to the State Board of Education on  
4 prescribed forms by October 15 and payment shall be made on or  
5 before November 15 of that year.

6 (c) (1) For the first year after the formation of a combined  
7 school district, as defined in Section 11E-20 of this Code or a  
8 unit district, as defined in Section 11E-25 of this Code, a  
9 computation shall be made totaling each previously existing  
10 district's audited fund balances in the educational fund,  
11 working cash fund, operations and maintenance fund, and  
12 transportation fund for the year ending June 30 prior to the  
13 referendum for the creation of the new district. The new  
14 district shall be paid supplementary State aid equal to the sum  
15 of the differences between the deficit of the previously  
16 existing district with the smallest deficit and the deficits of  
17 each of the other previously existing districts.

18 (2) For the first year after the annexation of all of the  
19 territory of one or more entire school districts by another  
20 school district, as defined in Article 7 of this Code,  
21 computations shall be made, for the year ending June 30 prior  
22 to the date that the change of boundaries attributable to the  
23 annexation is allowed by the affirmative decision issued by the  
24 regional board of school trustees under Section 7-6 of this  
25 Code, notwithstanding any effort to seek administrative review  
26 of the decision, totaling the annexing district's and totaling

1 each annexed district's audited fund balances in their  
2 respective educational, working cash, operations and  
3 maintenance, and transportation funds. The annexing district  
4 as constituted after the annexation shall be paid supplementary  
5 State aid equal to the sum of the differences between the  
6 deficit of whichever of the annexing or annexed districts as  
7 constituted prior to the annexation had the smallest deficit  
8 and the deficits of each of the other districts as constituted  
9 prior to the annexation.

10 (3) For the first year after the annexation of all of the  
11 territory of one or more entire school districts by 2 or more  
12 other school districts, as defined by Article 7 of this Code,  
13 computations shall be made, for the year ending June 30 prior  
14 to the date that the change of boundaries attributable to the  
15 annexation is allowed by the affirmative decision of the  
16 regional board of school trustees under Section 7-6 of this  
17 Code, notwithstanding any action for administrative review of  
18 the decision, totaling each annexing and annexed district's  
19 audited fund balances in their respective educational, working  
20 cash, operations and maintenance, and transportation funds.  
21 The annexing districts as constituted after the annexation  
22 shall be paid supplementary State aid, allocated as provided in  
23 this paragraph (3), in an aggregate amount equal to the sum of  
24 the differences between the deficit of whichever of the  
25 annexing or annexed districts as constituted prior to the  
26 annexation had the smallest deficit and the deficits of each of

1 the other districts as constituted prior to the annexation. The  
2 aggregate amount of the supplementary State aid payable under  
3 this paragraph (3) shall be allocated between or among the  
4 annexing districts as follows:

5 (A) the regional superintendent of schools for each  
6 educational service region in which an annexed district is  
7 located prior to the annexation shall certify to the State  
8 Board of Education, on forms that it shall provide for that  
9 purpose, the value of all taxable property in each annexed  
10 district, as last equalized or assessed by the Department  
11 of Revenue prior to the annexation, and the equalized  
12 assessed value of each part of the annexed district that  
13 was annexed to or included as a part of an annexing  
14 district;

15 (B) using equalized assessed values as certified by the  
16 regional superintendent of schools under clause (A) of this  
17 paragraph (3), the combined audited fund balance deficit of  
18 each annexed district as determined under this Section  
19 shall be apportioned between or among the annexing  
20 districts in the same ratio as the equalized assessed value  
21 of that part of the annexed district that was annexed to or  
22 included as a part of an annexing district bears to the  
23 total equalized assessed value of the annexed district; and

24 (C) the aggregate supplementary State aid payment  
25 under this paragraph (3) shall be allocated between or  
26 among, and shall be paid to, the annexing districts in the

1 same ratio as the sum of the combined audited fund balance  
2 deficit of each annexing district as constituted prior to  
3 the annexation, plus all combined audited fund balance  
4 deficit amounts apportioned to that annexing district  
5 under clause (B) of this subsection, bears to the aggregate  
6 of the combined audited fund balance deficits of all of the  
7 annexing and annexed districts as constituted prior to the  
8 annexation.

9 (4) For the new elementary districts and new high school  
10 district formed through a school district conversion, as  
11 defined in Section 11E-15 of this Code or the new elementary  
12 district or districts and new combined high school - unit  
13 district formed through a multi-unit conversion, as defined in  
14 subsection (b) of Section 11E-30 of this Code, a computation  
15 shall be made totaling each previously existing district's  
16 audited fund balances in the educational fund, working cash  
17 fund, operations and maintenance fund, and transportation fund  
18 for the year ending June 30 prior to the referendum  
19 establishing the new districts. In the first year of the new  
20 districts, the State shall make a one-time supplementary  
21 payment equal to the sum of the differences between the deficit  
22 of the previously existing district with the smallest deficit  
23 and the deficits of each of the other previously existing  
24 districts. A district with a combined balance among the 4 funds  
25 that is positive shall be considered to have a deficit of zero.  
26 The supplementary payment shall be allocated among the newly

1 formed high school and elementary districts in the manner  
2 provided by the petition for the formation of the districts, in  
3 the form in which the petition is approved by the regional  
4 superintendent of schools or State Superintendent of Education  
5 under Section 11E-50 of this Code.

6 (5) For each newly created partial elementary unit  
7 district, as defined in subsection (a) or (c) of Section 11E-30  
8 of this Code, a computation shall be made totaling the audited  
9 fund balances of each previously existing district that formed  
10 the new partial elementary unit district in the educational  
11 fund, working cash fund, operations and maintenance fund, and  
12 transportation fund for the year ending June 30 prior to the  
13 referendum for the formation of the partial elementary unit  
14 district. In the first year of the new partial elementary unit  
15 district, the State shall make a one-time supplementary payment  
16 to the new district equal to the sum of the differences between  
17 the deficit of the previously existing district with the  
18 smallest deficit and the deficits of each of the other  
19 previously existing districts. A district with a combined  
20 balance among the 4 funds that is positive shall be considered  
21 to have a deficit of zero.

22 (6) For an elementary opt-in as defined in subsection (d)  
23 of Section 11E-30 of this Code, the deficit fund balance  
24 incentive shall be computed in accordance with paragraph (5) of  
25 this subsection (c) as if the opted-in elementary was included  
26 in the optional elementary unit district at the optional

1 elementary unit district's original effective date. If the  
2 calculation in this paragraph (6) is less than that calculated  
3 in paragraph (5) of this subsection (c) at the optional  
4 elementary unit district's original effective date, then no  
5 adjustments may be made. If the calculation in this paragraph  
6 (6) is more than that calculated in paragraph (5) of this  
7 subsection (c) at the optional elementary unit district's  
8 original effective date, then the excess must be paid as  
9 follows:

10 (A) If the effective date for the elementary opt-in is  
11 one year after the effective date for the optional  
12 elementary unit district, 100% of the calculated excess  
13 shall be paid to the optional elementary unit district in  
14 the first year after the effective date of the elementary  
15 opt-in.

16 (B) If the effective date for the elementary opt-in is  
17 2 years after the effective date for the optional  
18 elementary unit district, 75% of the calculated excess  
19 shall be paid to the optional elementary unit district in  
20 the first year after the effective date of the elementary  
21 opt-in.

22 (C) If the effective date for the elementary opt-in is  
23 3 years after the effective date for the optional  
24 elementary unit district, 50% of the calculated excess  
25 shall be paid to the optional elementary unit district in  
26 the first year after the effective date of the elementary

1 opt-in.

2 (D) If the effective date for the elementary opt-in is  
3 4 years after the effective date for the optional  
4 elementary unit district, 25% of the calculated excess  
5 shall be paid to the optional elementary unit district in  
6 the first year after the effective date of the elementary  
7 opt-in.

8 (E) If the effective date for the elementary opt-in is  
9 5 years after the effective date for the optional  
10 elementary unit district, the optional elementary unit  
11 district is not eligible for any additional incentives due  
12 to the elementary opt-in.

13 (6.5) For the first year after the annexation of territory  
14 detached from another school district whereby the enrollment of  
15 the annexing district increases by 90% or more as a result of  
16 the annexation, a computation shall be made totaling the  
17 audited fund balances of the district gaining territory and the  
18 audited fund balances of the district losing territory in the  
19 educational fund, working cash fund, operations and  
20 maintenance fund, and transportation fund for the year ending  
21 June 30 prior to the date that the change of boundaries  
22 attributable to the annexation is allowed by the affirmative  
23 decision of the regional board of school trustees under Section  
24 7-6 of this Code, notwithstanding any action for administrative  
25 review of the decision. The annexing district as constituted  
26 after the annexation shall be paid supplementary State aid

1 equal to the difference between the deficit of whichever  
2 district included in this calculation as constituted prior to  
3 the annexation had the smallest deficit and the deficit of each  
4 other district included in this calculation as constituted  
5 prior to the annexation, multiplied by the ratio of equalized  
6 assessed value of the territory detached to the total equalized  
7 assessed value of the district losing territory. The regional  
8 superintendent of schools for the educational service region in  
9 which a district losing territory is located prior to the  
10 annexation shall certify to the State Board of Education the  
11 value of all taxable property in the district losing territory  
12 and the value of all taxable property in the territory being  
13 detached, as last equalized or assessed by the Department of  
14 Revenue prior to the annexation. To be eligible for  
15 supplementary State aid reimbursement under this Section, the  
16 intergovernmental agreement to be submitted pursuant to  
17 Section 7-14A of this Code must show that fund balances were  
18 transferred from the district losing territory to the district  
19 gaining territory in the annexation. The changes to this  
20 Section made by Public Act 95-707 are intended to be  
21 retroactive and applicable to any annexation taking effect on  
22 or after July 1, 2004. For annexations that are eligible for  
23 payments under this paragraph (6.5) and that are effective on  
24 or after July 1, 2004, but before January 11, 2008 (the  
25 effective date of Public Act 95-707), the required payment  
26 under this paragraph (6.5) shall be paid in the fiscal year of



1 January 11, 2008 (the effective date of Public Act 95-707).

2 (7) For purposes of any calculation required under  
3 paragraph (1), (2), (3), (4), (5), (6), or (6.5) of this  
4 subsection (c), a district with a combined fund balance that is  
5 positive shall be considered to have a deficit of zero. For  
6 purposes of determining each district's audited fund balances  
7 in its educational fund, working cash fund, operations and  
8 maintenance fund, and transportation fund for the specified  
9 year ending June 30, as provided in paragraphs (1), (2), (3),  
10 (4), (5), (6), and (6.5) of this subsection (c), the balance of  
11 each fund shall be deemed decreased by an amount equal to the  
12 amount of the annual property tax theretofore levied in the  
13 fund by the district for collection and payment to the district  
14 during the calendar year in which the June 30 fell, but only to  
15 the extent that the tax so levied in the fund actually was  
16 received by the district on or before or comprised a part of  
17 the fund on such June 30. For purposes of determining each  
18 district's audited fund balances, a calculation shall be made  
19 for each fund to determine the average for the 3 years prior to  
20 the specified year ending June 30, as provided in paragraphs  
21 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c),  
22 of the district's expenditures in the categories "purchased  
23 services", "supplies and materials", and "capital outlay", as  
24 those categories are defined in rules of the State Board of  
25 Education. If this 3-year average is less than the district's  
26 expenditures in these categories for the specified year ending

1 June 30, as provided in paragraphs (1), (2), (3), (4), (5),  
2 (6), and (6.5) of this subsection (c), then the 3-year average  
3 shall be used in calculating the amounts payable under this  
4 Section in place of the amounts shown in these categories for  
5 the specified year ending June 30, as provided in paragraphs  
6 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c).  
7 Any deficit because of State aid not yet received may not be  
8 considered in determining the June 30 deficits. The same basis  
9 of accounting shall be used by all previously existing  
10 districts and by all annexing or annexed districts, as  
11 constituted prior to the annexation, in making any computation  
12 required under paragraphs (1), (2), (3), (4), (5), (6), and  
13 (6.5) of this subsection (c).

14 (8) The supplementary State aid payments under this  
15 subsection (c) shall be treated as separate from all other  
16 payments made pursuant to Section 18-8.05 of this Code.

17 (d)(1) Following the formation of a combined school  
18 district, as defined in Section 11E-20 of this Code, a new unit  
19 district, as defined in Section 11E-25 of this Code, a new  
20 elementary district or districts and a new high school district  
21 formed through a school district conversion, as defined in  
22 Section 11E-15 of this Code, a new partial elementary unit  
23 district, as defined in Section 11E-30 of this Code, or a new  
24 elementary district or districts formed through a multi-unit  
25 conversion, as defined in subsection (b) of Section 11E-30 of  
26 this Code, or the annexation of all of the territory of one or

1 more entire school districts by one or more other school  
 2 districts, as defined in Article 7 of this Code, a  
 3 supplementary State aid reimbursement shall be paid for the  
 4 number of school years determined under the following table to  
 5 each new or annexing district equal to the sum of \$4,000 for  
 6 each certified employee who is employed by the district on a  
 7 full-time basis for the regular term of the school year:

8	Reorganized District's Rank	Reorganized District's Rank		
9	by type of district (unit,	in Average Daily Attendance		
10	high school, elementary)	By Quintile		
11	in Equalized Assessed Value			
12	Per Pupil by Quintile			
13				3rd, 4th,
14		1st	2nd	or 5th
15		Quintile	Quintile	Quintile
16	1st Quintile	1 year	1 year	1 year
17	2nd Quintile	1 year	2 years	2 years
18	3rd Quintile	2 years	3 years	3 years
19	4th Quintile	2 years	3 years	3 years
20	5th Quintile	2 years	3 years	3 years

21 The State Board of Education shall make a one-time calculation  
 22 of a reorganized district's quintile ranks. The average daily  
 23 attendance used in this calculation shall be the best 3 months'  
 24 average daily attendance for the district's first year. The

1 equalized assessed value per pupil shall be the district's real  
2 property equalized assessed value used in calculating the  
3 district's first-year general State aid claim, under Section  
4 18-8.05 of this Code, or first-year primary State aid claim,  
5 under Section 18-8.15 of this Code, as applicable, divided by  
6 the best 3 months' average daily attendance.

7 No annexing or resulting school district shall be entitled  
8 to supplementary State aid under this subsection (d) unless the  
9 district acquires at least 30% of the average daily attendance  
10 of the district from which the territory is being detached or  
11 divided.

12 If a district results from multiple reorganizations that  
13 would otherwise qualify the district for multiple payments  
14 under this subsection (d) in any year, then the district shall  
15 receive a single payment only for that year based solely on the  
16 most recent reorganization.

17 (2) For an elementary opt-in, as defined in subsection (d)  
18 of Section 11E-30 of this Code, the full-time certified staff  
19 incentive shall be computed in accordance with paragraph (1) of  
20 this subsection (d), equal to the sum of \$4,000 for each  
21 certified employee of the elementary district that opts-in who  
22 is employed by the optional elementary unit district on a  
23 full-time basis for the regular term of the school year. The  
24 calculation from this paragraph (2) must be paid as follows:

25 (A) If the effective date for the elementary opt-in is  
26 one year after the effective date for the optional

1 elementary unit district, 100% of the amount calculated in  
2 this paragraph (2) shall be paid to the optional elementary  
3 unit district for the number of years calculated in  
4 paragraph (1) of this subsection (d) at the optional  
5 elementary unit district's original effective date,  
6 starting in the second year after the effective date of the  
7 elementary opt-in.

8 (B) If the effective date for the elementary opt-in is  
9 2 years after the effective date for the optional  
10 elementary unit district, 75% of the amount calculated in  
11 this paragraph (2) shall be paid to the optional elementary  
12 unit district for the number of years calculated in  
13 paragraph (1) of this subsection (d) at the optional  
14 elementary unit district's original effective date,  
15 starting in the second year after the effective date of the  
16 elementary opt-in.

17 (C) If the effective date for the elementary opt-in is  
18 3 years after the effective date for the optional  
19 elementary unit district, 50% of the amount calculated in  
20 this paragraph (2) shall be paid to the optional elementary  
21 unit district for the number of years calculated in  
22 paragraph (1) of this subsection (d) at the optional  
23 elementary unit district's original effective date,  
24 starting in the second year after the effective date of the  
25 elementary opt-in.

26 (D) If the effective date for the elementary opt-in is

1           4 years after the effective date for the optional  
2 elementary unit district, 25% of the amount calculated in  
3 this paragraph (2) shall be paid to the optional elementary  
4 unit district for the number of years calculated in  
5 paragraph (1) of this subsection (d) at the optional  
6 elementary unit district's original effective date,  
7 starting in the second year after the effective date of the  
8 elementary opt-in.

9           (E) If the effective date for the elementary opt-in is  
10 5 years after the effective date for the optional  
11 elementary unit district, the optional elementary unit  
12 district is not eligible for any additional incentives due  
13 to the elementary opt-in.

14           (2.5) Following the formation of a cooperative high school  
15 by 2 or more school districts under Section 10-22.22c of this  
16 Code, a supplementary State aid reimbursement shall be paid for  
17 3 school years to the cooperative high school equal to the sum  
18 of \$4,000 for each certified employee who is employed by the  
19 cooperative high school on a full-time basis for the regular  
20 term of any such school year. If a cooperative high school  
21 results from multiple agreements that would otherwise qualify  
22 the cooperative high school for multiple payments under this  
23 Section in any year, the cooperative high school shall receive  
24 a single payment for that year based solely on the most recent  
25 agreement.

26           (2.10) Following the annexation of territory detached from

1 another school district whereby the enrollment of the annexing  
2 district increases 90% or more as a result of the annexation, a  
3 supplementary State aid reimbursement shall be paid to the  
4 annexing district equal to the sum of \$4,000 for each certified  
5 employee who is employed by the annexing district on a  
6 full-time basis and shall be calculated in accordance with  
7 subsection (a) of this Section. To be eligible for  
8 supplementary State aid reimbursement under this Section, the  
9 intergovernmental agreement to be submitted pursuant to  
10 Section 7-14A of this Code must show that certified staff  
11 members were transferred from the control of the district  
12 losing territory to the control of the district gaining  
13 territory in the annexation. The changes to this Section made  
14 by Public Act 95-707 are intended to be retroactive and  
15 applicable to any annexation taking effect on or after July 1,  
16 2004. For annexations that are eligible for payments under this  
17 paragraph (2.10) and that are effective on or after July 1,  
18 2004, but before January 11, 2008 (the effective date of Public  
19 Act 95-707), the first required yearly payment under this  
20 paragraph (2.10) shall be paid in the second fiscal year after  
21 January 11, 2008 (the effective date of Public Act 95-707). Any  
22 subsequent required yearly payments shall be paid in subsequent  
23 fiscal years until the payment obligation under this paragraph  
24 (2.10) is complete.

25 (2.15) Following the deactivation of a school facility in  
26 accordance with Section 10-22.22b of this Code, a supplementary

1 State aid reimbursement shall be paid for the lesser of 3  
2 school years or the length of the deactivation agreement,  
3 including any renewals of the original deactivation agreement,  
4 to each receiving school district equal to the sum of \$4,000  
5 for each certified employee who is employed by that receiving  
6 district on a full-time basis for the regular term of any such  
7 school year who was originally transferred to the control of  
8 that receiving district as a result of the deactivation.  
9 Receiving districts are eligible for payments under this  
10 paragraph (2.15) based on the certified employees transferred  
11 to that receiving district as a result of the deactivation and  
12 are not required to receive at least 30% of the deactivating  
13 district's average daily attendance as required under  
14 paragraph (1) of this subsection (d) to be eligible for  
15 payments.

16 (3) The supplementary State aid reimbursement payable  
17 under this subsection (d) shall be separate from and in  
18 addition to all other payments made to the district pursuant to  
19 any other Section of this Article.

20 (4) During May of each school year for which a  
21 supplementary State aid reimbursement is to be paid to a new,  
22 annexing, or receiving school district or cooperative high  
23 school pursuant to this subsection (d), the school board or  
24 governing board shall certify to the State Board of Education,  
25 on forms furnished to the school board or governing board by  
26 the State Board of Education for purposes of this subsection



1 (d), the number of certified employees for which the district  
2 or cooperative high school is entitled to reimbursement under  
3 this Section, together with the names, certificate numbers, and  
4 positions held by the certified employees.

5 (5) Upon certification by the State Board of Education to  
6 the State Comptroller of the amount of the supplementary State  
7 aid reimbursement to which a school district or cooperative  
8 high school is entitled under this subsection (d), the State  
9 Comptroller shall draw his or her warrant upon the State  
10 Treasurer for the payment thereof to the school district or  
11 cooperative high school and shall promptly transmit the payment  
12 to the school district or cooperative high school through the  
13 appropriate school treasurer.

14 (Source: P.A. 95-331, eff. 8-21-07; 95-707, eff. 1-11-08;  
15 95-903, eff. 8-25-08; 96-328, eff. 8-11-09.)

16 (105 ILCS 5/13A-8)

17 Sec. 13A-8. Funding.

18 (a) The State of Illinois shall provide funding for the  
19 alternative school programs within each educational service  
20 region and within the Chicago public school system by line item  
21 appropriation made to the State Board of Education for that  
22 purpose. This money, when appropriated, shall be provided to  
23 the regional superintendent and to the Chicago Board of  
24 Education, who shall establish a budget, including salaries,  
25 for their alternative school programs. Each program shall

1 receive funding in the amount of \$30,000 plus an amount based  
2 on the ratio of the region's or Chicago's best 3 months'  
3 average daily attendance in grades pre-kindergarten through 12  
4 to the statewide totals of these amounts. For purposes of this  
5 calculation, the best 3 months' average daily attendance for  
6 each region or Chicago shall be calculated by adding to the  
7 best 3 months' average daily attendance the number of  
8 low-income students identified in the most recently available  
9 federal census multiplied by one-half times the percentage of  
10 the region's or Chicago's low-income students to the State's  
11 total low-income students. The State Board of Education shall  
12 retain up to 1.1% of the appropriation to be used to provide  
13 technical assistance, professional development, and  
14 evaluations for the programs.

15 (a-5) Notwithstanding any other provisions of this  
16 Section, for the 1998-1999 fiscal year, the total amount  
17 distributed under subsection (a) for an alternative school  
18 program shall be not less than the total amount that was  
19 distributed under that subsection for that alternative school  
20 program for the 1997-1998 fiscal year. If an alternative school  
21 program is to receive a total distribution under subsection (a)  
22 for the 1998-1999 fiscal year that is less than the total  
23 distribution that the program received under that subsection  
24 for the 1997-1998 fiscal year, that alternative school program  
25 shall also receive, from a separate appropriation made for  
26 purposes of this subsection (a-5), a supplementary payment

1 equal to the amount by which its total distribution under  
2 subsection (a) for the 1997-1998 fiscal year exceeds the amount  
3 of the total distribution that the alternative school program  
4 receives under that subsection for the 1998-1999 fiscal year.  
5 If the amount appropriated for supplementary payments to  
6 alternative school programs under this subsection (a-5) is  
7 insufficient for that purpose, those supplementary payments  
8 shall be prorated among the alternative school programs  
9 entitled to receive those supplementary payments according to  
10 the aggregate amount of the appropriation made for purposes of  
11 this subsection (a-5).

12 (b) An alternative school program shall be entitled to  
13 receive general State aid as calculated in subsection (K) of  
14 Section 18-8.05 or primary State aid as calculated in  
15 subsection (i) of Section 18-8.15 upon filing a claim as  
16 provided therein. Any time that a student who is enrolled in an  
17 alternative school program spends in work-based learning,  
18 community service, or a similar alternative educational  
19 setting shall be included in determining the student's minimum  
20 number of clock hours of daily school work that constitute a  
21 day of attendance for purposes of calculating general State aid  
22 or primary State aid.

23 (c) An alternative school program may receive additional  
24 funding from its school districts in such amount as may be  
25 agreed upon by the parties and necessary to support the  
26 program. In addition, an alternative school program is

1 authorized to accept and expend gifts, legacies, and grants,  
2 including but not limited to federal grants, from any source  
3 for purposes directly related to the conduct and operation of  
4 the program.

5 (Source: P.A. 89-383, eff. 8-18-95; 89-629, eff. 8-9-96;  
6 89-636, eff. 8-9-96; 90-14, eff. 7-1-97; 90-283, eff. 7-31-97;  
7 90-802, eff. 12-15-98.)

8 (105 ILCS 5/13B-20.20)

9 Sec. 13B-20.20. Enrollment in other programs. High school  
10 equivalency testing preparation programs are not eligible for  
11 funding under this Article. A student may enroll in a program  
12 approved under Section 18-8.05 or 18-8.15 of this Code, as  
13 appropriate, or attend both the alternative learning  
14 opportunities program and the regular school program to enhance  
15 student performance and facilitate on-time graduation.

16 (Source: P.A. 98-718, eff. 1-1-15.)

17 (105 ILCS 5/13B-45)

18 Sec. 13B-45. Days and hours of attendance. An alternative  
19 learning opportunities program shall provide students with at  
20 least the minimum number of days of pupil attendance required  
21 under Section 10-19 of this Code and the minimum number of  
22 daily hours of school work required under Section 18-8.05 or  
23 18-8.15 of this Code, provided that the State Board may approve  
24 exceptions to these requirements if the program meets all of

1 the following conditions:

2 (1) The district plan submitted under Section  
3 13B-25.15 of this Code establishes that a program providing  
4 the required minimum number of days of attendance or daily  
5 hours of school work would not serve the needs of the  
6 program's students.

7 (2) Each day of attendance shall provide no fewer than  
8 3 clock hours of school work, as defined under paragraph  
9 (1) of subsection (F) of Section 18-8.05 or subsection (f)  
10 of Section 18-8.15 of this Code.

11 (3) Each day of attendance that provides fewer than 5  
12 clock hours of school work shall also provide supplementary  
13 services, including without limitation work-based  
14 learning, student assistance programs, counseling, case  
15 management, health and fitness programs, or life-skills or  
16 conflict resolution training, in order to provide a total  
17 daily program to the student of 5 clock hours. A program  
18 may claim general State aid or primary State aid for up to  
19 2 hours of the time each day that a student is receiving  
20 supplementary services.

21 (4) Each program shall provide no fewer than 174 days  
22 of actual pupil attendance during the school term; however,  
23 approved evening programs that meet the requirements of  
24 Section 13B-45 of this Code may offer less than 174 days of  
25 actual pupil attendance during the school term.

26 (Source: P.A. 92-42, eff. 1-1-02.)

1 (105 ILCS 5/13B-50)

2 Sec. 13B-50. Eligibility to receive general State aid or  
3 primary State aid. In order to receive general State aid or  
4 primary State aid, alternative learning opportunities programs  
5 must meet the requirements for claiming general State aid as  
6 specified in Section 18-8.05 of this Code or primary State aid  
7 as specified in Section 18-8.15 of this Code, as applicable,  
8 with the exception of the length of the instructional day,  
9 which may be less than 5 hours of school work if the program  
10 meets the criteria set forth under Sections 13B-50.5 and  
11 13B-50.10 of this Code and if the program is approved by the  
12 State Board.

13 (Source: P.A. 92-42, eff. 1-1-02.)

14 (105 ILCS 5/13B-50.10)

15 Sec. 13B-50.10. Additional criteria for general State aid  
16 or primary State aid. In order to claim general State aid or  
17 primary State aid, an alternative learning opportunities  
18 program must meet the following criteria:

19 (1) Teacher professional development plans should include  
20 education in the instruction of at-risk students.

21 (2) Facilities must meet the health, life, and safety  
22 requirements in this Code.

23 (3) The program must comply with all other State and  
24 federal laws applicable to education providers.

1 (Source: P.A. 92-42, eff. 1-1-02.)

2 (105 ILCS 5/13B-50.15)

3 Sec. 13B-50.15. Level of funding. Approved alternative  
4 learning opportunities programs are entitled to claim general  
5 State aid or primary State aid, subject to Sections 13B-50,  
6 13B-50.5, and 13B-50.10 of this Code. Approved programs  
7 operated by regional offices of education are entitled to  
8 receive general State aid or primary State aid at the  
9 foundation level of support. A school district or consortium  
10 must ensure that an approved program receives supplemental  
11 general State aid, transportation reimbursements, and special  
12 education resources, if appropriate, for students enrolled in  
13 the program.

14 (Source: P.A. 92-42, eff. 1-1-02.)

15 (105 ILCS 5/14-7.02) (from Ch. 122, par. 14-7.02)

16 Sec. 14-7.02. Children attending private schools, public  
17 out-of-state schools, public school residential facilities or  
18 private special education facilities. The General Assembly  
19 recognizes that non-public schools or special education  
20 facilities provide an important service in the educational  
21 system in Illinois.

22 If because of his or her disability the special education  
23 program of a district is unable to meet the needs of a child  
24 and the child attends a non-public school or special education

1 facility, a public out-of-state school or a special education  
2 facility owned and operated by a county government unit that  
3 provides special educational services required by the child and  
4 is in compliance with the appropriate rules and regulations of  
5 the State Superintendent of Education, the school district in  
6 which the child is a resident shall pay the actual cost of  
7 tuition for special education and related services provided  
8 during the regular school term and during the summer school  
9 term if the child's educational needs so require, excluding  
10 room, board and transportation costs charged the child by that  
11 non-public school or special education facility, public  
12 out-of-state school or county special education facility, or  
13 \$4,500 per year, whichever is less, and shall provide him any  
14 necessary transportation. "Nonpublic special education  
15 facility" shall include a residential facility, within or  
16 without the State of Illinois, which provides special education  
17 and related services to meet the needs of the child by  
18 utilizing private schools or public schools, whether located on  
19 the site or off the site of the residential facility.

20 The State Board of Education shall promulgate rules and  
21 regulations for determining when placement in a private special  
22 education facility is appropriate. Such rules and regulations  
23 shall take into account the various types of services needed by  
24 a child and the availability of such services to the particular  
25 child in the public school. In developing these rules and  
26 regulations the State Board of Education shall consult with the



1 Advisory Council on Education of Children with Disabilities and  
2 hold public hearings to secure recommendations from parents,  
3 school personnel, and others concerned about this matter.

4 The State Board of Education shall also promulgate rules  
5 and regulations for transportation to and from a residential  
6 school. Transportation to and from home to a residential school  
7 more than once each school term shall be subject to prior  
8 approval by the State Superintendent in accordance with the  
9 rules and regulations of the State Board.

10 A school district making tuition payments pursuant to this  
11 Section is eligible for reimbursement from the State for the  
12 amount of such payments actually made in excess of the district  
13 per capita tuition charge for students not receiving special  
14 education services. Such reimbursement shall be approved in  
15 accordance with Section 14-12.01 and each district shall file  
16 its claims, computed in accordance with rules prescribed by the  
17 State Board of Education, on forms prescribed by the State  
18 Superintendent of Education. Data used as a basis of  
19 reimbursement claims shall be for the preceding regular school  
20 term and summer school term. Each school district shall  
21 transmit its claims to the State Board of Education on or  
22 before August 15. The State Board of Education, before  
23 approving any such claims, shall determine their accuracy and  
24 whether they are based upon services and facilities provided  
25 under approved programs. Upon approval the State Board shall  
26 cause vouchers to be prepared showing the amount due for

1 payment of reimbursement claims to school districts, for  
2 transmittal to the State Comptroller on the 30th day of  
3 September, December, and March, respectively, and the final  
4 voucher, no later than June 20. If the money appropriated by  
5 the General Assembly for such purpose for any year is  
6 insufficient, it shall be apportioned on the basis of the  
7 claims approved.

8 No child shall be placed in a special education program  
9 pursuant to this Section if the tuition cost for special  
10 education and related services increases more than 10 percent  
11 over the tuition cost for the previous school year or exceeds  
12 \$4,500 per year unless such costs have been approved by the  
13 Illinois Purchased Care Review Board. The Illinois Purchased  
14 Care Review Board shall consist of the following persons, or  
15 their designees: the Directors of Children and Family Services,  
16 Public Health, Public Aid, and the Governor's Office of  
17 Management and Budget; the Secretary of Human Services; the  
18 State Superintendent of Education; and such other persons as  
19 the Governor may designate. The Review Board shall also consist  
20 of one non-voting member who is an administrator of a private,  
21 nonpublic, special education school. The Review Board shall  
22 establish rules and regulations for its determination of  
23 allowable costs and payments made by local school districts for  
24 special education, room and board, and other related services  
25 provided by non-public schools or special education facilities  
26 and shall establish uniform standards and criteria which it

1 shall follow. The Review Board shall approve the usual and  
2 customary rate or rates of a special education program that (i)  
3 is offered by an out-of-state, non-public provider of  
4 integrated autism specific educational and autism specific  
5 residential services, (ii) offers 2 or more levels of  
6 residential care, including at least one locked facility, and  
7 (iii) serves 12 or fewer Illinois students.

8 The Review Board shall establish uniform definitions and  
9 criteria for accounting separately by special education, room  
10 and board and other related services costs. The Board shall  
11 also establish guidelines for the coordination of services and  
12 financial assistance provided by all State agencies to assure  
13 that no otherwise qualified disabled child receiving services  
14 under Article 14 shall be excluded from participation in, be  
15 denied the benefits of or be subjected to discrimination under  
16 any program or activity provided by any State agency.

17 The Review Board shall review the costs for special  
18 education and related services provided by non-public schools  
19 or special education facilities and shall approve or disapprove  
20 such facilities in accordance with the rules and regulations  
21 established by it with respect to allowable costs.

22 The State Board of Education shall provide administrative  
23 and staff support for the Review Board as deemed reasonable by  
24 the State Superintendent of Education. This support shall not  
25 include travel expenses or other compensation for any Review  
26 Board member other than the State Superintendent of Education.

1           The Review Board shall seek the advice of the Advisory  
2 Council on Education of Children with Disabilities on the rules  
3 and regulations to be promulgated by it relative to providing  
4 special education services.

5           If a child has been placed in a program in which the actual  
6 per pupil costs of tuition for special education and related  
7 services based on program enrollment, excluding room, board and  
8 transportation costs, exceed \$4,500 and such costs have been  
9 approved by the Review Board, the district shall pay such total  
10 costs which exceed \$4,500. A district making such tuition  
11 payments in excess of \$4,500 pursuant to this Section shall be  
12 responsible for an amount in excess of \$4,500 equal to the  
13 district per capita tuition charge and shall be eligible for  
14 reimbursement from the State for the amount of such payments  
15 actually made in excess of the districts per capita tuition  
16 charge for students not receiving special education services.

17           If a child has been placed in an approved individual  
18 program and the tuition costs including room and board costs  
19 have been approved by the Review Board, then such room and  
20 board costs shall be paid by the appropriate State agency  
21 subject to the provisions of Section 14-8.01 of this Act. Room  
22 and board costs not provided by a State agency other than the  
23 State Board of Education shall be provided by the State Board  
24 of Education on a current basis. In no event, however, shall  
25 the State's liability for funding of these tuition costs begin  
26 until after the legal obligations of third party payors have

1 been subtracted from such costs. If the money appropriated by  
2 the General Assembly for such purpose for any year is  
3 insufficient, it shall be apportioned on the basis of the  
4 claims approved. Each district shall submit estimated claims to  
5 the State Superintendent of Education. Upon approval of such  
6 claims, the State Superintendent of Education shall direct the  
7 State Comptroller to make payments on a monthly basis. The  
8 frequency for submitting estimated claims and the method of  
9 determining payment shall be prescribed in rules and  
10 regulations adopted by the State Board of Education. Such  
11 current state reimbursement shall be reduced by an amount equal  
12 to the proceeds which the child or child's parents are eligible  
13 to receive under any public or private insurance or assistance  
14 program. Nothing in this Section shall be construed as  
15 relieving an insurer or similar third party from an otherwise  
16 valid obligation to provide or to pay for services provided to  
17 a disabled child.

18 If it otherwise qualifies, a school district is eligible  
19 for the transportation reimbursement under Section 14-13.01  
20 and for the reimbursement of tuition payments under this  
21 Section whether the non-public school or special education  
22 facility, public out-of-state school or county special  
23 education facility, attended by a child who resides in that  
24 district and requires special educational services, is within  
25 or outside of the State of Illinois. However, a district is not  
26 eligible to claim transportation reimbursement under this

1 Section unless the district certifies to the State  
2 Superintendent of Education that the district is unable to  
3 provide special educational services required by the child for  
4 the current school year.

5 Nothing in this Section authorizes the reimbursement of a  
6 school district for the amount paid for tuition of a child  
7 attending a non-public school or special education facility,  
8 public out-of-state school or county special education  
9 facility unless the school district certifies to the State  
10 Superintendent of Education that the special education program  
11 of that district is unable to meet the needs of that child  
12 because of his disability and the State Superintendent of  
13 Education finds that the school district is in substantial  
14 compliance with Section 14-4.01. However, if a child is  
15 unilaterally placed by a State agency or any court in a  
16 non-public school or special education facility, public  
17 out-of-state school, or county special education facility, a  
18 school district shall not be required to certify to the State  
19 Superintendent of Education, for the purpose of tuition  
20 reimbursement, that the special education program of that  
21 district is unable to meet the needs of a child because of his  
22 or her disability.

23 Any educational or related services provided, pursuant to  
24 this Section in a non-public school or special education  
25 facility or a special education facility owned and operated by  
26 a county government unit shall be at no cost to the parent or

1 guardian of the child. However, current law and practices  
2 relative to contributions by parents or guardians for costs  
3 other than educational or related services are not affected by  
4 this amendatory Act of 1978.

5 Reimbursement for children attending public school  
6 residential facilities shall be made in accordance with the  
7 provisions of this Section.

8 Notwithstanding any other provision of law, any school  
9 district receiving a payment under this Section or under  
10 Section 14-7.02b, 14-13.01, or 29-5 of this Code may classify  
11 all or a portion of the funds that it receives in a particular  
12 fiscal year or from general State aid pursuant to Section  
13 18-8.05 of this Code as funds received in connection with any  
14 funding program for which it is entitled to receive funds from  
15 the State in that fiscal year (including, without limitation,  
16 any funding program referenced in this Section), regardless of  
17 the source or timing of the receipt. The district may not  
18 classify more funds as funds received in connection with the  
19 funding program than the district is entitled to receive in  
20 that fiscal year for that program. Any classification by a  
21 district must be made by a resolution of its board of  
22 education. The resolution must identify the amount of any  
23 payments or general State aid to be classified under this  
24 paragraph and must specify the funding program to which the  
25 funds are to be treated as received in connection therewith.  
26 This resolution is controlling as to the classification of

1 funds referenced therein. A certified copy of the resolution  
2 must be sent to the State Superintendent of Education. The  
3 resolution shall still take effect even though a copy of the  
4 resolution has not been sent to the State Superintendent of  
5 Education in a timely manner. No classification under this  
6 paragraph by a district shall affect the total amount or timing  
7 of money the district is entitled to receive under this Code.  
8 No classification under this paragraph by a district shall in  
9 any way relieve the district from or affect any requirements  
10 that otherwise would apply with respect to that funding  
11 program, including any accounting of funds by source, reporting  
12 expenditures by original source and purpose, reporting  
13 requirements, or requirements of providing services.

14 Notwithstanding anything to the contrary contained in this  
15 Section, the State Board of Education shall award to a school  
16 district having a population exceeding 500,000 inhabitants  
17 48.4% of the funds appropriated by the General Assembly for any  
18 fiscal year for purposes of payments to school districts under  
19 this Section.

20 (Source: P.A. 98-636, eff. 6-6-14; 98-1008, eff. 1-1-15;  
21 revised 10-1-14.)

22 (105 ILCS 5/14-7.02b)

23 Sec. 14-7.02b. Funding for children requiring special  
24 education services. Payments to school districts for children  
25 requiring special education services documented in their



1 individualized education program regardless of the program  
2 from which these services are received, excluding children  
3 claimed under Sections 14-7.02 and 14-7.03 of this Code, shall  
4 be made in accordance with this Section. Funds received under  
5 this Section may be used only for the provision of special  
6 educational facilities and services as defined in Section  
7 14-1.08 of this Code.

8 The appropriation for fiscal year 2005 through fiscal year  
9 2015 ~~and thereafter~~ shall be based upon the IDEA child count of  
10 all students in the State, excluding students claimed under  
11 Sections 14-7.02 and 14-7.03 of this Code, on December 1 of the  
12 fiscal year 2 years preceding, multiplied by 17.5% of the  
13 general State aid foundation level of support established for  
14 that fiscal year under Section 18-8.05 of this Code.

15 Beginning with fiscal year 2005 and through fiscal year  
16 2007, individual school districts shall not receive payments  
17 under this Section totaling less than they received under the  
18 funding authorized under Section 14-7.02a of this Code during  
19 fiscal year 2004, pursuant to the provisions of Section  
20 14-7.02a as they were in effect before the effective date of  
21 this amendatory Act of the 93rd General Assembly. This base  
22 level funding shall be computed first.

23 Beginning with fiscal year 2008 through fiscal year 2015  
24 ~~and each fiscal year thereafter~~, individual school districts  
25 must not receive payments under this Section totaling less than  
26 they received in fiscal year 2007. This funding shall be

1 computed last and shall be a separate calculation from any  
2 other calculation set forth in this Section. This amount is  
3 exempt from the requirements of Section 1D-1 of this Code.

4 Through fiscal year 2015, an ~~An~~ amount equal to 85% of the  
5 funds remaining in the appropriation shall be allocated to  
6 school districts based upon the district's average daily  
7 attendance reported for purposes of Section 18-8.05 of this  
8 Code for the preceding school year. Fifteen percent of the  
9 funds remaining in the appropriation shall be allocated to  
10 school districts based upon the district's low income eligible  
11 pupil count used in the calculation of general State aid under  
12 Section 18-8.05 of this Code for the same fiscal year. One  
13 hundred percent of the funds computed and allocated to  
14 districts under this Section shall be distributed and paid to  
15 school districts.

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

1 State Superintendent of Education. Reimbursement for  
2 individual students with disabilities whose program costs  
3 exceed 4 times the district's per capita tuition rate shall be  
4 claimed beginning with costs encumbered for the 2004-2005  
5 school year and thereafter.

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

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

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

26 Except for reimbursement for individual students with

1 disabilities whose program costs exceed 4 times the district's  
2 per capita tuition rate, no funding shall be provided to school  
3 districts under this Section after fiscal year 2015.

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

5 (105 ILCS 5/14-7.03) (from Ch. 122, par. 14-7.03)

6 Sec. 14-7.03. Special Education Classes for Children from  
7 Orphanages, ~~Foster Family Homes~~, Children's Homes, or in State  
8 Housing Units. If a school district maintains special education  
9 classes on the site of orphanages and children's homes, or if  
10 children from the orphanages, children's homes, ~~foster family~~  
11 ~~homes~~, other State agencies, or State residential units for  
12 children attend classes for children with disabilities in which  
13 the school district is a participating member of a joint  
14 agreement, or if the children from the orphanages, children's  
15 homes, ~~foster family homes~~, other State agencies, or State  
16 residential units attend classes for the children with  
17 disabilities maintained by the school district, then  
18 reimbursement shall be paid to eligible districts in accordance  
19 with the provisions of this Section by the Comptroller as  
20 directed by the State Superintendent of Education.

21 The amount of tuition for such children shall be determined  
22 by the actual cost of maintaining such classes, using the per  
23 capita cost formula set forth in Section 14-7.01, such program  
24 and cost to be pre-approved by the State Superintendent of  
25 Education.

1           If a school district makes a claim for reimbursement under  
2 Section 18-3 ~~or 18-4~~ of this Code, ~~Act~~ it shall not include in  
3 any claim filed under this Section a claim for such children.  
4 Payments authorized by law, including State or federal grants  
5 for education of children included in this Section, shall be  
6 deducted in determining the tuition amount.

7           Nothing in this Act shall be construed so as to prohibit  
8 reimbursement for the tuition of children placed in for profit  
9 facilities. Private facilities shall provide adequate space at  
10 the facility for special education classes provided by a school  
11 district or joint agreement for children with disabilities who  
12 are residents of the facility at no cost to the school district  
13 or joint agreement upon request of the school district or joint  
14 agreement. If such a private facility provides space at no cost  
15 to the district or joint agreement for special education  
16 classes provided to children with disabilities who are  
17 residents of the facility, the district or joint agreement  
18 shall not include any costs for the use of those facilities in  
19 its claim for reimbursement.

20           Reimbursement for tuition may include the cost of providing  
21 summer school programs for children with severe and profound  
22 disabilities served under this Section. Claims for that  
23 reimbursement shall be filed by November 1 and shall be paid on  
24 or before December 15 from appropriations made for the purposes  
25 of this Section.

26           The State Board of Education shall establish such rules and

1 regulations as may be necessary to implement the provisions of  
2 this Section.

3 Claims filed on behalf of programs operated under this  
4 Section housed in a jail, detention center, or county-owned  
5 shelter care facility shall be on an individual student basis  
6 only for eligible students with disabilities. These claims  
7 shall be in accordance with applicable rules.

8 Each district claiming reimbursement for a program  
9 operated as a group program shall have an approved budget on  
10 file with the State Board of Education prior to the initiation  
11 of the program's operation. On September 30, December 31, and  
12 March 31, the State Board of Education shall voucher payments  
13 to group programs based upon the approved budget during the  
14 year of operation. Final claims for group payments shall be  
15 filed on or before July 15. Final claims for group programs  
16 received at the State Board of Education on or before June 15  
17 shall be vouchered by June 30. Final claims received at the  
18 State Board of Education between June 16 and July 15 shall be  
19 vouchered by August 30. Claims for group programs received  
20 after July 15 shall not be honored.

21 Each district claiming reimbursement for individual  
22 students shall have the eligibility of those students verified  
23 by the State Board of Education. On September 30, December 31,  
24 and March 31, the State Board of Education shall voucher  
25 payments for individual students based upon an estimated cost  
26 calculated from the prior year's claim. Final claims for

1 individual students for the regular school term must be  
2 received at the State Board of Education by July 15. Claims for  
3 individual students received after July 15 shall not be  
4 honored. Final claims for individual students shall be  
5 vouchered by August 30.

6 Reimbursement shall be made based upon approved group  
7 programs or individual students. The State Superintendent of  
8 Education shall direct the Comptroller to pay a specified  
9 amount to the district by the 30th day of September, December,  
10 March, June, or August, respectively. However, notwithstanding  
11 any other provisions of this Section or the School Code,  
12 beginning with fiscal year 1994 and each fiscal year  
13 thereafter, if the amount appropriated for any fiscal year is  
14 less than the amount required for purposes of this Section, the  
15 amount required to eliminate any insufficient reimbursement  
16 for each district claim under this Section shall be reimbursed  
17 on August 30 of the next fiscal year. Payments required to  
18 eliminate any insufficiency for prior fiscal year claims shall  
19 be made before any claims are paid for the current fiscal year.

20 The claim of a school district otherwise eligible to be  
21 reimbursed in accordance with Section 14-12.01 for the 1976-77  
22 school year but for this amendatory Act of 1977 shall not be  
23 paid unless the district ceases to maintain such classes for  
24 one entire school year.

25 If a school district's current reimbursement payment for  
26 the 1977-78 school year only is less than the prior year's

1 reimbursement payment owed, the district shall be paid the  
2 amount of the difference between the payments in addition to  
3 the current reimbursement payment, and the amount so paid shall  
4 be subtracted from the amount of prior year's reimbursement  
5 payment owed to the district.

6 Regional superintendents may operate special education  
7 classes for children from orphanages, ~~foster family homes,~~  
8 children's homes, or State housing units located within the  
9 educational services region upon consent of the school board  
10 otherwise so obligated. In electing to assume the powers and  
11 duties of a school district in providing and maintaining such a  
12 special education program, the regional superintendent may  
13 enter into joint agreements with other districts and may  
14 contract with public or private schools or the orphanage,  
15 ~~foster family home,~~ children's home, or State housing unit for  
16 provision of the special education program. The regional  
17 superintendent exercising the powers granted under this  
18 Section shall claim the reimbursement authorized by this  
19 Section directly from the State Board of Education.

20 Any child who is not a resident of Illinois who is placed  
21 in a child welfare institution, private facility, ~~foster family~~  
22 ~~home,~~ State operated program, orphanage, or children's home  
23 shall have the payment for his educational tuition and any  
24 related services assured by the placing agent.

25 For each disabled student who is placed in a residential  
26 facility by an Illinois public agency or by any court in this



1 State, the costs for educating the student are eligible for  
2 reimbursement under this Section.

3 The district of residence of the disabled student as  
4 defined in Section 14-1.11a is responsible for the actual costs  
5 of the student's special education program and is eligible for  
6 reimbursement under this Section when placement is made by a  
7 State agency or the courts.

8 When a dispute arises over the determination of the  
9 district of residence under this Section, the district or  
10 districts may appeal the decision in writing to the State  
11 Superintendent of Education, who, upon review of materials  
12 submitted and any other items or information he or she may  
13 request for submission, shall issue a written decision on the  
14 matter. The decision of the State Superintendent of Education  
15 shall be final.

16 In the event a district does not make a tuition payment to  
17 another district that is providing the special education  
18 program and services, the State Board of Education shall  
19 immediately withhold 125% of the then remaining annual tuition  
20 cost from the State aid or categorical aid payment due to the  
21 school district that is determined to be the resident school  
22 district. All funds withheld by the State Board of Education  
23 shall immediately be forwarded to the school district where the  
24 student is being served.

25 When a child eligible for services under this Section  
26 14-7.03 must be placed in a nonpublic facility, that facility

1 shall meet the programmatic requirements of Section 14-7.02 and  
2 its regulations, and the educational services shall be funded  
3 only in accordance with this Section 14-7.03.

4 (Source: P.A. 98-739, eff. 7-16-14.)

5 (105 ILCS 5/14-13.01) (from Ch. 122, par. 14-13.01)

6 Sec. 14-13.01. Reimbursement payable by State; amounts for  
7 personnel and transportation.

8 (a) Through fiscal year 2015, for ~~For~~ staff working on  
9 behalf of children who have not been identified as eligible for  
10 special education and for eligible children with physical  
11 disabilities, including all eligible children whose placement  
12 has been determined under Section 14-8.02 in hospital or home  
13 instruction, 1/2 of the teacher's salary but not more than  
14 \$1,000 annually per child or \$9,000 per teacher, whichever is  
15 less.

16 (a-5) A child qualifies for home or hospital instruction if  
17 it is anticipated that, due to a medical condition, the child  
18 will be unable to attend school, and instead must be instructed  
19 at home or in the hospital, for a period of 2 or more  
20 consecutive weeks or on an ongoing intermittent basis. For  
21 purposes of this Section, "ongoing intermittent basis" means  
22 that the child's medical condition is of such a nature or  
23 severity that it is anticipated that the child will be absent  
24 from school due to the medical condition for periods of at  
25 least 2 days at a time multiple times during the school year

1 totaling at least 10 days or more of absences. There shall be  
2 no requirement that a child be absent from school a minimum  
3 number of days before the child qualifies for home or hospital  
4 instruction. In order to establish eligibility for home or  
5 hospital services, a student's parent or guardian must submit  
6 to the child's school district of residence a written statement  
7 from a physician licensed to practice medicine in all of its  
8 branches stating the existence of such medical condition, the  
9 impact on the child's ability to participate in education, and  
10 the anticipated duration or nature of the child's absence from  
11 school. Home or hospital instruction may commence upon receipt  
12 of a written physician's statement in accordance with this  
13 Section, but instruction shall commence not later than 5 school  
14 days after the school district receives the physician's  
15 statement. Special education and related services required by  
16 the child's IEP or services and accommodations required by the  
17 child's federal Section 504 plan must be implemented as part of  
18 the child's home or hospital instruction, unless the IEP team  
19 or federal Section 504 plan team determines that modifications  
20 are necessary during the home or hospital instruction due to  
21 the child's condition.

22 (a-10) Through fiscal year 2015, eligible ~~Eligible~~  
23 children to be included in any reimbursement under this  
24 paragraph must regularly receive a minimum of one hour of  
25 instruction each school day, or in lieu thereof of a minimum of  
26 5 hours of instruction in each school week in order to qualify

1 for full reimbursement under this Section. If the attending  
2 physician for such a child has certified that the child should  
3 not receive as many as 5 hours of instruction in a school week,  
4 however, reimbursement under this paragraph on account of that  
5 child shall be computed proportionate to the actual hours of  
6 instruction per week for that child divided by 5.

7 (a-15) The State Board of Education shall establish rules  
8 governing the required qualifications of staff providing home  
9 or hospital instruction.

10 (b) For children described in Section 14-1.02, 80% of the  
11 cost of transportation approved as a related service in the  
12 Individualized Education Program for each student in order to  
13 take advantage of special educational facilities.  
14 Transportation costs shall be determined in the same fashion as  
15 provided in Section 29-5 of this Code, notwithstanding any  
16 limitation in Section 29-5 of this Code on the fiscal years for  
17 which reimbursement may be claimed, provided that,  
18 notwithstanding anything to the contrary contained in this  
19 subsection (b) or Section 29-5 of this Code, the State Board of  
20 Education shall award to a school district having a population  
21 exceeding 500,000 inhabitants 30.7% of the funds appropriated  
22 by the General Assembly for any fiscal year for purposes of  
23 payment of transportation cost claims under this subsection  
24 (b). For purposes of this subsection (b), the dates for  
25 processing claims specified in Section 29-5 shall apply.

26 (c) Through fiscal year 2015, for ~~For~~ each qualified

1 worker, the annual sum of \$9,000.

2 (d) Through fiscal year 2015, for ~~For~~ one full time  
3 qualified director of the special education program of each  
4 school district which maintains a fully approved program of  
5 special education the annual sum of \$9,000. Districts  
6 participating in a joint agreement special education program  
7 shall not receive such reimbursement if reimbursement is made  
8 for a director of the joint agreement program.

9 (e) (Blank).

10 (f) (Blank).

11 (g) Through fiscal year 2015, for ~~For~~ readers, working with  
12 blind or partially seeing children 1/2 of their salary but not  
13 more than \$400 annually per child. Readers may be employed to  
14 assist such children and shall not be required to be certified  
15 but prior to employment shall meet standards set up by the  
16 State Board of Education.

17 (h) Through fiscal year 2015, for ~~For~~ non-certified  
18 employees, as defined by rules promulgated by the State Board  
19 of Education, who deliver services to students with IEPs, 1/2  
20 of the salary paid or \$3,500 per employee, whichever is less.

21 (i) The State Board of Education shall set standards and  
22 prescribe rules for determining the allocation of  
23 reimbursement under this section on less than a full time basis  
24 and for less than a school year.

25 When any school district eligible for reimbursement under  
26 this Section operates a school or program approved by the State

1 Superintendent of Education for a number of days in excess of  
2 the adopted school calendar but not to exceed 235 school days,  
3 such reimbursement shall be increased by 1/180 of the amount or  
4 rate paid hereunder for each day such school is operated in  
5 excess of 180 days per calendar year.

6 Notwithstanding any other provision of law, any school  
7 district receiving a payment under this Section or under  
8 Section 14-7.02 or 14-7.02b, ~~or 29-5~~ of this Code may classify  
9 all or a portion of the funds that it receives in a particular  
10 fiscal year or from primary ~~general~~ State aid pursuant to  
11 Section 18-8.15 ~~18-8.05~~ of this Code as funds received in  
12 connection with any funding program for which it is entitled to  
13 receive funds from the State in that fiscal year (including,  
14 without limitation, any funding program referenced in this  
15 Section), regardless of the source or timing of the receipt.  
16 The district may not classify more funds as funds received in  
17 connection with the funding program than the district is  
18 entitled to receive in that fiscal year for that program. Any  
19 classification by a district must be made by a resolution of  
20 its board of education. The resolution must identify the amount  
21 of any payments or primary ~~general~~ State aid to be classified  
22 under this paragraph and must specify the funding program to  
23 which the funds are to be treated as received in connection  
24 therewith. This resolution is controlling as to the  
25 classification of funds referenced therein. A certified copy of  
26 the resolution must be sent to the State Superintendent of

1 Education. The resolution shall still take effect even though a  
2 copy of the resolution has not been sent to the State  
3 Superintendent of Education in a timely manner. No  
4 classification under this paragraph by a district shall affect  
5 the total amount or timing of money the district is entitled to  
6 receive under this Code. No classification under this paragraph  
7 by a district shall in any way relieve the district from or  
8 affect any requirements that otherwise would apply with respect  
9 to that funding program, including any accounting of funds by  
10 source, reporting expenditures by original source and purpose,  
11 reporting requirements, or requirements of providing services.  
12 (Source: P.A. 96-257, eff. 8-11-09; 97-123, eff. 7-14-11.)

13 (105 ILCS 5/14C-1) (from Ch. 122, par. 14C-1)

14 Sec. 14C-1. The General Assembly finds that there are large  
15 numbers of children in this State who come from environments  
16 where the primary language is other than English. Experience  
17 has shown that public school classes in which instruction is  
18 given only in English are often inadequate for the education of  
19 children whose native tongue is another language. The General  
20 Assembly believes that a program of transitional bilingual  
21 education can meet the needs of these children and facilitate  
22 their integration into the regular public school curriculum.  
23 Therefore, pursuant to the policy of this State to insure equal  
24 educational opportunity to every child, and in recognition of  
25 the educational needs of children of limited English-speaking

1 ability, it is the purpose of this Act to provide for the  
2 establishment of transitional bilingual education programs in  
3 the public schools, to provide supplemental financial  
4 assistance through fiscal year 2015 to help local school  
5 districts meet the extra costs of such programs, and to allow  
6 this State to directly or indirectly provide technical  
7 assistance and professional development to support  
8 transitional bilingual education programs statewide.

9 (Source: P.A. 96-1423, eff. 8-3-10.)

10 (105 ILCS 5/14C-12) (from Ch. 122, par. 14C-12)

11 Sec. 14C-12. Account of expenditures; Cost report;  
12 Reimbursement. Each school district with at least one child of  
13 limited English-speaking ability shall keep an accurate,  
14 detailed and separate account of all monies paid out by it for  
15 the programs in transitional bilingual education required or  
16 permitted by this Article, including transportation costs, and  
17 shall annually report thereon for the school year ending June  
18 30 indicating the average per pupil expenditure. Through fiscal  
19 year 2015, each ~~Each~~ school district shall be reimbursed for  
20 the amount by which such costs exceed the average per pupil  
21 expenditure by such school district for the education of  
22 children of comparable age who are not in any special education  
23 program. No funding shall be provided to school districts under  
24 this Section after fiscal year 2015. In fiscal year 2016 and  
25 each fiscal year thereafter, all funding received by a school



1 district from the State pursuant to Section 18-8.15 of this  
2 Code that is attributable to pupils of limited English-speaking  
3 ability must be used, as authorized or permitted by this  
4 Article, for programs in transitional bilingual education or,  
5 with respect to any classification with less than 20 children  
6 therein, locally determined transitional programs of  
7 instruction. At least 60% of transitional bilingual education  
8 funding received from the State must be used for the  
9 instructional costs of transitional bilingual education or  
10 locally determined transitional programs of instruction.

11 Applications for preapproval ~~for reimbursement~~ for costs  
12 of transitional bilingual education programs must be submitted  
13 to the State Superintendent of Education at least 60 days  
14 before a transitional bilingual education program is started,  
15 unless a justifiable exception is granted by the State  
16 Superintendent of Education. Applications shall set forth a  
17 plan for transitional bilingual education established and  
18 maintained in accordance with this Article.

19 Through fiscal year 2015, reimbursement ~~Reimbursement~~  
20 claims for transitional bilingual education programs shall be  
21 made as follows:

22 Each school district shall claim reimbursement on a current  
23 basis for the first 3 quarters of the fiscal year and file a  
24 final adjusted claim for the school year ended June 30  
25 preceding computed in accordance with rules prescribed by the  
26 State Superintendent's Office. The State Superintendent of

1 Education before approving any such claims shall determine  
2 their accuracy and whether they are based upon services and  
3 facilities provided under approved programs. Upon approval he  
4 shall transmit to the Comptroller the vouchers showing the  
5 amounts due for school district reimbursement claims. Upon  
6 receipt of the final adjusted claims the State Superintendent  
7 of Education shall make a final determination of the accuracy  
8 of such claims. If the money appropriated by the General  
9 Assembly for such purpose for any year is insufficient, it  
10 shall be apportioned on the basis of the claims approved.

11 Failure on the part of the school district to prepare and  
12 certify the final adjusted claims due under this Section may  
13 constitute a forfeiture by the school district of its right to  
14 be reimbursed by the State under this Section.

15 (Source: P.A. 96-1170, eff. 1-1-11.)

16 (105 ILCS 5/17-1) (from Ch. 122, par. 17-1)

17 Sec. 17-1. Annual Budget. The board of education of each  
18 school district under 500,000 inhabitants shall, within or  
19 before the first quarter of each fiscal year, adopt and file  
20 with the State Board of Education an annual balanced budget  
21 which it deems necessary to defray all necessary expenses and  
22 liabilities of the district, and in such annual budget shall  
23 specify the objects and purposes of each item and amount needed  
24 for each object or purpose.

25 The budget shall be entered upon a School District Budget

1 form prepared and provided by the State Board of Education and  
2 therein shall contain a statement of the cash on hand at the  
3 beginning of the fiscal year, an estimate of the cash expected  
4 to be received during such fiscal year from all sources, an  
5 estimate of the expenditures contemplated for such fiscal year,  
6 and a statement of the estimated cash expected to be on hand at  
7 the end of such year. The estimate of taxes to be received may  
8 be based upon the amount of actual cash receipts that may  
9 reasonably be expected by the district during such fiscal year,  
10 estimated from the experience of the district in prior years  
11 and with due regard for other circumstances that may  
12 substantially affect such receipts. Nothing in this Section  
13 shall be construed as requiring any district to change or  
14 preventing any district from changing from a cash basis of  
15 financing to a surplus or deficit basis of financing; or as  
16 requiring any district to change or preventing any district  
17 from changing its system of accounting. For the 2016-2017  
18 school year and thereafter, the budget shall conform to the  
19 school level accounting requirements adopted by the State Board  
20 of Education pursuant to Section 2-3.28 of this Code.

21 To the extent that a school district's budget is not  
22 balanced, the district shall also adopt and file with the State  
23 Board of Education a deficit reduction plan to balance the  
24 district's budget within 3 years. The deficit reduction plan  
25 must be filed at the same time as the budget, but the State  
26 Superintendent of Education may extend this deadline if the

1 situation warrants.

2 If, as the result of an audit performed in compliance with  
3 Section 3-7 of this Code, the resulting Annual Financial Report  
4 required to be submitted pursuant to Section 3-15.1 of this  
5 Code reflects a deficit as defined for purposes of the  
6 preceding paragraph, then the district shall, within 30 days  
7 after acceptance of such audit report, submit a deficit  
8 reduction plan.

9 The board of education of each district shall fix a fiscal  
10 year therefor. If the beginning of the fiscal year of a  
11 district is subsequent to the time that the tax levy due to be  
12 made in such fiscal year shall be made, then such annual budget  
13 shall be adopted prior to the time such tax levy shall be made.  
14 The failure by a board of education of any district to adopt an  
15 annual budget, or to comply in any respect with the provisions  
16 of this Section, shall not affect the validity of any tax levy  
17 of the district otherwise in conformity with the law. With  
18 respect to taxes levied either before, on, or after the  
19 effective date of this amendatory Act of the 91st General  
20 Assembly, (i) a tax levy is made for the fiscal year in which  
21 the levy is due to be made regardless of which fiscal year the  
22 proceeds of the levy are expended or are intended to be  
23 expended, and (ii) except as otherwise provided by law, a board  
24 of education's adoption of an annual budget in conformity with  
25 this Section is not a prerequisite to the adoption of a valid  
26 tax levy and is not a limit on the amount of the levy.

1           Such budget shall be prepared in tentative form by some  
2 person or persons designated by the board, and in such  
3 tentative form shall be made conveniently available to public  
4 inspection for at least 30 days prior to final action thereon.  
5 At least 1 public hearing shall be held as to such budget prior  
6 to final action thereon. Notice of availability for public  
7 inspection and of such public hearing shall be given by  
8 publication in a newspaper published in such district, at least  
9 30 days prior to the time of such hearing. If there is no  
10 newspaper published in such district, notice of such public  
11 hearing shall be given by posting notices thereof in 5 of the  
12 most public places in such district. It shall be the duty of  
13 the secretary of such board to make such tentative budget  
14 available to public inspection, and to arrange for such public  
15 hearing. The board may from time to time make transfers between  
16 the various items in any fund not exceeding in the aggregate  
17 10% of the total of such fund as set forth in the budget. The  
18 board may from time to time amend such budget by the same  
19 procedure as is herein provided for its original adoption.

20           Beginning July 1, 1976, the board of education, or regional  
21 superintendent, or governing board responsible for the  
22 administration of a joint agreement shall, by September 1 of  
23 each fiscal year thereafter, adopt an annual budget for the  
24 joint agreement in the same manner and subject to the same  
25 requirements as are provided in this Section.

26           The State Board of Education shall exercise powers and

1 duties relating to budgets as provided in Section 2-3.27 of  
2 this Code and shall require school districts to submit their  
3 annual budgets, deficit reduction plans, and other financial  
4 information, including revenue and expenditure reports and  
5 borrowing and interfund transfer plans, in such form and within  
6 the timelines designated by the State Board of Education.

7 By fiscal year 1982 all school districts shall use the  
8 Program Budget Accounting System.

9 In the case of a school district receiving emergency State  
10 financial assistance under Article 1B, the school board shall  
11 also be subject to the requirements established under Article  
12 1B with respect to the annual budget.

13 (Source: P.A. 97-429, eff. 8-16-11.)

14 (105 ILCS 5/17-1.2)

15 Sec. 17-1.2. Post annual budget on web site. If a school  
16 district has an Internet web site, the school district shall  
17 post its current annual budget, itemized by receipts and  
18 expenditures, on the district's Internet web site. For the  
19 2016-2017 school year and thereafter, the budget shall include  
20 school level information conforming to the rules adopted by the  
21 State Board of Education pursuant to Section 2-3.28 of this  
22 Code. The school district shall notify the parents or guardians  
23 of its students that the budget has been posted on the  
24 district's web site and what the web site's address is.

25 (Source: P.A. 92-438, eff. 1-1-02.)

1 (105 ILCS 5/17-1.5)

2 Sec. 17-1.5. Limitation of administrative costs.

3 (a) It is the purpose of this Section to establish  
4 limitations on the growth of administrative expenditures in  
5 order to maximize the proportion of school district resources  
6 available for the instructional program, building maintenance,  
7 and safety services for the students of each district.

8 (b) Definitions. For the purposes of this Section:

9 "Administrative expenditures" mean the annual expenditures  
10 of school districts properly attributable to expenditure  
11 functions defined by the rules of the State Board of Education  
12 as: 2320 (Executive Administration Services); 2330 (Special  
13 Area Administration Services); 2490 (Other Support Services -  
14 School Administration); 2510 (Direction of Business Support  
15 Services); 2570 (Internal Services); and 2610 (Direction of  
16 Central Support Services); provided, however, that  
17 "administrative expenditures" shall not include early  
18 retirement or other pension system obligations required by  
19 State law.

20 "School district" means all school districts having a  
21 population of less than 500,000.

22 (c) For the 1998-99 school year and each school year  
23 thereafter, each school district shall undertake budgetary and  
24 expenditure control actions so that the increase in  
25 administrative expenditures for that school year over the prior

1 school year does not exceed 5%. School districts with  
2 administrative expenditures per pupil in the 25th percentile  
3 and below for all districts of the same type, as defined by the  
4 State Board of Education, may waive the limitation imposed  
5 under this Section for any year following a public hearing and  
6 with the affirmative vote of at least two-thirds of the members  
7 of the school board of the district. Any district waiving the  
8 limitation shall notify the State Board within 45 days of such  
9 action.

10 (d) School districts shall file with the State Board of  
11 Education by November 15, 1998 and by each November 15th  
12 thereafter a one-page report that lists (i) the actual  
13 administrative expenditures for the prior year from the  
14 district's audited Annual Financial Report, and (ii) the  
15 projected administrative expenditures for the current year  
16 from the budget adopted by the school board pursuant to Section  
17 17-1 of this Code.

18 If a school district that is ineligible to waive the  
19 limitation imposed by subsection (c) of this Section by board  
20 action exceeds the limitation solely because of circumstances  
21 beyond the control of the district and the district has  
22 exhausted all available and reasonable remedies to comply with  
23 the limitation, the district may request a waiver pursuant to  
24 Section 2-3.25g. The waiver application shall specify the  
25 amount, nature, and reason for the relief requested, as well as  
26 all remedies the district has exhausted to comply with the



1 limitation. Any emergency relief so requested shall apply only  
2 to the specific school year for which the request is made. The  
3 State Board of Education shall analyze all such waivers  
4 submitted and shall recommend that the General Assembly  
5 disapprove any such waiver requested that is not due solely to  
6 circumstances beyond the control of the district and for which  
7 the district has not exhausted all available and reasonable  
8 remedies to comply with the limitation. The State  
9 Superintendent shall have no authority to impose any sanctions  
10 pursuant to this Section for any expenditures for which a  
11 waiver has been requested until such waiver has been reviewed  
12 by the General Assembly.

13 If the report and information required under this  
14 subsection (d) are not provided by the school district in a  
15 timely manner, or are subsequently determined by the State  
16 Superintendent of Education to be incomplete or inaccurate, the  
17 State Superintendent shall notify the district in writing of  
18 reporting deficiencies. The school district shall, within 60  
19 days of the notice, address the reporting deficiencies  
20 identified.

21 (e) If the State Superintendent determines that a school  
22 district has failed to comply with the administrative  
23 expenditure limitation imposed in subsection (c) of this  
24 Section, the State Superintendent shall notify the district of  
25 the violation and direct the district to undertake corrective  
26 action to bring the district's budget into compliance with the

1 administrative expenditure limitation. The district shall,  
2 within 60 days of the notice, provide adequate assurance to the  
3 State Superintendent that appropriate corrective actions have  
4 been or will be taken. If the district fails to provide  
5 adequate assurance or fails to undertake the necessary  
6 corrective actions, the State Superintendent may impose  
7 progressive sanctions against the district that may culminate  
8 in withholding all subsequent payments of general State aid due  
9 the district under Section 18-8.05 of this Code or primary  
10 State aid due the district under Section 18-8.15 of this Code  
11 until the assurance is provided or the corrective actions  
12 taken.

13 (f) The State Superintendent shall publish a list each year  
14 of the school districts that violate the limitation imposed by  
15 subsection (c) of this Section and a list of the districts that  
16 waive the limitation by board action as provided in subsection  
17 (c) of this Section.

18 (Source: P.A. 90-548, eff. 1-1-98; 90-653, eff. 7-29-98.)

19 (105 ILCS 5/17-2.11) (from Ch. 122, par. 17-2.11)

20 Sec. 17-2.11. School board power to levy a tax or to borrow  
21 money and issue bonds for fire prevention, safety, energy  
22 conservation, disabled accessibility, school security, and  
23 specified repair purposes.

24 (a) Whenever, as a result of any lawful order of any  
25 agency, other than a school board, having authority to enforce

1 any school building code applicable to any facility that houses  
2 students, or any law or regulation for the protection and  
3 safety of the environment, pursuant to the Environmental  
4 Protection Act, any school district having a population of less  
5 than 500,000 inhabitants is required to alter or reconstruct  
6 any school building or permanent, fixed equipment; the district  
7 may, by proper resolution, levy a tax for the purpose of making  
8 such alteration or reconstruction, based on a survey report by  
9 an architect or engineer licensed in this State, upon all of  
10 the taxable property of the district at the value as assessed  
11 by the Department of Revenue and at a rate not to exceed 0.05%  
12 per year for a period sufficient to finance such alteration or  
13 reconstruction, upon the following conditions:

14 (1) When there are not sufficient funds available in  
15 the operations and maintenance fund of the school district,  
16 the school facility occupation tax fund of the district, or  
17 the fire prevention and safety fund of the district, as  
18 determined by the district on the basis of rules adopted by  
19 the State Board of Education, to make such alteration or  
20 reconstruction or to purchase and install such permanent,  
21 fixed equipment so ordered or determined as necessary.  
22 Appropriate school district records must be made available  
23 to the State Superintendent of Education, upon request, to  
24 confirm this insufficiency.

25 (2) When a certified estimate of an architect or  
26 engineer licensed in this State stating the estimated

1 amount necessary to make the alteration or reconstruction  
2 or to purchase and install the equipment so ordered has  
3 been secured by the school district, and the estimate has  
4 been approved by the regional superintendent of schools  
5 having jurisdiction over the district and the State  
6 Superintendent of Education. Approval must not be granted  
7 for any work that has already started without the prior  
8 express authorization of the State Superintendent of  
9 Education. If the estimate is not approved or is denied  
10 approval by the regional superintendent of schools within 3  
11 months after the date on which it is submitted to him or  
12 her, the school board of the district may submit the  
13 estimate directly to the State Superintendent of Education  
14 for approval or denial.

15 In the case of an emergency situation, where the estimated  
16 cost to effectuate emergency repairs is less than the amount  
17 specified in Section 10-20.21 of this Code, the school district  
18 may proceed with such repairs prior to approval by the State  
19 Superintendent of Education, but shall comply with the  
20 provisions of subdivision (2) of this subsection (a) as soon  
21 thereafter as may be as well as Section 10-20.21 of this Code.  
22 If the estimated cost to effectuate emergency repairs is  
23 greater than the amount specified in Section 10-20.21 of this  
24 Code, then the school district shall proceed in conformity with  
25 Section 10-20.21 of this Code and with rules established by the  
26 State Board of Education to address such situations. The rules

1 adopted by the State Board of Education to deal with these  
2 situations shall stipulate that emergency situations must be  
3 expedited and given priority consideration. For purposes of  
4 this paragraph, an emergency is a situation that presents an  
5 imminent and continuing threat to the health and safety of  
6 students or other occupants of a facility, requires complete or  
7 partial evacuation of a building or part of a building, or  
8 consumes one or more of the 5 emergency days built into the  
9 adopted calendar of the school or schools or would otherwise be  
10 expected to cause such school or schools to fall short of the  
11 minimum school calendar requirements.

12 (b) Whenever any such district determines that it is  
13 necessary for energy conservation purposes that any school  
14 building or permanent, fixed equipment should be altered or  
15 reconstructed and that such alterations or reconstruction will  
16 be made with funds not necessary for the completion of approved  
17 and recommended projects contained in any safety survey report  
18 or amendments thereto authorized by Section 2-3.12 of this Act;  
19 the district may levy a tax or issue bonds as provided in  
20 subsection (a) of this Section.

21 (c) Whenever any such district determines that it is  
22 necessary for disabled accessibility purposes and to comply  
23 with the school building code that any school building or  
24 equipment should be altered or reconstructed and that such  
25 alterations or reconstruction will be made with funds not  
26 necessary for the completion of approved and recommended

1 projects contained in any safety survey report or amendments  
2 thereto authorized under Section 2-3.12 of this Act, the  
3 district may levy a tax or issue bonds as provided in  
4 subsection (a) of this Section.

5 (d) Whenever any such district determines that it is  
6 necessary for school security purposes and the related  
7 protection and safety of pupils and school personnel that any  
8 school building or property should be altered or reconstructed  
9 or that security systems and equipment (including but not  
10 limited to intercom, early detection and warning, access  
11 control and television monitoring systems) should be purchased  
12 and installed, and that such alterations, reconstruction or  
13 purchase and installation of equipment will be made with funds  
14 not necessary for the completion of approved and recommended  
15 projects contained in any safety survey report or amendment  
16 thereto authorized by Section 2-3.12 of this Act and will deter  
17 and prevent unauthorized entry or activities upon school  
18 property by unknown or dangerous persons, assure early  
19 detection and advance warning of any such actual or attempted  
20 unauthorized entry or activities and help assure the continued  
21 safety of pupils and school staff if any such unauthorized  
22 entry or activity is attempted or occurs; the district may levy  
23 a tax or issue bonds as provided in subsection (a) of this  
24 Section.

25 (e) If a school district does not need funds for other fire  
26 prevention and safety projects, including the completion of

1 approved and recommended projects contained in any safety  
2 survey report or amendments thereto authorized by Section  
3 2-3.12 of this Act, and it is determined after a public hearing  
4 (which is preceded by at least one published notice (i)  
5 occurring at least 7 days prior to the hearing in a newspaper  
6 of general circulation within the school district and (ii)  
7 setting forth the time, date, place, and general subject matter  
8 of the hearing) that there is a substantial, immediate, and  
9 otherwise unavoidable threat to the health, safety, or welfare  
10 of pupils due to disrepair of school sidewalks, playgrounds,  
11 parking lots, or school bus turnarounds and repairs must be  
12 made; then the district may levy a tax or issue bonds as  
13 provided in subsection (a) of this Section.

14 (f) For purposes of this Section a school district may  
15 replace a school building or build additions to replace  
16 portions of a building when it is determined that the  
17 effectuation of the recommendations for the existing building  
18 will cost more than the replacement costs. Such determination  
19 shall be based on a comparison of estimated costs made by an  
20 architect or engineer licensed in the State of Illinois. The  
21 new building or addition shall be equivalent in area (square  
22 feet) and comparable in purpose and grades served and may be on  
23 the same site or another site. Such replacement may only be  
24 done upon order of the regional superintendent of schools and  
25 the approval of the State Superintendent of Education.

26 (g) The filing of a certified copy of the resolution

1 levying the tax when accompanied by the certificates of the  
2 regional superintendent of schools and State Superintendent of  
3 Education shall be the authority of the county clerk to extend  
4 such tax.

5 (h) The county clerk of the county in which any school  
6 district levying a tax under the authority of this Section is  
7 located, in reducing raised levies, shall not consider any such  
8 tax as a part of the general levy for school purposes and shall  
9 not include the same in the limitation of any other tax rate  
10 which may be extended.

11 Such tax shall be levied and collected in like manner as  
12 all other taxes of school districts, subject to the provisions  
13 contained in this Section.

14 (i) The tax rate limit specified in this Section may be  
15 increased to .10% upon the approval of a proposition to effect  
16 such increase by a majority of the electors voting on that  
17 proposition at a regular scheduled election. Such proposition  
18 may be initiated by resolution of the school board and shall be  
19 certified by the secretary to the proper election authorities  
20 for submission in accordance with the general election law.

21 (j) When taxes are levied by any school district for fire  
22 prevention, safety, energy conservation, and school security  
23 purposes as specified in this Section, and the purposes for  
24 which the taxes have been levied are accomplished and paid in  
25 full, and there remain funds on hand in the Fire Prevention and  
26 Safety Fund from the proceeds of the taxes levied, including



1 interest earnings thereon, the school board by resolution shall  
2 use such excess and other board restricted funds, excluding  
3 bond proceeds and earnings from such proceeds, as follows:

4 (1) for other authorized fire prevention, safety,  
5 energy conservation, and school security purposes and for  
6 required safety inspections; or

7 (2) for transfer to the Operations and Maintenance Fund  
8 for the purpose of abating an equal amount of operations  
9 and maintenance purposes taxes.

10 Notwithstanding subdivision (2) of this subsection (j) and  
11 subsection (k) of this Section, through June 30, 2018 ~~2016~~, the  
12 school board may, by proper resolution following a public  
13 hearing set by the school board or the president of the school  
14 board (that is preceded (i) by at least one published notice  
15 over the name of the clerk or secretary of the board, occurring  
16 at least 7 days and not more than 30 days prior to the hearing,  
17 in a newspaper of general circulation within the school  
18 district and (ii) by posted notice over the name of the clerk  
19 or secretary of the board, at least 48 hours before the  
20 hearing, at the principal office of the school board or at the  
21 building where the hearing is to be held if a principal office  
22 does not exist, with both notices setting forth the time, date,  
23 place, and subject matter of the hearing), transfer surplus  
24 life safety taxes and interest earnings thereon to the  
25 Operations and Maintenance Fund for building repair work.

26 (k) If any transfer is made to the Operation and

1 Maintenance Fund, the secretary of the school board shall  
2 within 30 days notify the county clerk of the amount of that  
3 transfer and direct the clerk to abate the taxes to be extended  
4 for the purposes of operations and maintenance authorized under  
5 Section 17-2 of this Act by an amount equal to such transfer.

6 (l) If the proceeds from the tax levy authorized by this  
7 Section are insufficient to complete the work approved under  
8 this Section, the school board is authorized to sell bonds  
9 without referendum under the provisions of this Section in an  
10 amount that, when added to the proceeds of the tax levy  
11 authorized by this Section, will allow completion of the  
12 approved work.

13 (m) Any bonds issued pursuant to this Section shall bear  
14 interest at a rate not to exceed the maximum rate authorized by  
15 law at the time of the making of the contract, shall mature  
16 within 20 years from date, and shall be signed by the president  
17 of the school board and the treasurer of the school district.

18 (n) In order to authorize and issue such bonds, the school  
19 board shall adopt a resolution fixing the amount of bonds, the  
20 date thereof, the maturities thereof, rates of interest  
21 thereof, place of payment and denomination, which shall be in  
22 denominations of not less than \$100 and not more than \$5,000,  
23 and provide for the levy and collection of a direct annual tax  
24 upon all the taxable property in the school district sufficient  
25 to pay the principal and interest on such bonds to maturity.  
26 Upon the filing in the office of the county clerk of the county

1 in which the school district is located of a certified copy of  
2 the resolution, it is the duty of the county clerk to extend  
3 the tax therefor in addition to and in excess of all other  
4 taxes heretofore or hereafter authorized to be levied by such  
5 school district.

6 (o) After the time such bonds are issued as provided for by  
7 this Section, if additional alterations or reconstructions are  
8 required to be made because of surveys conducted by an  
9 architect or engineer licensed in the State of Illinois, the  
10 district may levy a tax at a rate not to exceed .05% per year  
11 upon all the taxable property of the district or issue  
12 additional bonds, whichever action shall be the most feasible.

13 (p) This Section is cumulative and constitutes complete  
14 authority for the issuance of bonds as provided in this Section  
15 notwithstanding any other statute or law to the contrary.

16 (q) With respect to instruments for the payment of money  
17 issued under this Section either before, on, or after the  
18 effective date of Public Act 86-004 (June 6, 1989), it is, and  
19 always has been, the intention of the General Assembly (i) that  
20 the Omnibus Bond Acts are, and always have been, supplementary  
21 grants of power to issue instruments in accordance with the  
22 Omnibus Bond Acts, regardless of any provision of this Act that  
23 may appear to be or to have been more restrictive than those  
24 Acts, (ii) that the provisions of this Section are not a  
25 limitation on the supplementary authority granted by the  
26 Omnibus Bond Acts, and (iii) that instruments issued under this

1 Section within the supplementary authority granted by the  
2 Omnibus Bond Acts are not invalid because of any provision of  
3 this Act that may appear to be or to have been more restrictive  
4 than those Acts.

5 (r) When the purposes for which the bonds are issued have  
6 been accomplished and paid for in full and there remain funds  
7 on hand from the proceeds of the bond sale and interest  
8 earnings therefrom, the board shall, by resolution, use such  
9 excess funds in accordance with the provisions of Section  
10 10-22.14 of this Act.

11 (s) Whenever any tax is levied or bonds issued for fire  
12 prevention, safety, energy conservation, and school security  
13 purposes, such proceeds shall be deposited and accounted for  
14 separately within the Fire Prevention and Safety Fund.

15 (Source: P.A. 98-26, eff. 6-21-13; 98-1066, eff. 8-26-14.)

16 (105 ILCS 5/17-2A) (from Ch. 122, par. 17-2A)

17 Sec. 17-2A. Interfund Transfers.

18 (a) The school board of any district having a population of  
19 less than 500,000 inhabitants may, by proper resolution  
20 following a public hearing set by the school board or the  
21 president of the school board (that is preceded (i) by at least  
22 one published notice over the name of the clerk or secretary of  
23 the board, occurring at least 7 days and not more than 30 days  
24 prior to the hearing, in a newspaper of general circulation  
25 within the school district and (ii) by posted notice over the

1 name of the clerk or secretary of the board, at least 48 hours  
2 before the hearing, at the principal office of the school board  
3 or at the building where the hearing is to be held if a  
4 principal office does not exist, with both notices setting  
5 forth the time, date, place, and subject matter of the  
6 hearing), transfer money from (1) the Educational Fund to the  
7 Operations and Maintenance Fund or the Transportation Fund, (2)  
8 the Operations and Maintenance Fund to the Educational Fund or  
9 the Transportation Fund, or (3) the Transportation Fund to the  
10 Educational Fund or the Operations and Maintenance Fund of said  
11 district, provided that, except during the period from July 1,  
12 2003 through June 30, 2018 ~~2016~~, such transfer is made solely  
13 for the purpose of meeting one-time, non-recurring expenses.  
14 Except during the period from July 1, 2003 through June 30,  
15 2018 ~~2016~~ and except as otherwise provided in subsection (b) of  
16 this Section, any other permanent interfund transfers  
17 authorized by any provision or judicial interpretation of this  
18 Code for which the transferee fund is not precisely and  
19 specifically set forth in the provision of this Code  
20 authorizing such transfer shall be made to the fund of the  
21 school district most in need of the funds being transferred, as  
22 determined by resolution of the school board.

23 (b) Notwithstanding subsection (a) of this Section or any  
24 other provision of this Code to the contrary, the school board  
25 of any school district (i) that is subject to the Property Tax  
26 Extension Limitation Law, (ii) that has a population of less

1 than 500,000 inhabitants, (iii) that is levying at its maximum  
2 tax rate, (iv) whose total equalized assessed valuation has  
3 declined 20% in the prior 2 years, (v) in which 80% or more of  
4 its students receive free or reduced-price lunch, and (vi) that  
5 had an equalized assessed valuation of less than \$207 million  
6 but more than \$203 million in the 2011 levy year may annually,  
7 until July 1, 2016, transfer money from any fund of the  
8 district, other than the Illinois Municipal Retirement Fund and  
9 the Bonds and Interest Fund, to the educational fund, the  
10 operations and maintenance fund, or the transportation fund of  
11 the district by proper resolution following a public hearing  
12 set by the school board or the president of the school board,  
13 with notice as provided in subsection (a) of this Section, so  
14 long as the district meets the qualifications set forth in this  
15 subsection (b) on the effective date of this amendatory Act of  
16 the 98th General Assembly even if the district does not meet  
17 those qualifications at the time a given transfer is made.

18 (Source: P.A. 98-26, eff. 6-21-13; 98-131, eff. 1-1-14.)

19 (105 ILCS 5/18-4.3) (from Ch. 122, par. 18-4.3)

20 Sec. 18-4.3. Summer school grants. Through fiscal year  
21 2015, grants ~~Grants~~ shall be determined for pupil attendance in  
22 summer schools conducted under Sections 10-22.33A and 34-18 and  
23 approved under Section 2-3.25 in the following manner.

24 The amount of grant for each accredited summer school  
25 attendance pupil shall be obtained by dividing the total amount

1 of apportionments determined under Section 18-8.05 by the  
2 actual number of pupils in average daily attendance used for  
3 such apportionments. The number of credited summer school  
4 attendance pupils shall be determined (a) by counting clock  
5 hours of class instruction by pupils enrolled in grades 1  
6 through 12 in approved courses conducted at least 60 clock  
7 hours in summer sessions; (b) by dividing such total of clock  
8 hours of class instruction by 4 to produce days of credited  
9 pupil attendance; (c) by dividing such days of credited pupil  
10 attendance by the actual number of days in the regular term as  
11 used in computation in the general apportionment in Section  
12 18-8.05; and (d) by multiplying by 1.25.

13 The amount of the grant for a summer school program  
14 approved by the State Superintendent of Education for children  
15 with disabilities, as defined in Sections 14-1.02 through  
16 14-1.07, shall be determined in the manner contained above  
17 except that average daily membership shall be utilized in lieu  
18 of average daily attendance.

19 In the case of an apportionment based on summer school  
20 attendance or membership pupils, the claim therefor shall be  
21 presented as a separate claim for the particular school year in  
22 which such summer school session ends. On or before November 1  
23 of each year the superintendent of each eligible school  
24 district shall certify to the State Superintendent of Education  
25 the claim of the district for the summer session just ended.  
26 Failure on the part of the school board to so certify shall

1 constitute a forfeiture of its right to such payment. The State  
2 Superintendent of Education shall transmit to the Comptroller  
3 no later than December 15th of each year vouchers for payment  
4 of amounts due school districts for summer school. The State  
5 Superintendent of Education shall direct the Comptroller to  
6 draw his warrants for payments thereof by the 30th day of  
7 December. If the money appropriated by the General Assembly for  
8 such purpose for any year is insufficient, it shall be  
9 apportioned on the basis of claims approved.

10 However, notwithstanding the foregoing provisions, for  
11 each fiscal year the money appropriated by the General Assembly  
12 for the purposes of this Section shall only be used for grants  
13 for approved summer school programs for those children with  
14 disabilities served pursuant to Section 14-7.02 or 14-7.02b of  
15 this Code.

16 No funding shall be provided to school districts under this  
17 Section after fiscal year 2015.

18 (Source: P.A. 93-1022, eff. 8-24-04.)

19 (105 ILCS 5/18-8.05)

20 Sec. 18-8.05. Basis for apportionment of general State  
21 financial aid and supplemental general State aid to the common  
22 schools for the 1998-1999 through the 2014-2015 ~~and subsequent~~  
23 school years.

24 (A) General Provisions.



1           (1) The provisions of this Section relating to the  
2 calculation and apportionment of general State financial aid  
3 and supplemental general State aid apply to the 1998-1999  
4 through the 2014-2015 ~~and subsequent~~ school years. The system  
5 of general State financial aid provided for in this Section is  
6 designed to assure that, through a combination of State  
7 financial aid and required local resources, the financial  
8 support provided each pupil in Average Daily Attendance equals  
9 or exceeds a prescribed per pupil Foundation Level. This  
10 formula approach imputes a level of per pupil Available Local  
11 Resources and provides for the basis to calculate a per pupil  
12 level of general State financial aid that, when added to  
13 Available Local Resources, equals or exceeds the Foundation  
14 Level. The amount of per pupil general State financial aid for  
15 school districts, in general, varies in inverse relation to  
16 Available Local Resources. Per pupil amounts are based upon  
17 each school district's Average Daily Attendance as that term is  
18 defined in this Section.

19           (2) In addition to general State financial aid, school  
20 districts with specified levels or concentrations of pupils  
21 from low income households are eligible to receive supplemental  
22 general State financial aid grants as provided pursuant to  
23 subsection (H). The supplemental State aid grants provided for  
24 school districts under subsection (H) shall be appropriated for  
25 distribution to school districts as part of the same line item  
26 in which the general State financial aid of school districts is

1 appropriated under this Section.

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

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

21 (b) School district claims filed under this Section are  
22 subject to Sections 18-9 and 18-12, except as otherwise  
23 provided in this Section.

24 (c) If a school district operates a full year school  
25 under Section 10-19.1, the general State aid to the school  
26 district shall be determined by the State Board of

1 Education in accordance with this Section as near as may be  
2 applicable.

3 (d) (Blank).

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

8 School districts are not required to exert a minimum  
9 Operating Tax Rate in order to qualify for assistance under  
10 this Section.

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

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

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

21 (c) "Corporate Personal Property Replacement Taxes":  
22 Funds paid to local school districts pursuant to "An Act in  
23 relation to the abolition of ad valorem personal property  
24 tax and the replacement of revenues lost thereby, and  
25 amending and repealing certain Acts and parts of Acts in  
26 connection therewith", certified August 14, 1979, as

1 amended (Public Act 81-1st S.S.-1).

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

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

8 (B) Foundation Level.

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

19 (2) For the 1998-1999 school year, the Foundation Level of  
20 support is \$4,225. For the 1999-2000 school year, the  
21 Foundation Level of support is \$4,325. For the 2000-2001 school  
22 year, the Foundation Level of support is \$4,425. For the  
23 2001-2002 school year and 2002-2003 school year, the Foundation  
24 Level of support is \$4,560. For the 2003-2004 school year, the  
25 Foundation Level of support is \$4,810. For the 2004-2005 school

1 year, the Foundation Level of support is \$4,964. For the  
2 2005-2006 school year, the Foundation Level of support is  
3 \$5,164. For the 2006-2007 school year, the Foundation Level of  
4 support is \$5,334. For the 2007-2008 school year, the  
5 Foundation Level of support is \$5,734. For the 2008-2009 school  
6 year, the Foundation Level of support is \$5,959.

7 (3) For the 2009-2010 school year and each school year  
8 thereafter, the Foundation Level of support is \$6,119 or such  
9 greater amount as may be established by law by the General  
10 Assembly.

11 (C) Average Daily Attendance.

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

23 (2) The Average Daily Attendance figures utilized in  
24 subsection (E) shall be the requisite attendance data for the  
25 school year immediately preceding the school year for which

1 general State aid is being calculated or the average of the  
2 attendance data for the 3 preceding school years, whichever is  
3 greater. The Average Daily Attendance figures utilized in  
4 subsection (H) shall be the requisite attendance data for the  
5 school year immediately preceding the school year for which  
6 general State aid is being calculated.

7 (D) Available Local Resources.

8 (1) For purposes of calculating general State aid pursuant  
9 to subsection (E), a representation of Available Local  
10 Resources per pupil, as that term is defined and determined in  
11 this subsection, shall be utilized. Available Local Resources  
12 per pupil shall include a calculated dollar amount representing  
13 local school district revenues from local property taxes and  
14 from Corporate Personal Property Replacement Taxes, expressed  
15 on the basis of pupils in Average Daily Attendance. Calculation  
16 of Available Local Resources shall exclude any tax amnesty  
17 funds received as a result of Public Act 93-26.

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

24 (3) For school districts maintaining grades kindergarten  
25 through 12, local property tax revenues per pupil shall be

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

13 For partial elementary unit districts created pursuant to  
14 Article 11E of this Code, local property tax revenues per pupil  
15 shall be calculated as the product of the equalized assessed  
16 valuation for property within the partial elementary unit  
17 district for elementary purposes, as defined in Article 11E of  
18 this Code, multiplied by 2.06% and divided by the district's  
19 Average Daily Attendance figure, plus the product of the  
20 equalized assessed valuation for property within the partial  
21 elementary unit district for high school purposes, as defined  
22 in Article 11E of this Code, multiplied by 0.94% and divided by  
23 the district's Average Daily Attendance figure.

24 (4) The Corporate Personal Property Replacement Taxes paid  
25 to each school district during the calendar year one year  
26 before the calendar year in which a school year begins, divided

1 by the Average Daily Attendance figure for that district, shall  
2 be added to the local property tax revenues per pupil as  
3 derived by the application of the immediately preceding  
4 paragraph (3). The sum of these per pupil figures for each  
5 school district shall constitute Available Local Resources as  
6 that term is utilized in subsection (E) in the calculation of  
7 general State aid.

8 (E) Computation of General State Aid.

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

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

18 (3) For any school district for which Available Local  
19 Resources per pupil is equal to or greater than the product of  
20 0.93 times the Foundation Level and less than the product of  
21 1.75 times the Foundation Level, the general State aid per  
22 pupil shall be a decimal proportion of the Foundation Level  
23 derived using a linear algorithm. Under this linear algorithm,  
24 the calculated general State aid per pupil shall decline in  
25 direct linear fashion from 0.07 times the Foundation Level for



1 a school district with Available Local Resources equal to the  
2 product of 0.93 times the Foundation Level, to 0.05 times the  
3 Foundation Level for a school district with Available Local  
4 Resources equal to the product of 1.75 times the Foundation  
5 Level. The allocation of general State aid for school districts  
6 subject to this paragraph 3 shall be the calculated general  
7 State aid per pupil figure multiplied by the Average Daily  
8 Attendance of the school district.

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

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

24 (F) Compilation of Average Daily Attendance.

25 (1) Each school district shall, by July 1 of each year,

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

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

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

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

1 multiplied by the days in session for the non-year-round  
2 buildings for each month and added to the monthly  
3 attendance of the non-year-round buildings.

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

13 Days of attendance by tuition pupils shall be accredited  
14 only to the districts that pay the tuition to a recognized  
15 school.

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

19 (a) Pupils regularly enrolled in a public school for  
20 only a part of the school day may be counted on the basis  
21 of 1/6 day for every class hour of instruction of 40  
22 minutes or more attended pursuant to such enrollment,  
23 unless a pupil is enrolled in a block-schedule format of 80  
24 minutes or more of instruction, in which case the pupil may  
25 be counted on the basis of the proportion of minutes of  
26 school work completed each day to the minimum number of

1 minutes that school work is required to be held that day.

2 (b) (Blank).

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

8 (d) A session of 3 or more clock hours may be counted  
9 as a day of attendance (1) when the remainder of the school  
10 day or at least 2 hours in the evening of that day is  
11 utilized for an in-service training program for teachers,  
12 up to a maximum of 5 days per school year, provided a  
13 district conducts an in-service training program for  
14 teachers in accordance with Section 10-22.39 of this Code;  
15 or, in lieu of 4 such days, 2 full days may be used, in  
16 which event each such day may be counted as a day required  
17 for a legal school calendar pursuant to Section 10-19 of  
18 this Code; (1.5) when, of the 5 days allowed under item  
19 (1), a maximum of 4 days are used for parent-teacher  
20 conferences, or, in lieu of 4 such days, 2 full days are  
21 used, in which case each such day may be counted as a  
22 calendar day required under Section 10-19 of this Code,  
23 provided that the full-day, parent-teacher conference  
24 consists of (i) a minimum of 5 clock hours of  
25 parent-teacher conferences, (ii) both a minimum of 2 clock  
26 hours of parent-teacher conferences held in the evening

1 following a full day of student attendance, as specified in  
2 subsection (F)(1)(c), and a minimum of 3 clock hours of  
3 parent-teacher conferences held on the day immediately  
4 following evening parent-teacher conferences, or (iii)  
5 multiple parent-teacher conferences held in the evenings  
6 following full days of student attendance, as specified in  
7 subsection (F)(1)(c), in which the time used for the  
8 parent-teacher conferences is equivalent to a minimum of 5  
9 clock hours; and (2) when days in addition to those  
10 provided in items (1) and (1.5) are scheduled by a school  
11 pursuant to its school improvement plan adopted under  
12 Article 34 or its revised or amended school improvement  
13 plan adopted under Article 2, provided that (i) such  
14 sessions of 3 or more clock hours are scheduled to occur at  
15 regular intervals, (ii) the remainder of the school days in  
16 which such sessions occur are utilized for in-service  
17 training programs or other staff development activities  
18 for teachers, and (iii) a sufficient number of minutes of  
19 school work under the direct supervision of teachers are  
20 added to the school days between such regularly scheduled  
21 sessions to accumulate not less than the number of minutes  
22 by which such sessions of 3 or more clock hours fall short  
23 of 5 clock hours. Any full days used for the purposes of  
24 this paragraph shall not be considered for computing  
25 average daily attendance. Days scheduled for in-service  
26 training programs, staff development activities, or

1 parent-teacher conferences may be scheduled separately for  
2 different grade levels and different attendance centers of  
3 the district.

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

10 (f) A session of at least 4 clock hours may be counted  
11 as a day of attendance for first grade pupils, and pupils  
12 in full day kindergartens, and a session of 2 or more hours  
13 may be counted as 1/2 day of attendance by pupils in  
14 kindergartens which provide only 1/2 day of attendance.

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

22 (h) A recognized kindergarten which provides for only  
23 1/2 day of attendance by each pupil shall not have more  
24 than 1/2 day of attendance counted in any one day. However,  
25 kindergartens may count 2 1/2 days of attendance in any 5  
26 consecutive school days. When a pupil attends such a

1 kindergarten for 2 half days on any one school day, the  
2 pupil shall have the following day as a day absent from  
3 school, unless the school district obtains permission in  
4 writing from the State Superintendent of Education.  
5 Attendance at kindergartens which provide for a full day of  
6 attendance by each pupil shall be counted the same as  
7 attendance by first grade pupils. Only the first year of  
8 attendance in one kindergarten shall be counted, except in  
9 case of children who entered the kindergarten in their  
10 fifth year whose educational development requires a second  
11 year of kindergarten as determined under the rules and  
12 regulations of the State Board of Education.

13 (i) On the days when the assessment that includes a  
14 college and career ready determination is administered  
15 under subsection (c) of Section 2-3.64a-5 of this Code, the  
16 day of attendance for a pupil whose school day must be  
17 shortened to accommodate required testing procedures may  
18 be less than 5 clock hours and shall be counted towards the  
19 176 days of actual pupil attendance required under Section  
20 10-19 of this Code, provided that a sufficient number of  
21 minutes of school work in excess of 5 clock hours are first  
22 completed on other school days to compensate for the loss  
23 of school work on the examination days.

24 (j) Pupils enrolled in a remote educational program  
25 established under Section 10-29 of this Code may be counted  
26 on the basis of one-fifth day of attendance for every clock

1 hour of instruction attended in the remote educational  
2 program, provided that, in any month, the school district  
3 may not claim for a student enrolled in a remote  
4 educational program more days of attendance than the  
5 maximum number of days of attendance the district can claim  
6 (i) for students enrolled in a building holding year-round  
7 classes if the student is classified as participating in  
8 the remote educational program on a year-round schedule or  
9 (ii) for students enrolled in a building not holding  
10 year-round classes if the student is not classified as  
11 participating in the remote educational program on a  
12 year-round schedule.

13 (G) Equalized Assessed Valuation Data.

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

24 The Department of Revenue shall add to the equalized  
25 assessed value of all taxable property of each school district



1 situated entirely or partially within a county that is or was  
2 subject to the provisions of Section 15-176 or 15-177 of the  
3 Property Tax Code (a) an amount equal to the total amount by  
4 which the homestead exemption allowed under Section 15-176 or  
5 15-177 of the Property Tax Code for real property situated in  
6 that school district exceeds the total amount that would have  
7 been allowed in that school district if the maximum reduction  
8 under Section 15-176 was (i) \$4,500 in Cook County or \$3,500 in  
9 all other counties in tax year 2003 or (ii) \$5,000 in all  
10 counties in tax year 2004 and thereafter and (b) an amount  
11 equal to the aggregate amount for the taxable year of all  
12 additional exemptions under Section 15-175 of the Property Tax  
13 Code for owners with a household income of \$30,000 or less. The  
14 county clerk of any county that is or was subject to the  
15 provisions of Section 15-176 or 15-177 of the Property Tax Code  
16 shall annually calculate and certify to the Department of  
17 Revenue for each school district all homestead exemption  
18 amounts under Section 15-176 or 15-177 of the Property Tax Code  
19 and all amounts of additional exemptions under Section 15-175  
20 of the Property Tax Code for owners with a household income of  
21 \$30,000 or less. It is the intent of this paragraph that if the  
22 general homestead exemption for a parcel of property is  
23 determined under Section 15-176 or 15-177 of the Property Tax  
24 Code rather than Section 15-175, then the calculation of  
25 Available Local Resources shall not be affected by the  
26 difference, if any, between the amount of the general homestead

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

11 This equalized assessed valuation, as adjusted further by  
12 the requirements of this subsection, shall be utilized in the  
13 calculation of Available Local Resources.

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

16 (a) For the purposes of calculating State aid under  
17 this Section, with respect to any part of a school district  
18 within a redevelopment project area in respect to which a  
19 municipality has adopted tax increment allocation  
20 financing pursuant to the Tax Increment Allocation  
21 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11  
22 of the Illinois Municipal Code or the Industrial Jobs  
23 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the  
24 Illinois Municipal Code, no part of the current equalized  
25 assessed valuation of real property located in any such  
26 project area which is attributable to an increase above the

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

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

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

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

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

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

13           "Preceding Tax Year": The property tax levy year  
14 immediately preceding the Base Tax Year.

15           "Base Tax Year's Tax Extension": The product of the  
16 equalized assessed valuation utilized by the County Clerk  
17 in the Base Tax Year multiplied by the limiting rate as  
18 calculated by the County Clerk and defined in the Property  
19 Tax Extension Limitation Law.

20           "Preceding Tax Year's Tax Extension": The product of  
21 the equalized assessed valuation utilized by the County  
22 Clerk in the Preceding Tax Year multiplied by the Operating  
23 Tax Rate as defined in subsection (A).

24           "Extension Limitation Ratio": A numerical ratio,  
25 certified by the County Clerk, in which the numerator is  
26 the Base Tax Year's Tax Extension and the denominator is

1 the Preceding Tax Year's Tax Extension.

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

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

1 Equalized Assessed Valuation shall be utilized to calculate the  
2 district's Available Local Resources under subsection (D). For  
3 the 2009-2010 school year and each school year thereafter, if a  
4 school district has approved or does approve an increase in its  
5 limiting rate, pursuant to Section 18-190 of the Property Tax  
6 Code, affecting the Base Tax Year, the Extension Limitation  
7 Equalized Assessed Valuation of the school district, as  
8 calculated by the State Board of Education, shall be equal to  
9 the product of the Equalized Assessed Valuation last used in  
10 the calculation of general State aid times an amount equal to  
11 one plus the percentage increase, if any, in the Consumer Price  
12 Index for all Urban Consumers for all items published by the  
13 United States Department of Labor for the 12-month calendar  
14 year preceding the Base Tax Year, plus the Equalized Assessed  
15 Valuation of new property, annexed property, and recovered tax  
16 increment value and minus the Equalized Assessed Valuation of  
17 disconnected property. New property and recovered tax  
18 increment value shall have the meanings set forth in the  
19 Property Tax Extension Limitation Law.

20 Partial elementary unit districts created in accordance  
21 with Article 11E of this Code shall not be eligible for the  
22 adjustment in this subsection (G)(3) until the fifth year  
23 following the effective date of the reorganization.

24 (3.5) For the 2010-2011 school year and each school year  
25 thereafter, if a school district's boundaries span multiple  
26 counties, then the Department of Revenue shall send to the

1 State Board of Education, for the purpose of calculating  
2 general State aid, the limiting rate and individual rates by  
3 purpose for the county that contains the majority of the school  
4 district's Equalized Assessed Valuation.

5 (4) For the purposes of calculating general State aid for  
6 the 1999-2000 school year only, if a school district  
7 experienced a triennial reassessment on the equalized assessed  
8 valuation used in calculating its general State financial aid  
9 apportionment for the 1998-1999 school year, the State Board of  
10 Education shall calculate the Extension Limitation Equalized  
11 Assessed Valuation that would have been used to calculate the  
12 district's 1998-1999 general State aid. This amount shall equal  
13 the product of the equalized assessed valuation used to  
14 calculate general State aid for the 1997-1998 school year and  
15 the district's Extension Limitation Ratio. If the Extension  
16 Limitation Equalized Assessed Valuation of the school district  
17 as calculated under this paragraph (4) is less than the  
18 district's equalized assessed valuation utilized in  
19 calculating the district's 1998-1999 general State aid  
20 allocation, then for purposes of calculating the district's  
21 general State aid pursuant to paragraph (5) of subsection (E),  
22 that Extension Limitation Equalized Assessed Valuation shall  
23 be utilized to calculate the district's Available Local  
24 Resources.

25 (5) For school districts having a majority of their  
26 equalized assessed valuation in any county except Cook, DuPage,

1 Kane, Lake, McHenry, or Will, if the amount of general State  
2 aid allocated to the school district for the 1999-2000 school  
3 year under the provisions of subsection (E), (H), and (J) of  
4 this Section is less than the amount of general State aid  
5 allocated to the district for the 1998-1999 school year under  
6 these subsections, then the general State aid of the district  
7 for the 1999-2000 school year only shall be increased by the  
8 difference between these amounts. The total payments made under  
9 this paragraph (5) shall not exceed \$14,000,000. Claims shall  
10 be prorated if they exceed \$14,000,000.

11 (H) Supplemental General State Aid.

12 (1) In addition to the general State aid a school district  
13 is allotted pursuant to subsection (E), qualifying school  
14 districts shall receive a grant, paid in conjunction with a  
15 district's payments of general State aid, for supplemental  
16 general State aid based upon the concentration level of  
17 children from low-income households within the school  
18 district. Supplemental State aid grants provided for school  
19 districts under this subsection shall be appropriated for  
20 distribution to school districts as part of the same line item  
21 in which the general State financial aid of school districts is  
22 appropriated under this Section.

23 (1.5) This paragraph (1.5) applies only to those school  
24 years preceding the 2003-2004 school year. For purposes of this  
25 subsection (H), the term "Low-Income Concentration Level"



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

1 repealed on July 1, 1998), and any high school district that is  
2 affected by Public Act 92-28 is entitled to a recomputation of  
3 its supplemental general State aid grant or State aid paid in  
4 any of those fiscal years. This recomputation shall not be  
5 affected by any other funding.

6 (1.10) This paragraph (1.10) applies to the 2003-2004  
7 school year and each school year thereafter through the  
8 2014-2015 school year. For purposes of this subsection (H), the  
9 term "Low-Income Concentration Level" shall, for each fiscal  
10 year, be the low-income eligible pupil count as of July 1 of  
11 the immediately preceding fiscal year (as determined by the  
12 Department of Human Services based on the number of pupils who  
13 are eligible for at least one of the following low income  
14 programs: Medicaid, the Children's Health Insurance Program,  
15 TANF, or Food Stamps, excluding pupils who are eligible for  
16 services provided by the Department of Children and Family  
17 Services, averaged over the 2 immediately preceding fiscal  
18 years for fiscal year 2004 and over the 3 immediately preceding  
19 fiscal years for each fiscal year thereafter) divided by the  
20 Average Daily Attendance of the school district.

21 (2) Supplemental general State aid pursuant to this  
22 subsection (H) shall be provided as follows for the 1998-1999,  
23 1999-2000, and 2000-2001 school years only:

24 (a) For any school district with a Low Income  
25 Concentration Level of at least 20% and less than 35%, the  
26 grant for any school year shall be \$800 multiplied by the

1 low income eligible pupil count.

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

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

10 (d) For any school district with a Low Income  
11 Concentration Level of 60% or more, the grant for the  
12 1998-99 school year shall be \$1,900 multiplied by the low  
13 income eligible pupil count.

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

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

22 (2.5) Supplemental general State aid pursuant to this  
23 subsection (H) shall be provided as follows for the 2002-2003  
24 school year:

25 (a) For any school district with a Low Income  
26 Concentration Level of less than 10%, the grant for each

1 school year shall be \$355 multiplied by the low income  
2 eligible pupil count.

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

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

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

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

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

23 (2.10) Except as otherwise provided, supplemental general  
24 State aid pursuant to this subsection (H) shall be provided as  
25 follows for the 2003-2004 school year and each school year  
26 thereafter:

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

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

10          For the 2003-2004 school year and each school year  
11 thereafter through the 2008-2009 school year only, the grant  
12 shall be no less than the grant for the 2002-2003 school year.  
13 For the 2009-2010 school year only, the grant shall be no less  
14 than the grant for the 2002-2003 school year multiplied by  
15 0.66. For the 2010-2011 school year only, the grant shall be no  
16 less than the grant for the 2002-2003 school year multiplied by  
17 0.33. Notwithstanding the provisions of this paragraph to the  
18 contrary, if for any school year supplemental general State aid  
19 grants are prorated as provided in paragraph (1) of this  
20 subsection (H), then the grants under this paragraph shall be  
21 prorated.

22          For the 2003-2004 school year only, the grant shall be no  
23 greater than the grant received during the 2002-2003 school  
24 year added to the product of 0.25 multiplied by the difference  
25 between the grant amount calculated under subsection (a) or (b)  
26 of this paragraph (2.10), whichever is applicable, and the

1 grant received during the 2002-2003 school year. For the  
2 2004-2005 school year only, the grant shall be no greater than  
3 the grant received during the 2002-2003 school year added to  
4 the product of 0.50 multiplied by the difference between the  
5 grant amount calculated under subsection (a) or (b) of this  
6 paragraph (2.10), whichever is applicable, and the grant  
7 received during the 2002-2003 school year. For the 2005-2006  
8 school year only, the grant shall be no greater than the grant  
9 received during the 2002-2003 school year added to the product  
10 of 0.75 multiplied by the difference between the grant amount  
11 calculated under subsection (a) or (b) of this paragraph  
12 (2.10), whichever is applicable, and the grant received during  
13 the 2002-2003 school year.

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

24 (4) School districts with an Average Daily Attendance of  
25 50,000 or more that qualify for supplemental general State aid  
26 pursuant to this subsection shall be required to distribute

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

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

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

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

26 (d) Any funds made available under this subsection that

1 by reason of the provisions of this subsection are not  
2 required to be allocated and provided to attendance centers  
3 may be used and appropriated by the board of the district  
4 for any lawful school purpose.

5 (e) Funds received by an attendance center pursuant to  
6 this subsection shall be used by the attendance center at  
7 the discretion of the principal and local school council  
8 for programs to improve educational opportunities at  
9 qualifying schools through the following programs and  
10 services: early childhood education, reduced class size or  
11 improved adult to student classroom ratio, enrichment  
12 programs, remedial assistance, attendance improvement, and  
13 other educationally beneficial expenditures which  
14 supplement the regular and basic programs as determined by  
15 the State Board of Education. Funds provided shall not be  
16 expended for any political or lobbying purposes as defined  
17 by board rule.

18 (f) Each district subject to the provisions of this  
19 subdivision (H) (4) shall submit an acceptable plan to meet  
20 the educational needs of disadvantaged children, in  
21 compliance with the requirements of this paragraph, to the  
22 State Board of Education prior to July 15 of each year.  
23 This plan shall be consistent with the decisions of local  
24 school councils concerning the school expenditure plans  
25 developed in accordance with part 4 of Section 34-2.3. The  
26 State Board shall approve or reject the plan within 60 days



1 after its submission. If the plan is rejected, the district  
2 shall give written notice of intent to modify the plan  
3 within 15 days of the notification of rejection and then  
4 submit a modified plan within 30 days after the date of the  
5 written notice of intent to modify. Districts may amend  
6 approved plans pursuant to rules promulgated by the State  
7 Board of Education.

8 Upon notification by the State Board of Education that  
9 the district has not submitted a plan prior to July 15 or a  
10 modified plan within the time period specified herein, the  
11 State aid funds affected by that plan or modified plan  
12 shall be withheld by the State Board of Education until a  
13 plan or modified plan is submitted.

14 If the district fails to distribute State aid to  
15 attendance centers in accordance with an approved plan, the  
16 plan for the following year shall allocate funds, in  
17 addition to the funds otherwise required by this  
18 subsection, to those attendance centers which were  
19 underfunded during the previous year in amounts equal to  
20 such underfunding.

21 For purposes of determining compliance with this  
22 subsection in relation to the requirements of attendance  
23 center funding, each district subject to the provisions of  
24 this subsection shall submit as a separate document by  
25 December 1 of each year a report of expenditure data for  
26 the prior year in addition to any modification of its

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

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

21 (I) (Blank).

22 (J) (Blank).

23 (K) Grants to Laboratory and Alternative Schools.

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

7           As used in this Section, "laboratory school" means a public  
8 school which is created and operated by a public university and  
9 approved by the State Board of Education. The governing board  
10 of a public university which receives funds from the State  
11 Board under this subsection (K) or subsection (i) of Section  
12 18-8.15 of this Code may not increase the number of students  
13 enrolled in its laboratory school from a single district, if  
14 that district is already sending 50 or more students, except  
15 under a mutual agreement between the school board of a  
16 student's district of residence and the university which  
17 operates the laboratory school. A laboratory school may not  
18 have more than 1,000 students, excluding students with  
19 disabilities in a special education program.

20           As used in this Section, "alternative school" means a  
21 public school which is created and operated by a Regional  
22 Superintendent of Schools and approved by the State Board of  
23 Education. Such alternative schools may offer courses of  
24 instruction for which credit is given in regular school  
25 programs, courses to prepare students for the high school  
26 equivalency testing program or vocational and occupational

1 training. A regional superintendent of schools may contract  
2 with a school district or a public community college district  
3 to operate an alternative school. An alternative school serving  
4 more than one educational service region may be established by  
5 the regional superintendents of schools of the affected  
6 educational service regions. An alternative school serving  
7 more than one educational service region may be operated under  
8 such terms as the regional superintendents of schools of those  
9 educational service regions may agree.

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

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

19 (1) For a school district operating under the financial  
20 supervision of an Authority created under Article 34A, the  
21 general State aid otherwise payable to that district under this  
22 Section, but not the supplemental general State aid, shall be  
23 reduced by an amount equal to the budget for the operations of  
24 the Authority as certified by the Authority to the State Board  
25 of Education, and an amount equal to such reduction shall be

1 paid to the Authority created for such district for its  
2 operating expenses in the manner provided in Section 18-11. The  
3 remainder of general State school aid for any such district  
4 shall be paid in accordance with Article 34A when that Article  
5 provides for a disposition other than that provided by this  
6 Article.

7 (2) (Blank).

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

10 (M) Education Funding Advisory Board.

11 The Education Funding Advisory Board, hereinafter in this  
12 subsection (M) referred to as the "Board", is hereby created.  
13 The Board shall consist of 5 members who are appointed by the  
14 Governor, by and with the advice and consent of the Senate. The  
15 members appointed shall include representatives of education,  
16 business, and the general public. One of the members so  
17 appointed shall be designated by the Governor at the time the  
18 appointment is made as the chairperson of the Board. The  
19 initial members of the Board may be appointed any time after  
20 the effective date of this amendatory Act of 1997. The regular  
21 term of each member of the Board shall be for 4 years from the  
22 third Monday of January of the year in which the term of the  
23 member's appointment is to commence, except that of the 5  
24 initial members appointed to serve on the Board, the member who  
25 is appointed as the chairperson shall serve for a term that

1 commences on the date of his or her appointment and expires on  
2 the third Monday of January, 2002, and the remaining 4 members,  
3 by lots drawn at the first meeting of the Board that is held  
4 after all 5 members are appointed, shall determine 2 of their  
5 number to serve for terms that commence on the date of their  
6 respective appointments and expire on the third Monday of  
7 January, 2001, and 2 of their number to serve for terms that  
8 commence on the date of their respective appointments and  
9 expire on the third Monday of January, 2000. All members  
10 appointed to serve on the Board shall serve until their  
11 respective successors are appointed and confirmed. Vacancies  
12 shall be filled in the same manner as original appointments. If  
13 a vacancy in membership occurs at a time when the Senate is not  
14 in session, the Governor shall make a temporary appointment  
15 until the next meeting of the Senate, when he or she shall  
16 appoint, by and with the advice and consent of the Senate, a  
17 person to fill that membership for the unexpired term. If the  
18 Senate is not in session when the initial appointments are  
19 made, those appointments shall be made as in the case of  
20 vacancies.

21 The Education Funding Advisory Board shall be deemed  
22 established, and the initial members appointed by the Governor  
23 to serve as members of the Board shall take office, on the date  
24 that the Governor makes his or her appointment of the fifth  
25 initial member of the Board, whether those initial members are  
26 then serving pursuant to appointment and confirmation or

1 pursuant to temporary appointments that are made by the  
2 Governor as in the case of vacancies.

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

7 For school years after the 2000-2001 school year through  
8 the 2014-2015 school year, the Education Funding Advisory  
9 Board, in consultation with the State Board of Education, shall  
10 make recommendations as provided in this subsection (M) to the  
11 General Assembly for the foundation level under subdivision  
12 (B) (3) of this Section and for the supplemental general State  
13 aid grant level under subsection (H) of this Section for  
14 districts with high concentrations of children from poverty.  
15 The recommended foundation level shall be determined based on a  
16 methodology which incorporates the basic education  
17 expenditures of low-spending schools exhibiting high academic  
18 performance. The Education Funding Advisory Board shall make  
19 such recommendations to the General Assembly on January 1 of  
20 odd numbered years, beginning January 1, 2001. After the  
21 2014-2015 school year, the Education Funding Advisory Board  
22 shall make recommendations pursuant to subsection (k) of  
23 Section 18-8.15 of this Code.

24 (N) (Blank).

1 (O) References.

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

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

10 (P) Public Act 93-838 and Public Act 93-808 make inconsistent  
11 changes to this Section. Under Section 6 of the Statute on  
12 Statutes there is an irreconcilable conflict between Public Act  
13 93-808 and Public Act 93-838. Public Act 93-838, being the last  
14 acted upon, is controlling. The text of Public Act 93-838 is  
15 the law regardless of the text of Public Act 93-808.

16 (Source: P.A. 97-339, eff. 8-12-11; 97-351, eff. 8-12-11;  
17 97-742, eff. 6-30-13; 97-813, eff. 7-13-12; 98-972, eff.  
18 8-15-14.)

19 (105 ILCS 5/18-8.10)

20 Sec. 18-8.10. Fast growth grants.

21 (a) If there has been an increase in a school district's  
22 student population over the most recent 2 school years of (i)  
23 over 1.5% in a district with over 10,000 pupils in average  
24 daily attendance (as defined in Section 18-8.05 or 18-8.15 of



1 this Code) or (ii) over 7.5% in any other district, then the  
2 district is eligible for a grant under this Section, subject to  
3 appropriation.

4 (b) The State Board of Education shall determine a per  
5 pupil grant amount for each school district. The total grant  
6 amount for a district for any given school year shall equal the  
7 per pupil grant amount multiplied by the difference between the  
8 number of pupils in average daily attendance for the 2 most  
9 recent school years.

10 (c) Funds for grants under this Section must be  
11 appropriated to the State Board of Education in a separate line  
12 item for this purpose. If the amount appropriated in any fiscal  
13 year is insufficient to pay all grants for a school year, then  
14 the amount appropriated shall be prorated among eligible  
15 districts. As soon as possible after funds have been  
16 appropriated to the State Board of Education, the State Board  
17 of Education shall distribute the grants to eligible districts.

18 (d) If a school district intentionally reports incorrect  
19 average daily attendance numbers to receive a grant under this  
20 Section, then the district shall be denied State aid in the  
21 same manner as State aid is denied for intentional incorrect  
22 reporting of average daily attendance numbers under Section  
23 18-8.05 or 18-8.15 of this Code.

24 (Source: P.A. 93-1042, eff. 10-8-04.)

1       Sec. 18-8.15. Basis for apportionment of primary State  
2 financial aid to the common schools for the 2015-2016 and  
3 subsequent school years.

4       (a) General provisions.

5       (1) The provisions of this Section apply to the 2015-2016  
6 and subsequent school years. The system of primary State  
7 financial aid provided for in this Section is designed to  
8 ensure that, through a combination of State financial aid and  
9 required local resources, the financial support provided each  
10 pupil in attendance equals or exceeds a prescribed per pupil  
11 Foundation Level, with adjustments to the Foundation Level  
12 based on each school district's pupil characteristics. This  
13 formula approach imputes a level of per pupil Available Local  
14 Resources and provides for the basis to calculate a per pupil  
15 level of primary State financial aid that, when added to  
16 Available Local Resources, equals or exceeds the school  
17 district's adjusted Foundation Level. The amount of per pupil  
18 primary State financial aid for school districts, in general,  
19 varies in inverse relation to Available Local Resources.

20       (2) To address increases and decreases in State funding  
21 resulting from this amendatory Act of the 99th General  
22 Assembly, the amount of primary State aid provided to a school  
23 district shall be subject to adjustment as provided in  
24 subsection (h) of this Section. Any supplemental grants  
25 provided for school districts under subsection (h) of this  
26 Section shall be appropriated for distribution to school

1 districts as part of the same line item in which the primary  
2 State financial aid of school districts is appropriated under  
3 this Section.

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

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

22 (B) School district claims filed under this Section are  
23 subject to Sections 18-9 and 18-12 of this Code, except as  
24 otherwise provided in this Section.

25 (C) If a school district operates a full-year school  
26 under Section 10-19.1 of this Code, the primary State aid

1 to the school district shall be determined by the State  
2 Board of Education in accordance with this Section as near  
3 as may be applicable.

4 (4) Subject to the requirements of subsection (j) of this  
5 Section, the school board of any district receiving any of the  
6 grants provided for in this Section may apply those funds to  
7 any fund so received for which that school board is authorized  
8 to make expenditures by law.

9 (5) As used in this Section, the following terms, when  
10 capitalized, shall have the meanings ascribed in this paragraph  
11 (5):

12 "Additional Weight" means a number added to 1.0 to  
13 calculate the District Weighted Average in accordance with  
14 subsection (b) of this Section. Each Additional Weight is  
15 calculated using the Weighting Factors and Weighting  
16 Percentages in paragraph (5) of subsection (b) of this Section.

17 "Adequacy Grant Loss" means the product of (i) the absolute  
18 value of the lesser loss of a school district's Base Year Loss  
19 or Current Year Loss and (ii) the school district's Prior Year  
20 ADA.

21 "Adequacy Target" means, for a particular school district,  
22 the product of \$8,672 and the school district's District  
23 Weighted Average.

24 "Adequacy Target Shortfall" means, for a particular school  
25 district, the difference, if any, by which the school  
26 district's operating expense per pupil is less than its

1 Adequacy Target.

2 "Adjusted Flat Grant Level" means, for each school district  
3 not subject to property tax extension limitations as imposed  
4 under the Property Tax Extension Limitation Law, the Flat Grant  
5 Level multiplied by the percentage, if any, of which the school  
6 district's combined tax rate for educational and operations and  
7 maintenance purposes is of the maximum combined tax rates for  
8 educational and operations and maintenance purposes specified  
9 for that type of school district under Section 17-2 of this  
10 Code. For a school district subject to property tax extension  
11 limitations as imposed under the Property Tax Extension  
12 Limitation Law or a school district whose combined tax rate for  
13 educational and operations and maintenance purposes is at least  
14 the maximum combined tax rates for educational and operations  
15 and maintenance purposes specified for that type of school  
16 district under Section 17-2 of this Code, the Adjusted Flat  
17 Grant Level is equal to the Flat Grant Level.

18 "Advanced Standing Pupil" means a pupil in grades 9 through  
19 12, other than a pupil counted as a Career Pathway Completer,  
20 that has completed (i) one or more Advanced Placement courses  
21 and received a score of 3 or higher on an Advanced Placement  
22 examination or (ii) a course providing dual credit through an  
23 Illinois public community college or university in which the  
24 student was awarded at least 3 credit hours of postsecondary  
25 education credit.

26 "Alternative School" means a public school that is created

1 and operated by a regional superintendent of schools and  
2 approved by the State Board of Education.

3 "Available Local Resources Per Pupil" means a computation  
4 of local financial support, calculated on the basis of Average  
5 Daily Attendance and derived as provided pursuant to subsection  
6 (d) of this Section.

7 "Average Daily Attendance" or "ADA" means the count of  
8 pupils in attendance derived as provided pursuant to subsection  
9 (c) of this Section.

10 "Base Tax Year" means the property tax levy year used to  
11 calculate the Budget Year allocation of primary State aid.

12 "Base Tax Year's Extension" means the product of the  
13 equalized assessed valuation utilized by the county clerk in  
14 the Base Tax Year multiplied by the limiting rate as calculated  
15 by the county clerk and defined in the Property Tax Extension  
16 Limitation Law.

17 "Base Year Loss" means the amount, if any, by which a  
18 school district's per-pupil primary State aid allotment in the  
19 2015-2016 school year is less than its Per-pupil Hold Harmless  
20 State Funding, after accounting for any supplemental grants to  
21 the school district pursuant to paragraphs (2) and (3) of  
22 subsection (h) of this Section.

23 "Budget Year" means the school year for which primary State  
24 aid is calculated and awarded under subsection (e) of this  
25 Section.

26 "Career Pathway Completer" means a pupil that has graduated

1 from high school and completed a series of connected education  
2 and training strategies and support services meeting the  
3 requirements of this definition and other requirements  
4 established by the State Board of Education that enable  
5 individuals to secure industry-relevant credentials and  
6 degrees and obtain employment within an occupational area and  
7 to advance to higher levels of future education and employment  
8 in that area. Career pathway programs must incorporate (i)  
9 rigorous academics that prepare students for success in  
10 community colleges and universities, as well as in  
11 apprenticeship and other postsecondary programs; (ii)  
12 career-based learning through a cluster of 3 or more courses or  
13 equivalent competencies emphasizing the practical application  
14 of academic learning and preparing students for employment in  
15 high skill occupational areas; (iii) professional learning,  
16 via job shadowing, apprenticeships, internships, or other  
17 professional skill-building opportunities; (iv) support  
18 services that include academic and career counseling; and (v)  
19 opportunities for attainment of stackable, industry-relevant  
20 credentials and degrees.

21 "Corporate Personal Property Replacement Taxes" means  
22 funds paid to school districts pursuant to "An Act in relation  
23 to the abolition of ad valorem personal property tax and the  
24 replacement of revenues lost thereby, and amending and  
25 repealing certain Acts and parts of Acts in connection  
26 therewith", certified August 14, 1979, as amended (Public Act

1 81-1st S.S.-1).

2 "Current Year Loss" means the amount, if any, by which a  
3 school district's per-pupil primary State aid allotment in any  
4 school year after the 2016-2017 school year is less than its  
5 Per-pupil Hold Harmless State Funding, after accounting for any  
6 supplemental grants to the school district pursuant to  
7 paragraphs (2) and (3) of subsection (h) of this Section.

8 "DHS Low-income Eligible Count" means the low-income  
9 eligible pupil count as determined by the Department of Human  
10 Services (based on the number of pupils who are eligible for at  
11 least one of the following low-income programs: Medicaid, the  
12 Children's Health Insurance Program, TANF, or Food Stamps,  
13 excluding pupils who are eligible for services provided by the  
14 Department of Children and Family Services) averaged over the 3  
15 immediately preceding fiscal years, based on the count as of  
16 July 1 of each fiscal year.

17 "District Weighted Average" means a figure used to derive a  
18 school district's Per-pupil Aid level, calculated pursuant to  
19 subsection (b) of this Section.

20 "Extension Limitation Equalized Assessed Valuation" means  
21 a figure calculated by the State Board of Education pursuant to  
22 paragraph (2) of subsection (h) of this Section for school  
23 districts subject to property tax extension limitations as  
24 imposed under the Property Tax Extension Limitation Law.

25 "Extension Limitation Ratio" means a numerical ratio in  
26 which the numerator is the Base Tax Year's Extension and the



1 denominator is the Preceding Tax Year's Tax Extension.

2 "Flat Grant Level" means a dollar amount equal to 3.5% of  
3 the Foundation Level.

4 "Foundation Level" means a prescribed level of per pupil  
5 financial support, as provided for in subsection (b) of this  
6 Section.

7 "Gifted Pupil" means a pupil in kindergarten through grade  
8 8 receiving services through a program for gifted and talented  
9 children that has been approved by a school board and that is  
10 described on a school district's Internet website.

11 "Hold Harmless State Funding" means the amount of State  
12 funds allotted to a school district during the 2014-2015 school  
13 year pursuant to the following Sections of this Code, as  
14 calculated by the State Board of Education: Sections 18-8.05;  
15 14-7.02b; 14-7.03, but only with respect to reimbursement for  
16 children from foster family homes; 14-13.01, except for  
17 reimbursement of the cost of transportation pursuant to that  
18 Section; 14C-12; 18-4.3; and 29-5. For a school district  
19 organized under Article 34 of this Code, "Hold Harmless State  
20 Funding" also includes the funds allotted to the school  
21 district pursuant to Section 1D-1 of this Code attributable to  
22 funding programs authorized by the Sections of this Code listed  
23 in this definition.

24 "Laboratory School" means a public school that is created  
25 and operated by a public university and approved by the State  
26 Board of Education.

1       "Low-income Pupil" means a pupil from a household with a  
2 household income level at or below 185% of the poverty  
3 guidelines updated periodically in the Federal Register by the  
4 U.S. Department of Health and Human Services under the  
5 authority of 42 U.S.C. 9902(2).

6       "Normal Pension Costs" means the present value of pension  
7 plan benefits and expenses allocated to a valuation year by an  
8 actuarial cost method for the Public School Teachers' Pension  
9 and Retirement Fund of Chicago.

10       "Operating Tax Rate" means all school district property  
11 taxes extended for all purposes, except bond and interest,  
12 summer school, rent, capital improvement, and vocational  
13 education building purposes.

14       "Per-pupil Aid" means a school district's Weighted  
15 Foundation Level less its Available Local Resources Per Pupil.

16       "Per-pupil Hold Harmless State Funding" means a school  
17 district's Hold Harmless State Funding, divided by the school  
18 district's Average Daily Attendance figure as calculated  
19 pursuant to subsection (F) of Section 18-8.05 of this Code  
20 during the 2014-2015 school year.

21       "Preceding Tax Year" means the property tax levy year  
22 immediately preceding the Base Tax Year.

23       "Preceding Tax Year's Tax Extension" means the product of  
24 the equalized assessed valuation utilized by the county clerk  
25 in the Preceding Tax Year multiplied by the Operating Tax Rate.

26       "Prior Year ADA" means the number of pupils within the

1 count of pupils in attendance used for Average Daily Attendance  
2 calculations for the school year immediately preceding the  
3 school year for which primary State aid is calculated and  
4 awarded under subsection (e) of this Section.

5 "PTELL PSA Adjustment" means the amount of primary State  
6 aid a school district would receive under subsection (e) of  
7 this Section if the Extension Limitation Equalized Assessed  
8 Valuation was used for calculating the school district's  
9 primary State aid for the Budget Year instead of the district's  
10 equalized assessed valuation as calculated pursuant to  
11 paragraphs (1) and (2) of subsection (g) of this Section.

12 "Pupil of Limited English-speaking Ability" means a child  
13 of limited English-speaking ability, as defined in Section  
14 14C-2 of this Code, participating in a program of transitional  
15 bilingual education or a transitional program of instruction  
16 meeting the requirements of Article 14C of this Code.

17 "Regular Transportation Eligible Pupil" means a pupil,  
18 other than a Vocational Transportation Pupil, meeting the  
19 fiscal year 2015 eligibility requirements for reimbursement of  
20 transportation costs under Section 29-5 of this Code.

21 "Special Education Summer School Pupil" means a child with  
22 disabilities participating in a summer school program meeting  
23 the fiscal year 2015 eligibility requirements for a summer  
24 school grant under Section 18-4.3 of this Code.

25 "Statewide weighted-average" means an average calculation  
26 for all school districts in this State in which a weighting is

1 assigned to each school district's quantity in the average  
2 calculation based on its Prior Year ADA.

3 "Total Primary State Aid" means the amount of primary State  
4 aid allotted to a school district pursuant to subsection (e) of  
5 this Section and any supplemental grants allotted pursuant to  
6 paragraphs (2), (3), and (4) of subsection (h) of this Section.

7 "Vocational Transportation Pupil" means a pupil  
8 transported to an area vocational school or another school  
9 district's vocational program meeting the fiscal year 2015  
10 eligibility requirements for reimbursement of transportation  
11 costs under Section 29-5 of this Code.

12 "Weighted Foundation Level" means the Foundation Level  
13 multiplied by the District Weighted Average.

14 "Weighted Foundation Level Budget" means, for a particular  
15 school district, the Weighted Foundation Level multiplied by  
16 the ADA.

17 "Weighting Factor" means, for each Additional Weight  
18 classification in paragraph (5) of subsection (b) of this  
19 Section, the amount multiplied by the Weighting Percentage to  
20 calculate the Additional Weight figure.

21 "Weighting Percentage" means, for each Additional Weight  
22 classification in paragraph (5) of subsection (b) of this  
23 Section, the amount multiplied by the Weighting Factor to  
24 calculate the Additional Weight figure.

25 (b) Foundation Level; weighting for district pupil  
26 characteristics.

1       (1) The Foundation Level is a figure established by this  
2 State representing the minimum level of per pupil financial  
3 support that should be available to provide for the basic  
4 education of each pupil in Average Daily Attendance in a public  
5 school in this State. Then, for each school district, the  
6 Foundation Level is weighted in accordance with the Additional  
7 Weights set forth in paragraph (5) of this subsection (b) to  
8 account for the pupil characteristics within that school  
9 district, and, if applicable, a Regionalization Factor  
10 determined pursuant to paragraph (6) of this subsection (b) is  
11 applied to account for regional variation in wages. As set  
12 forth in this Section, each school district is assumed to exert  
13 a sufficient local taxing effort such that, in combination with  
14 the aggregate of primary State financial aid provided the  
15 district, an aggregate of State and local resources are  
16 available to meet the basic education needs of pupils in the  
17 district.

18       (2) Subject to paragraph (3) of this subsection (b), for  
19 the 2015-2016 school year and each school year thereafter, the  
20 Foundation Level of support is \$6,119 or such greater amount as  
21 may be established by law by the General Assembly.

22       (3) If the appropriation in any fiscal year for primary  
23 State aid and the supplemental grants provided for in  
24 paragraphs (2) and (3) of subsection (h) of this Section is  
25 insufficient to pay the amounts required under the calculations  
26 set forth in this Section, then the State Board of Education

1 shall adjust the Foundation Level to an amount so that the  
2 appropriation is sufficient to pay all primary State aid and  
3 the supplemental grants provided for in paragraphs (2) and (3)  
4 of subsection (h) of this Section.

5 (4) For each school district, the Foundation Level shall be  
6 adjusted by multiplying the Foundation Level by a District  
7 Weighted Average figure, resulting in the school district's  
8 Weighted Foundation Level. The District Weighted Average  
9 figure for a particular school district shall be a number equal  
10 to 1.0 plus each of the Additional Weights described in  
11 paragraph (5) of this subsection (b) applicable to that  
12 district. In addition, if applicable for a particular school  
13 district pursuant to paragraph (6) of this subsection (b), the  
14 1.0 figure and each Additional Weight shall be multiplied by a  
15 Regionalization Factor to determine its District Weighted  
16 Average calculation. For each Additional Weight, the figure  
17 included in the District Weighted Average prior to the  
18 application of any Regionalization Factor is the product of the  
19 Weighting Factor multiplied by the Weighting Percentage, as  
20 both are specified in paragraph (5) of this subsection (b). For  
21 each school district, the State Board of Education shall  
22 publicly report the district's District Weighted Average,  
23 Weighted Foundation Level, Additional Weights, Regionalization  
24 Factor multiplier, amount of the Weighted Foundation Level  
25 Budget attributable to each Additional Weight, and amount of  
26 primary State aid received attributable to each Additional

1 Weight.

2 (5) Additional Weights:

3 (A) Pupils of Limited English-speaking Ability:

4 (i) Weighting Factor of 0.20; and

5 (ii) Weighting Percentage equal to the Prior Year  
6 ADA of Pupils of Limited English-speaking Ability,  
7 divided by the Prior Year ADA for all pupils.

8 (B) Low-Income Pupils: The higher of the weights  
9 determined through the following 2 methods:

10 (i) Regular low-income method:

11 (I) Weighting Factor of 0.25;

12 (II) For the 2015-2016 and 2016-2017 school  
13 years, Weighting Percentage equal to the DHS  
14 Low-income Eligible Count divided by the Prior  
15 Year ADA for all pupils; and

16 (III) For the 2017-2018 school year and  
17 subsequent school years, Weighting Percentage  
18 equal to the Prior Year ADA of Low-income Pupils,  
19 divided by the Prior Year ADA for all pupils.

20 (ii) Low-income concentration method:

21 (I) Weighting Factor of 0.80 multiplied by the  
22 Weighting Percentage for Low-income Pupils as  
23 calculated in accordance with the regular  
24 low-income method, provided that the Weighting  
25 Factor pursuant to this method shall not exceed  
26 0.75; and

1                   (II) Weighting Percentage equal to the  
2                   Weighting Percentage for Low-income Pupils as  
3                   calculated in accordance with the regular  
4                   low-income method.

5                   (C) Children with disabilities:

6                   (i) Weighting Factor of 1.0; and

7                   (ii) Weighting Percentage equal to the higher of  
8                   the percentages in the following items as applicable to  
9                   each school district:

10                   (I) 13.8% in the 2015-2016 and 2016-2017  
11                   school years and, in subsequent school years, a  
12                   Weighting Percentage periodically established by  
13                   the State Board of Education, but not less  
14                   frequently than once every 5 years, representative  
15                   of the statewide average percentage of students  
16                   with disabilities in public education; and

17                   (II) Weighting Percentage under this item (II)  
18                   for any school district that demonstrates, in  
19                   accordance with requirements established by the  
20                   State Board of Education, that the percentage of  
21                   its students with disabilities exceeds the  
22                   representative statewide average percentage  
23                   established pursuant to item (I) of this clause  
24                   (ii). For any such school district, the Weighting  
25                   Percentage shall equal the lesser of (i) the Prior  
26                   Year ADA of the district's students with



1           disabilities (as verified by the State Board of  
2           Education) divided by the Prior Year ADA for all  
3           pupils and (ii) the representative statewide  
4           average percentage established pursuant to item  
5           (I) of this clause (ii) plus 5 percentage points.

6           (D) Special Education Summer School Pupils:

7           (i) Weighting Factor of 0.03; and

8           (ii) Weighting Percentage equal to the Prior Year  
9           ADA of Special Education Summer School Pupils, divided  
10           by the Prior Year ADA for all pupils.

11           (E) Gifted Pupils:

12           (i) Weighting Factor of 0.01; and

13           (ii) Weighting Percentage equal to the Prior Year  
14           ADA of Gifted Pupils, divided by the Prior Year ADA for  
15           all pupils, provided that the Prior Year ADA of Gifted  
16           Pupils used for such calculation shall not exceed 5% of  
17           the Prior Year ADA for pupils in kindergarten through  
18           grade 8.

19           (F) Regular Transportation Eligible Pupils:

20           (i) Weighting Factor of 0.06 for school districts  
21           in the most dense quintile of school districts in this  
22           State; for purposes of this subdivision (F), density  
23           shall be calculated by the State Board of Education  
24           based on the Prior Year ADA for all pupils in the  
25           school district per square mile, with separate  
26           quintile calculations for different school district

1           organizational types;

2           (ii) Weighting Factor 0.07 for school districts in  
3           the next to most dense quintile of school districts in  
4           this State;

5           (iii) Weighting Factor of 0.08 for school  
6           districts in the median density quintile of school  
7           districts in this State;

8           (iv) Weighting Factor of 0.09 for school districts  
9           in the next to least dense quintile of school districts  
10           in this State;

11           (v) Weighting Factor of 0.10 for school districts  
12           in the least dense quintile of school districts in this  
13           State; and

14           (vi) Weighting Percentage equal to the Prior Year  
15           ADA of Regular Transportation Eligible Pupils, divided  
16           by the Prior Year ADA for all pupils.

17           (G) Extraordinary Transportation Eligible Pupils.

18           Notwithstanding the Weighting Factors in subdivision (F)  
19           of this paragraph (5), the State Board of Education shall  
20           establish by administrative rule, for the 2016-2017 school  
21           year and subsequent school years, a Weighting Factor or  
22           Factors, not to exceed 0.12, for school districts with high  
23           transportation costs resulting from school district  
24           reorganizations or consolidations or students who live a  
25           significant distance from their assigned attendance  
26           center. The State Board of Education shall also establish

1 the Weighting Percentage by administrative rule to account  
2 for the percentage of students receiving such  
3 transportation services.

4 (H) Vocational Transportation Pupils:

5 (i) Weighting Factor of 0.12; and

6 (ii) Weighting Percentage equal to the Prior Year  
7 ADA of Vocational Transportation Pupils, divided by  
8 the Prior Year ADA for all pupils.

9 (I) In the 2017-2018 school year and subsequent school  
10 years, Advanced Standing Pupils and Career Pathway  
11 Completers:

12 (i) For Advanced Standing Pupils:

13 (I) Weighting Factor of 0.02; and

14 (II) Weighting Percentage equal to the Prior  
15 Year ADA of Advanced Standing Pupils, divided by  
16 the Prior Year ADA for all pupils.

17 (ii) For Career Pathway Completers:

18 (I) Weighting Factor of 0.03; and

19 (II) Weighting Percentage equal to the Prior  
20 Year ADA of Career Pathway Completers, divided by  
21 the Prior Year ADA for all pupils.

22 (6) For each school district with a Regionalization Index  
23 Value higher than the State weighted-average Regionalization  
24 Index Value, the base value of 1.0 and each Additional Weight  
25 included in the calculation of its District Weighted Average  
26 shall be multiplied by a Regionalization Factor calculated in

1 accordance with this paragraph (6). The Regionalization Factor  
2 shall equal the school district's Regionalization Index Value  
3 divided by the statewide weighted-average Regionalization  
4 Index Value for the most recent year that the data is compiled.  
5 For purposes of this paragraph (6), "Regionalization Index  
6 Value" means the Comparable Wage Index developed for the  
7 National Center for Education Statistics and published for each  
8 school district. This Index measures systematic, regional  
9 variations in the salaries of college graduates who are not  
10 educators. For any school district that does not have a  
11 Comparable Wage Index, the State Board of Education shall  
12 estimate a Regionalization Index Value using reasonably  
13 available information.

14 (c) Average Daily Attendance.

15 (1) For purposes of calculating primary State aid pursuant  
16 to subsection (e) of this Section, an Average Daily Attendance  
17 figure shall be utilized. The Average Daily Attendance figure  
18 for formula calculation purposes shall be the monthly average  
19 of the total number of pupils in attendance for each school  
20 district, as further averaged for the best 3 months of pupil  
21 attendance for each school district. In compiling the figures  
22 for the number of pupils in attendance, school districts and  
23 the State Board of Education shall, for purposes of primary  
24 State aid funding, conform attendance figures to the  
25 requirements of subsection (f) of this Section.

26 (2) The Average Daily Attendance figures utilized in

1 subsections (d) and (e) of this Section shall be the requisite  
2 attendance data for the school year immediately preceding the  
3 school year for which primary State aid is being calculated or  
4 the average of the attendance data for the 3 preceding school  
5 years, whichever is greater. The Average Daily Attendance  
6 figures utilized for subsection (b) of this Section shall be  
7 the requisite attendance data for the school year immediately  
8 preceding the school year for which primary State aid is being  
9 calculated.

10 (d) Available Local Resources Per Pupil.

11 (1) For purposes of calculating primary State aid pursuant  
12 to subsection (e) of this Section, a representation of  
13 Available Local Resources Per Pupil, as that term is defined  
14 and determined in this subsection (d), shall be utilized.  
15 Available Local Resources Per Pupil shall include a calculated  
16 dollar amount representing school district revenues from local  
17 property taxes and from Corporate Personal Property  
18 Replacement Taxes, expressed on the basis of pupils in Average  
19 Daily Attendance. For a school district organized under Article  
20 34 of this Code, calculation of Available Local Resources for  
21 this subsection (d) and paragraph (2) of subsection (h) of this  
22 Section shall exclude any amounts for Normal Pension Costs  
23 required to be paid by the board of education during the fiscal  
24 year for which primary State aid is being calculated into a  
25 Public School Teachers' Pension and Retirement Fund created  
26 pursuant to Article 17 of the Illinois Pension Code.

1       (2) In determining a school district's revenue from local  
2 property taxes, the State Board of Education shall utilize the  
3 equalized assessed valuation of all taxable property of each  
4 school district as of September 30 of the previous year. The  
5 equalized assessed valuation utilized shall be obtained and  
6 determined as provided in subsection (g) of this Section.

7       (3) For school districts maintaining grades kindergarten  
8 through 12, local property tax revenues per pupil shall be  
9 calculated as the product of the applicable equalized assessed  
10 valuation for the district multiplied by 3.07%, and divided by  
11 the district's Average Daily Attendance figure. For school  
12 districts maintaining grades kindergarten through 8, local  
13 property tax revenues per pupil shall be calculated as the  
14 product of the applicable equalized assessed valuation for the  
15 district multiplied by 2.36%, and divided by the district's  
16 Average Daily Attendance figure. For school districts  
17 maintaining grades 9 through 12, local property tax revenues  
18 per pupil shall be the applicable equalized assessed valuation  
19 of the district multiplied by 1.10%, and divided by the  
20 district's Average Daily Attendance figure.

21       For partial elementary unit districts created pursuant to  
22 Article 11E of this Code, local property tax revenues per pupil  
23 shall be calculated as the product of the equalized assessed  
24 valuation for property within the partial elementary unit  
25 district for elementary purposes, as defined in Article 11E of  
26 this Code, multiplied by 2.10% and divided by the district's

1 Average Daily Attendance figure, plus the product of the  
2 equalized assessed valuation for property within the partial  
3 elementary unit district for high school purposes, as defined  
4 in Article 11E of this Code, multiplied by 0.97% and divided by  
5 the district's Average Daily Attendance figure.

6 (4) The Corporate Personal Property Replacement Taxes paid  
7 to each school district during the calendar year one year  
8 before the calendar year in which a school year begins, divided  
9 by the Average Daily Attendance figure for that district, shall  
10 be added to the local property tax revenues per pupil as  
11 derived by the application of paragraph (3) of this subsection  
12 (d). The sum of these per pupil figures for each school  
13 district shall constitute Available Local Resources Per Pupil  
14 as that term is utilized in subsection (e) of this Section in  
15 the calculation of primary State aid.

16 (e) Computation of primary State aid.

17 (1) For each school year, the amount of primary State aid  
18 allotted to a school district shall be computed by the State  
19 Board of Education as provided in this subsection (e).

20 (2) Subject to paragraph (4) of this subsection (e), for  
21 any school district for which the Per-pupil Aid is more than  
22 the Flat Grant Level, primary State aid for that district shall  
23 be in an amount equal to its Per-pupil Aid multiplied by its  
24 Average Daily Attendance figure.

25 (3) Subject to paragraph (4) of this subsection (e), for  
26 any school district for which the Per-pupil Aid is equal to or

1 less than the Flat Grant Level, primary State aid for that  
2 district shall be in an amount equal to the Adjusted Flat Grant  
3 Level multiplied by the district's Average Daily Attendance  
4 figure.

5 (4) From financial assistance provided to school districts  
6 under this Section, the State Board of Education shall withhold  
7 the following amounts for the following purposes:

8 (A) For each school district with an Additional Weight  
9 for Pupils of Limited English-speaking Ability, the State  
10 Board of Education shall withhold an amount not exceeding  
11 one and one-half percent of the district's Weighted  
12 Foundation Level Budget attributable to Pupils of Limited  
13 English-speaking Ability for (i) State Board of Education  
14 staff for administration and (ii) contractual services by a  
15 not-for-profit entity for technical assistance,  
16 professional development, and other support to school  
17 districts and educators for services for these pupils. To  
18 be eligible to receive the contract under clause (ii) of  
19 this subdivision (A), the not-for-profit entity must have  
20 experience providing such services in a school district  
21 having a population exceeding 500,000; one or more school  
22 districts in any of the counties of Lake, McHenry, DuPage,  
23 Kane, and Will; and one or more school districts elsewhere  
24 in this State.

25 (B) The State Board of Education shall withhold an  
26 amount not exceeding one-half percent of each school



1 district's Weighted Foundation Level Budget attributable  
2 to children with disabilities and Special Education Summer  
3 School Pupils for State Board of Education staff and  
4 contractual services for administration, professional  
5 development, and support to school districts for services  
6 for children with disabilities. The State Board of  
7 Education shall use a portion of the withheld amounts for  
8 developing or supporting electronic individualized  
9 educational programs.

10 (f) Compilation of Average Daily Attendance.

11 (1) Each school district shall, on or before July 1 of each  
12 year, submit to the State Board of Education, in a manner  
13 prescribed by the State Board of Education, attendance figures  
14 for the school year that began in the preceding calendar year.  
15 The attendance information so transmitted shall identify the  
16 Average Daily Attendance figures for each month of the school  
17 year. School districts shall calculate Average Daily  
18 Attendance as provided in subdivisions (A), (B), and (C) of  
19 this paragraph (1).

20 (A) In districts that do not hold year-round classes,  
21 days of attendance in August shall be added to the month of  
22 September and any days of attendance in June shall be added  
23 to the month of May.

24 (B) In districts in which all buildings hold year-round  
25 classes, days of attendance in July and August shall be  
26 added to the month of September and any days of attendance

1 in June shall be added to the month of May.

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

14 (2) For the 2015-2016 school year, days of attendance by  
15 pupils shall be counted in accordance with paragraphs (1) and  
16 (2) of subsection (F) of Section 18-8.05 of this Code. For the  
17 2016-2017 and subsequent school years, days of attendance by  
18 pupils shall be counted in accordance with administrative rules  
19 adopted by the State Board of Education that address, without  
20 limitation, days of partial attendance, days utilized for  
21 in-service training and parent-teacher conferences,  
22 partial-day kindergarten, hospitalized or homebound students,  
23 days when assessments are administered, remote educational  
24 programs, virtual learning, work-based learning, dual credit  
25 programs, and competency-based education. Such rules shall be  
26 adopted by the State Board of Education by no later than April

1 1, 2016.

2 (g) Equalized assessed valuation data.

3 (1) For purposes of the calculation of Available Local  
4 Resources Per Pupil required pursuant to subsection (d) of this  
5 Section, the State Board of Education shall secure from the  
6 Department of Revenue the value as equalized or assessed by the  
7 Department of Revenue of all taxable property of every school  
8 district, together with (i) the applicable tax rate used in  
9 extending taxes for the funds of the district as of September  
10 30 of the previous year and (ii) the limiting rate for all  
11 school districts subject to property tax extension limitations  
12 as imposed under the Property Tax Extension Limitation Law.

13 The Department of Revenue shall add to the equalized  
14 assessed value of all taxable property of each school district  
15 situated entirely or partially within a county that is or was  
16 subject to the provisions of Section 15-176 or 15-177 of the  
17 Property Tax Code (A) an amount equal to the total amount by  
18 which the homestead exemption allowed under Section 15-176 or  
19 15-177 of the Property Tax Code for real property situated in  
20 that school district exceeds the total amount that would have  
21 been allowed in that school district if the maximum reduction  
22 under Section 15-176 was \$5,000 and (B) an amount equal to the  
23 aggregate amount for the taxable year of all additional  
24 exemptions under Section 15-175 of the Property Tax Code for  
25 owners with a household income of \$30,000 or less. The county  
26 clerk of any county that is or was subject to the provisions of

1 Section 15-176 or 15-177 of the Property Tax Code shall  
2 annually calculate and certify to the Department of Revenue for  
3 each school district all homestead exemption amounts under  
4 Section 15-176 or 15-177 of the Property Tax Code and all  
5 amounts of additional exemptions under Section 15-175 of the  
6 Property Tax Code for owners with a household income of \$30,000  
7 or less. It is the intent of this paragraph that if the general  
8 homestead exemption for a parcel of property is determined  
9 under Section 15-176 or 15-177 of the Property Tax Code rather  
10 than Section 15-175, then the calculation of Available Local  
11 Resources Per Pupil shall not be affected by the difference, if  
12 any, between the amount of the general homestead exemption  
13 allowed for that parcel of property under Section 15-176 or  
14 15-177 of the Property Tax Code and the amount that would have  
15 been allowed had the general homestead exemption for that  
16 parcel of property been determined under Section 15-175 of the  
17 Property Tax Code. It is further the intent of this paragraph  
18 that if additional exemptions are allowed under Section 15-175  
19 of the Property Tax Code for owners with a household income of  
20 less than \$30,000, then the calculation of Available Local  
21 Resources Per Pupil shall not be affected by the difference, if  
22 any, because of those additional exemptions.

23 This equalized assessed valuation, as adjusted further by  
24 the requirements of this subsection (g), shall be utilized in  
25 the calculation of Available Local Resources Per Pupil.

26 (2) The equalized assessed valuation in paragraph (1) of

1 this subsection (g) shall be adjusted, as applicable, in the  
2 following manner:

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

26 (B) The real property equalized assessed valuation for

1 a school district shall be adjusted by subtracting from the  
2 real property value as equalized or assessed by the  
3 Department of Revenue for the district an amount computed  
4 by dividing the amount of any abatement of taxes under  
5 Section 18-170 of the Property Tax Code by 3.07% for a  
6 district maintaining grades kindergarten through 12, by  
7 2.36% for a district maintaining grades kindergarten  
8 through 8, or by 1.10% for a district maintaining grades 9  
9 through 12 and adjusted by an amount computed by dividing  
10 the amount of any abatement of taxes under subsection (a)  
11 of Section 18-165 of the Property Tax Code by the same  
12 percentage rates for district type as specified in this  
13 subdivision (B).

14 (3) If a school district's boundaries span multiple  
15 counties, then the Department of Revenue shall send to the  
16 State Board of Education, for the purpose of calculating  
17 primary State aid, the limiting rate and individual rates by  
18 purpose for the county that contains the majority of the school  
19 district's Equalized Assessed Valuation.

20 (h) Supplemental grants and phase-in adjustments.

21 (1) The Total Primary State Aid a school district is  
22 allotted pursuant to this Section shall be subject to  
23 adjustment as provided in this subsection (h). Any supplemental  
24 grants allotted to school districts pursuant to this subsection  
25 (h) shall be paid in conjunction with the school district's  
26 payments of primary State aid. Any decreases to primary State

1 aid pursuant to paragraph (5) of this subsection (h) shall be  
2 applied by the State Board of Education so as to reduce amounts  
3 otherwise payable pursuant to this Section. When calculating  
4 the supplemental grants and adjustments for a particular school  
5 district under this Section, the State Board of Education shall  
6 first calculate the supplemental grant, if any, under paragraph  
7 (2) of this subsection (h) for school districts subject to  
8 property tax extension limitations. The State Board of  
9 Education shall next calculate the supplemental grant under  
10 paragraph (3) of this subsection (h) if the school district has  
11 a per-pupil loss exceeding \$1,000. The State Board of Education  
12 shall then calculate the amount of the adequacy grant, if any,  
13 to the school district under paragraph (4) of this subsection  
14 (h). Finally, the State Board of Education shall calculate and  
15 apply the phase-in adjustments specified in paragraph (5) of  
16 this subsection (h).

17 (2) If a school district is subject to property tax  
18 extension limitations as imposed under the Property Tax  
19 Extension Limitation Law, a school district shall receive a  
20 supplemental grant pursuant to this paragraph (2) to account  
21 for the difference between its Extension Limitation Equalized  
22 Assessed Valuation and the school district's equalized  
23 assessed valuation as calculated under paragraphs (1) and (2)  
24 of subsection (g) of this Section. The State Board of Education  
25 shall calculate the Extension Limitation Equalized Assessed  
26 Valuation of each district subject to property tax extension

1 limitations as imposed under the Property Tax Extension  
2 Limitation Law. Except as otherwise provided in this paragraph  
3 (2) for a school district that has approved or does approve an  
4 increase in its limiting rate, the "Extension Limitation  
5 Equalized Assessed Valuation" of a school district as  
6 calculated by the State Board of Education shall be equal to  
7 the product of the equalized assessed valuation last used in  
8 the calculation of general State aid under Section 18-8.05 of  
9 this Code or primary State aid under this Section and the  
10 district's Extension Limitation Ratio. If a school district has  
11 approved or does approve an increase in its limiting rate,  
12 pursuant to Section 18-190 of the Property Tax Code, affecting  
13 the Base Tax Year, the Extension Limitation Equalized Assessed  
14 Valuation of the school district, as calculated by the State  
15 Board of Education, shall be equal to the product of the  
16 equalized assessed valuation last used in the calculation of  
17 general State aid pursuant to Section 18-8.05 of this Code or  
18 primary State aid pursuant to this Section times an amount  
19 equal to one plus the percentage increase, if any, in the  
20 Consumer Price Index for all Urban Consumers for all items  
21 published by the United States Department of Labor for the  
22 12-month calendar year preceding the Base Tax Year, plus the  
23 equalized assessed valuation of new property, annexed  
24 property, and recovered tax increment value and minus the  
25 equalized assessed valuation of disconnected property. New  
26 property and recovered tax increment value shall have the



1 meanings set forth in the Property Tax Extension Limitation  
2 Law. Notwithstanding anything to the contrary contained in this  
3 paragraph (2), a school district's Extension Limitation  
4 Equalized Assessed Valuation shall not be less than 85% of the  
5 district's equalized assessed valuation as calculated pursuant  
6 to paragraphs (1) and (2) of subsection (g) of this Section.

7 If the Extension Limitation Equalized Assessed Valuation  
8 of a school district as calculated under this paragraph (2) is  
9 less than the district's equalized assessed valuation as  
10 calculated pursuant to paragraphs (1) and (2) of subsection (g)  
11 of this Section, then the school district shall receive a  
12 supplemental grant equal to its PTELL PSA Adjustment as  
13 calculated by the State Board of Education.

14 (3) Notwithstanding anything to the contrary contained in  
15 this Section, if, for any school year through and including the  
16 2022-2023 school year, a school district's per-pupil primary  
17 State aid allotment is less than its Per-pupil Hold Harmless  
18 State Funding by an amount exceeding \$1,000, then the amount of  
19 primary State aid allotted to the school district shall be  
20 increased by a supplemental grant pursuant to this paragraph  
21 (3). The primary State aid supplemental grant shall equal an  
22 amount sufficient to raise the school district's per-pupil  
23 primary State aid allotment to an amount that is \$1,000 less  
24 than the school district's Per-pupil Hold Harmless State  
25 Funding. For purposes of this paragraph (3), a school  
26 district's per-pupil primary State aid allotment shall be

1 calculated by the State Board of Education as the sum of the  
2 primary State aid allotted to the school district pursuant to  
3 subsection (e) of this Section and any supplemental grants  
4 pursuant to this paragraph (3) and paragraph (2) of this  
5 subsection (h), divided by the school district's Average Daily  
6 Attendance figure.

7 (4) Subject to an appropriation separate from the  
8 appropriation for primary State aid and the supplemental grants  
9 provided for in paragraphs (2) and (3) of this subsection (h),  
10 the State Board of Education shall administer the distribution  
11 of adequacy grants in accordance with this paragraph (4). Each  
12 school district with an operating expense per pupil less than  
13 its Adequacy Target shall receive a supplemental adequacy grant  
14 calculated in accordance with subdivision (A) of this paragraph  
15 (4), subject to appropriations for such grants and the tax rate  
16 eligibility requirements and grant adjustment provisions of  
17 subdivision (B) of this paragraph (4). For purposes of this  
18 paragraph (4), a school district's operating expense per pupil  
19 shall be the most recent figure calculated by the State Board  
20 of Education as of the start of the fiscal year for which the  
21 calculations in this paragraph (4) apply.

22 (A) Subject to subdivision (B) of this paragraph (4):

23 (i) a school district with an operating expense per  
24 pupil that is 90% or less of its Adequacy Target shall  
25 receive a supplemental adequacy grant equal to its  
26 Adequacy Grant Loss; and

1           (ii) a school district with an operating expense  
2           per pupil that is more than 90% but less than 100% of  
3           its Adequacy Target shall receive a supplemental  
4           adequacy grant equal to the product of its Adequacy  
5           Grant Loss and the percentage of which the school  
6           district's Adequacy Target Shortfall is of 10% of its  
7           Adequacy Target.

8           (B) The State Board of Education shall calculate a  
9           statewide weighted-average Operating Tax Rate for each of  
10           the following school district types: school districts  
11           maintaining grades kindergarten through 12, school  
12           districts maintaining grades kindergarten through 8, and  
13           school districts maintaining grades 9 through 12. If a  
14           school district's Operating Tax Rate is higher than the  
15           applicable statewide weighted-average Operating Tax Rate,  
16           the school district shall receive the full amount of the  
17           supplemental adequacy grant determined pursuant to  
18           subdivision (A) of this paragraph (4). If a school  
19           district's Operating Tax Rate is 90% or lower of the  
20           applicable statewide weighted-average Operating Tax Rate,  
21           the school district shall not receive any supplemental  
22           adequacy grant under this paragraph (4). If a school  
23           district's Operating Tax Rate is more than 90% but less  
24           than 100% of the applicable statewide weighted-average  
25           Operating Tax Rate, the school district shall receive a  
26           supplemental adequacy grant equal to the product of (i) the

1 amount of the total supplemental adequacy grant determined  
2 pursuant to subdivision (A) of this paragraph (4) and (ii)  
3 the percentage of which the school district's Operating Tax  
4 Rate is of the applicable statewide weighted-average  
5 Operating Tax Rate less 90%, with the resulting percentage  
6 multiplied by 10.

7 (5) Notwithstanding anything to the contrary contained in  
8 this Section, the Total Primary State Aid allotted to a school  
9 district for the 2015-2016 through the 2017-2018 school years  
10 shall be adjusted as follows:

11 (A) If, for the 2015-2016 school year, the Total  
12 Primary State Aid is less than Hold Harmless State Funding,  
13 then the amount of primary State aid allotted to the school  
14 district shall be increased by a supplemental grant in the  
15 amount of 75% of the difference between Hold Harmless State  
16 Funding and Total Primary State Aid. If, for the 2016-2017  
17 school year, the Total Primary State Aid remains less than  
18 Hold Harmless State Funding, then the amount of primary  
19 State aid allotted to the school district shall be  
20 increased by a supplemental grant in the amount of 50% of  
21 the difference between Hold Harmless State Funding and  
22 Total Primary State Aid. If, for the 2017-2018 school year,  
23 the Total Primary State Aid remains less than Hold Harmless  
24 State Funding, then the amount of primary State aid  
25 allotted to the school district shall be increased by a  
26 supplemental grant in the amount of 25% of the difference

1       between Hold Harmless State Funding and Total Primary State  
2       Aid.

3       (B) If, for the 2015-2016 school year, the Total  
4       Primary State Aid is more than Hold Harmless State Funding,  
5       then the amount of primary State aid allotted to the school  
6       district shall be decreased by 75% of the difference  
7       between Hold Harmless State Funding and Total Primary State  
8       Aid. If, for the 2016-2017 school year, the Total Primary  
9       State Aid is more than Hold Harmless State Funding, then  
10       the amount of primary State aid allotted to the school  
11       district shall be decreased by 50% of the difference  
12       between Hold Harmless State Funding and Total Primary State  
13       Aid. If, for the 2017-2018 school year, the Total Primary  
14       State Aid is more than Hold Harmless State Funding, then  
15       the amount of primary State aid allotted to the school  
16       district shall be decreased by 25% of the difference  
17       between Hold Harmless State Funding and Total Primary State  
18       Aid.

19       (i) Grants to Laboratory and Alternative Schools. In  
20       calculating the amount to be paid to the governing board of a  
21       public university that operates a Laboratory School or to any  
22       Alternative School that is operated by a regional  
23       superintendent of schools, the State Board of Education shall  
24       require, by rule, such reporting requirements as it deems  
25       necessary. Each Laboratory and Alternative School shall file,  
26       on forms provided by the State Superintendent of Education, an

1 annual State aid claim that states the Average Daily Attendance  
2 of the school's students by month. The best 3 months' Average  
3 Daily Attendance shall be computed for each school. The primary  
4 State aid entitlement shall be computed by multiplying the  
5 applicable Average Daily Attendance by 105% of the Foundation  
6 Level.

7 (j) District improvement plans, attendance center  
8 distributions, and special education maintenance of State  
9 financial support.

10 (1) Each school district making insufficient annual  
11 progress, as determined by the State Board of Education, in the  
12 educational performance of Low-income Pupils, Pupils of  
13 Limited English-speaking Ability, or children with  
14 disabilities shall demonstrate, in accordance with  
15 requirements adopted by the State Board of Education, how local  
16 and State funds will be used for strategies that give priority  
17 to meeting the educational needs of each such category of  
18 pupils for which the school district is making insufficient  
19 annual progress. For each such category of pupils, budget  
20 information submitted in accordance with State Board of  
21 Education requirements must demonstrate that the combined  
22 amount of local funds and primary State aid funds budgeted for  
23 strategies that give priority to that category of pupils is  
24 proportionate or higher, on either an aggregate or per-pupil  
25 basis, to the proportion of the Weighted Foundation Level  
26 Budget attributable to that category of pupils. The State Board

1 of Education may adopt exceptions to the requirement for  
2 proportionate or higher budgeting to address small pupil  
3 subgroup populations, changes in pupil enrollment, or  
4 extraordinary expenditures required for any school year. The  
5 State Board of Education may also adopt exceptions to the  
6 requirement for proportionate or higher budgeting for any  
7 school district to implement district-wide or school-wide  
8 strategies if the school district or school has a high  
9 percentage of pupils in any particular category relative to  
10 statewide averages and the district can demonstrate in its plan  
11 that a district-wide or school-wide strategy is more likely to  
12 achieve the district's educational objectives for a category of  
13 pupils than a targeted strategy. If a school district fails to  
14 adhere to proportionate or higher budgeting in accordance with  
15 this paragraph (1), the school district must take corrective  
16 action in accordance with requirements adopted by the State  
17 Board of Education. If corrective action is not taken, the  
18 State Board of Education shall deduct, from primary State aid  
19 payments otherwise due the district, an amount equal to the  
20 amount by which the district failed to adhere to the  
21 proportionate or higher requirement.

22 (2) School districts with an Average Daily Attendance of  
23 50,000 or more shall be required to distribute, from funds  
24 available pursuant to this Section, no less than \$261,000,000  
25 in accordance with the following requirements:

26 (A) The required amounts shall be distributed to the

1 attendance centers within the district in proportion to the  
2 number of Low-income Pupils enrolled at each attendance  
3 center during the current school year.

4 (B) The distribution of these portions of primary State  
5 aid among attendance centers according to these  
6 requirements shall not be compensated for or contravened by  
7 adjustments of the total of other funds appropriated to any  
8 attendance centers, and the board of education shall  
9 utilize funding from one or several sources in order to  
10 fully implement this paragraph (2) annually prior to the  
11 opening of school.

12 (C) Each attendance center shall be provided, by the  
13 school district, with a distribution of other funds to  
14 which the attendance center is entitled under law in order  
15 that the primary State aid provided by application of this  
16 paragraph (2) supplements rather than supplants the other  
17 funds provided by the school district to the attendance  
18 centers.

19 (D) Funds received by an attendance center pursuant to  
20 this paragraph (2) shall be used by the attendance center  
21 at the discretion of the principal and local school council  
22 for programs to improve educational opportunities at  
23 qualifying schools through the following programs and  
24 services: early childhood education, reduced class size or  
25 improved adult to student classroom ratios, enrichment  
26 programs, remedial assistance, attendance improvement, and



1 other educationally beneficial expenditures that  
2 supplement the regular and basic programs as determined by  
3 the State Board of Education. Funds provided shall not be  
4 expended for any political or lobbying purposes as defined  
5 by rule of the State Board.

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

22 Upon notification by the State Board of Education that  
23 the district has not submitted a plan prior to July 15 or a  
24 modified plan within the time period specified in this  
25 subdivision (E), the State aid funds affected by that plan  
26 or modified plan shall be withheld by the State Board of

1 Education until a plan or modified plan is submitted.

2 If the district fails to distribute State aid to  
3 attendance centers in accordance with an approved plan, the  
4 plan for the following year shall allocate funds, in  
5 addition to the funds otherwise required by this paragraph  
6 (2), to those attendance centers that were underfunded  
7 during the previous year in amounts equal to such  
8 underfunding.

9 For purposes of determining compliance with this paragraph  
10 (2) in relation to the requirements of attendance center  
11 funding, each district subject to the provisions of this  
12 paragraph (2) shall submit as a separate document, on or before  
13 December 1 of each year, a report of expenditure data for the  
14 prior year in addition to any modification of its current plan.  
15 If it is determined that there has been a failure to comply  
16 with the expenditure provisions of this paragraph (2) regarding  
17 contravention or supplanting, the State Superintendent of  
18 Education shall, within 60 days after receipt of the report,  
19 notify the district and any affected local school council. The  
20 district shall, within 45 days after receipt of that  
21 notification, inform the State Superintendent of Education of  
22 the remedial or corrective action to be taken, whether by  
23 amendment of the current plan, if feasible, or by adjustment in  
24 the plan for the following year. Failure to provide the  
25 expenditure report or the notification of remedial or  
26 corrective action in a timely manner shall result in a

1 withholding of the affected funds.

2 The State Board of Education shall adopt rules to implement  
3 the provisions of this paragraph (2). No funds shall be  
4 released under this paragraph (2) to any district that has not  
5 submitted a plan that has been approved by the State Board of  
6 Education.

7 (3) Each fiscal year, the State Board of Education shall  
8 calculate for each school district an amount of its Total  
9 Primary State Aid funding that shall be deemed attributable to  
10 the provision of special educational facilities and services,  
11 as defined in Section 14-1.08 of this Code, in a manner that  
12 ensures compliance with maintenance of State financial support  
13 requirements under the federal Individuals with Disabilities  
14 Education Act. A school district must use such funds only for  
15 the provision of special educational facilities and services,  
16 as defined in Section 14-1.08 of this Code, and must comply  
17 with any expenditure verification procedures adopted by the  
18 State Board of Education.

19 (k) Education Funding Advisory Board. For the 2017-2018 and  
20 subsequent school years, the Education Funding Advisory Board  
21 established pursuant to subsection (M) of Section 18-8.05 of  
22 this Code, in consultation with the State Board of Education,  
23 shall make recommendations as provided in this subsection (k)  
24 to the General Assembly for the Foundation Level under  
25 paragraph (2) of subsection (b) of this Section. The  
26 recommended foundation level shall be determined based on

1 consideration of 2 separate methodologies:

2 (1) a methodology that incorporates the basic  
3 education expenditures of low-spending schools exhibiting  
4 high academic performance; and

5 (2) an evidence-based methodology that identifies an  
6 educational program that includes research-based  
7 educational strategies and uses the cost of that program to  
8 determine the cost of education.

9 The Education Funding Advisory Board shall make its  
10 recommendations to the General Assembly on or before January 31  
11 of odd-numbered years, beginning on or before January 31, 2017.

12 (1) Primary State Aid Review Committee. The State  
13 Superintendent of Education shall appoint a committee of no  
14 more than 20 members, consisting of school administrators,  
15 school business officials, school financing experts, parents,  
16 teachers, and concerned citizens to review the administration  
17 of primary State aid in this State and the impact on school  
18 district finances of this amendatory Act of the 99th General  
19 Assembly. The State Superintendent of Education shall ensure  
20 that the membership of the Committee includes representatives  
21 from school districts reflecting the geographic and  
22 socio-economic diversity of this State. The Committee shall  
23 make periodic recommendations to the State Superintendent of  
24 Education and the General Assembly concerning the  
25 administration of primary State aid, any administrative rules  
26 needed for the implementation of this Section, and suggestions

1 for amending this Section or other Sections of this Code to  
2 achieve a school funding system that provides adequate,  
3 equitable, transparent, and accountable distribution of funds  
4 to school districts that will prepare students for success  
5 after high school. By no later than January 31, 2017 and  
6 January 31 of each odd-numbered year thereafter, the Committee  
7 shall submit a report with recommendations to the State  
8 Superintendent and General Assembly. The report submitted by no  
9 later than January 31, 2017 must address the following:

10 (1) whether to relate funding through the primary State  
11 aid formula to district accountability or accreditation  
12 status;

13 (2) whether to include funding for State career and  
14 technical education and transportation for children  
15 described in Section 14-1.02 of this Code within the  
16 primary State aid formula;

17 (3) whether to account for municipal impact fees,  
18 distributions from a special tax allocation fund  
19 established in relation to tax increment allocation  
20 financing, available fund balances maintained by a  
21 financial institution, and other similar funds received or  
22 maintained by school districts in the calculation of  
23 Available Local Resources Per Pupil; and

24 (4) methods for reducing State liability for PTELL PSA  
25 Adjustments.

26 (m) Adequacy study. Subject to the availability of funding

1 through appropriations made specifically for this purpose, by  
2 no later than 10 months after the first meeting of the Primary  
3 State Aid Review Committee established pursuant to subsection  
4 (1) of this Section, the State Board of Education shall  
5 contract with a public or private entity to conduct a study of  
6 the adequacy of education funding in this State, which study  
7 must be completed by no later than 10 months from the  
8 contract's effective date. At a minimum, the adequacy study  
9 shall:

10 (1) identify a base funding level for students without  
11 special needs necessary to meet adequate growth;

12 (2) include per pupil weights for students with special  
13 needs to be applied to the base funding level;

14 (3) include an analysis of the effect of concentrations  
15 of poverty on adequacy targets;

16 (4) include an analysis of the assumed school district  
17 tax rates that should be included within the funding  
18 formula; and

19 (5) in collaboration with the Illinois Early Learning  
20 Council, include an analysis of what level of Preschool for  
21 All Children funding would be necessary to serve all  
22 children ages 0-5 years in the highest-priority service  
23 tier (as specified in paragraph (4.5) of subsection (a) of  
24 Section 2-3.71 of this Code) and an analysis of the  
25 potential cost savings that that level of Preschool for All  
26 Children investment would have on the kindergarten through

1       grade 12 system.

2       (n) References. On and after July 1, 2015, references in  
3 other laws to general State aid funds or calculations under  
4 Section 18-8.05 of this Code shall be deemed to be references  
5 to primary State aid funds or calculations under this Section.

6           (105 ILCS 5/18-9) (from Ch. 122, par. 18-9)

7       Sec. 18-9. Requirement for special equalization and  
8 supplementary State aid. If property comprising an aggregate  
9 assessed valuation equal to 6% or more of the total assessed  
10 valuation of all taxable property in a school district is owned  
11 by a person or corporation that is the subject of bankruptcy  
12 proceedings or that has been adjudged bankrupt and, as a result  
13 thereof, has not paid taxes on the property, then the district  
14 may amend its general State aid or primary State aid claim (i)  
15 back to the inception of the bankruptcy, not to exceed 6 years,  
16 in which time those taxes were not paid and (ii) for each  
17 succeeding year that those taxes remain unpaid, by adding to  
18 the claim an amount determined by multiplying the assessed  
19 valuation of the property on which taxes have not been paid due  
20 to the bankruptcy by the lesser of the total tax rate for the  
21 district for the tax year for which the taxes are unpaid or the  
22 applicable rate used in calculating the district's general  
23 State aid under paragraph (3) of subsection (D) of Section  
24 18-8.05 of this Code or primary State aid under paragraph (3)  
25 of subsection (d) of Section 18-8.15 of this Code, as

1 applicable. If at any time a district that receives additional  
2 State aid under this Section receives tax revenue from the  
3 property for the years that taxes were not paid, the district's  
4 next claim for State aid shall be reduced in an amount equal to  
5 the taxes paid on the property, not to exceed the additional  
6 State aid received under this Section. Claims under this  
7 Section shall be filed on forms prescribed by the State  
8 Superintendent of Education, and the State Superintendent of  
9 Education, upon receipt of a claim, shall adjust the claim in  
10 accordance with the provisions of this Section. Supplementary  
11 State aid for each succeeding year under this Section shall be  
12 paid beginning with the first general State aid or primary  
13 State aid claim paid after the district has filed a completed  
14 claim in accordance with this Section.

15 (Source: P.A. 95-496, eff. 8-28-07.)

16 (105 ILCS 5/18-12) (from Ch. 122, par. 18-12)

17 Sec. 18-12. Dates for filing State aid claims. The school  
18 board of each school district shall require teachers,  
19 principals, or superintendents to furnish from records kept by  
20 them such data as it needs in preparing and certifying to the  
21 regional superintendent its school district report of claims  
22 provided in Sections 18-8.05 through 18-9 as required by the  
23 State Superintendent of Education. The district claim shall be  
24 based on the latest available equalized assessed valuation and  
25 tax rates, as provided in Section 18-8.05 or 18-8.15 and shall



1 use the average daily attendance as determined by the method  
2 outlined in Section 18-8.05 or 18-8.15 and shall be certified  
3 and filed with the regional superintendent by June 21 for  
4 districts with an official school calendar end date before June  
5 15 or within 2 weeks following the official school calendar end  
6 date for districts with a school year end date of June 15 or  
7 later. The regional superintendent shall certify and file with  
8 the State Superintendent of Education district State aid claims  
9 by July 1 for districts with an official school calendar end  
10 date before June 15 or no later than July 15 for districts with  
11 an official school calendar end date of June 15 or later.  
12 Failure to so file by these deadlines constitutes a forfeiture  
13 of the right to receive payment by the State until such claim  
14 is filed and vouchered for payment. The regional superintendent  
15 of schools shall certify the county report of claims by July  
16 15; and the State Superintendent of Education shall voucher for  
17 payment those claims to the State Comptroller as provided in  
18 Section 18-11.

19 Except as otherwise provided in this Section, if any school  
20 district fails to provide the minimum school term specified in  
21 Section 10-19, the State aid claim for that year shall be  
22 reduced by the State Superintendent of Education in an amount  
23 equivalent to 1/176 or .56818% for each day less than the  
24 number of days required by this Code.

25 If the State Superintendent of Education determines that  
26 the failure to provide the minimum school term was occasioned

1 by an act or acts of God, or was occasioned by conditions  
2 beyond the control of the school district which posed a  
3 hazardous threat to the health and safety of pupils, the State  
4 aid claim need not be reduced.

5 If a school district is precluded from providing the  
6 minimum hours of instruction required for a full day of  
7 attendance due to an adverse weather condition or a condition  
8 beyond the control of the school district that poses a  
9 hazardous threat to the health and safety of students, then the  
10 partial day of attendance may be counted if (i) the school  
11 district has provided at least one hour of instruction prior to  
12 the closure of the school district, (ii) a school building has  
13 provided at least one hour of instruction prior to the closure  
14 of the school building, or (iii) the normal start time of the  
15 school district is delayed.

16 If, prior to providing any instruction, a school district  
17 must close one or more but not all school buildings after  
18 consultation with a local emergency response agency or due to a  
19 condition beyond the control of the school district, then the  
20 school district may claim attendance for up to 2 school days  
21 based on the average attendance of the 3 school days  
22 immediately preceding the closure of the affected school  
23 building. The partial or no day of attendance described in this  
24 Section and the reasons therefore shall be certified within a  
25 month of the closing or delayed start by the school district  
26 superintendent to the regional superintendent of schools for

1 forwarding to the State Superintendent of Education for  
2 approval.

3 No exception to the requirement of providing a minimum  
4 school term may be approved by the State Superintendent of  
5 Education pursuant to this Section unless a school district has  
6 first used all emergency days provided for in its regular  
7 calendar.

8 If the State Superintendent of Education declares that an  
9 energy shortage exists during any part of the school year for  
10 the State or a designated portion of the State, a district may  
11 operate the school attendance centers within the district 4  
12 days of the week during the time of the shortage by extending  
13 each existing school day by one clock hour of school work, and  
14 the State aid claim shall not be reduced, nor shall the  
15 employees of that district suffer any reduction in salary or  
16 benefits as a result thereof. A district may operate all  
17 attendance centers on this revised schedule, or may apply the  
18 schedule to selected attendance centers, taking into  
19 consideration such factors as pupil transportation schedules  
20 and patterns and sources of energy for individual attendance  
21 centers.

22 Electronically submitted State aid claims shall be  
23 submitted by duly authorized district or regional individuals  
24 over a secure network that is password protected. The  
25 electronic submission of a State aid claim must be accompanied  
26 with an affirmation that all of the provisions of Sections

1 18-8.05 through 18-9, 10-22.5, and 24-4 of this Code are met in  
2 all respects.

3 (Source: P.A. 95-152, eff. 8-14-07; 95-811, eff. 8-13-08;  
4 95-876, eff. 8-21-08; 96-734, eff. 8-25-09.)

5 (105 ILCS 5/26-16)

6 Sec. 26-16. Graduation incentives program.

7 (a) The General Assembly finds that it is critical to  
8 provide options for children to succeed in school. The purpose  
9 of this Section is to provide incentives for and encourage all  
10 Illinois students who have experienced or are experiencing  
11 difficulty in the traditional education system to enroll in  
12 alternative programs.

13 (b) Any student who is below the age of 20 years is  
14 eligible to enroll in a graduation incentives program if he or  
15 she:

16 (1) is considered a dropout pursuant to Section 26-2a  
17 of this Code;

18 (2) has been suspended or expelled pursuant to Section  
19 10-22.6 or 34-19 of this Code;

20 (3) is pregnant or is a parent;

21 (4) has been assessed as chemically dependent; or

22 (5) is enrolled in a bilingual education or LEP  
23 program.

24 (c) The following programs qualify as graduation  
25 incentives programs for students meeting the criteria

1 established in this Section:

2 (1) Any public elementary or secondary education  
3 graduation incentives program established by a school  
4 district or by a regional office of education.

5 (2) Any alternative learning opportunities program  
6 established pursuant to Article 13B of this Code.

7 (3) Vocational or job training courses approved by the  
8 State Superintendent of Education that are available  
9 through the Illinois public community college system.  
10 Students may apply for reimbursement of 50% of tuition  
11 costs for one course per semester or a maximum of 3 courses  
12 per school year. Subject to available funds, students may  
13 apply for reimbursement of up to 100% of tuition costs upon  
14 a showing of employment within 6 months after completion of  
15 a vocational or job training program. The qualifications  
16 for reimbursement shall be established by the State  
17 Superintendent of Education by rule.

18 (4) Job and career programs approved by the State  
19 Superintendent of Education that are available through  
20 Illinois-accredited private business and vocational  
21 schools. Subject to available funds, pupils may apply for  
22 reimbursement of up to 100% of tuition costs upon a showing  
23 of employment within 6 months after completion of a job or  
24 career program. The State Superintendent of Education  
25 shall establish, by rule, the qualifications for  
26 reimbursement, criteria for determining reimbursement

1 amounts, and limits on reimbursement.

2 (5) Adult education courses that offer preparation for  
3 high school equivalency testing.

4 (d) Graduation incentives programs established by school  
5 districts are entitled to claim general State aid and primary  
6 State aid, subject to Sections 13B-50, 13B-50.5, and 13B-50.10  
7 of this Code. Graduation incentives programs operated by  
8 regional offices of education are entitled to receive general  
9 State aid and primary State aid at the foundation level of  
10 support per pupil enrolled. A school district must ensure that  
11 its graduation incentives program receives supplemental  
12 general State aid, transportation reimbursements, and special  
13 education resources, if appropriate, for students enrolled in  
14 the program.

15 (Source: P.A. 98-718, eff. 1-1-15.)

16 (105 ILCS 5/27-8.1) (from Ch. 122, par. 27-8.1)

17 Sec. 27-8.1. Health examinations and immunizations.

18 (1) In compliance with rules and regulations which the  
19 Department of Public Health shall promulgate, and except as  
20 hereinafter provided, all children in Illinois shall have a  
21 health examination as follows: within one year prior to  
22 entering kindergarten or the first grade of any public,  
23 private, or parochial elementary school; upon entering the  
24 sixth and ninth grades of any public, private, or parochial  
25 school; prior to entrance into any public, private, or

1 parochial nursery school; and, irrespective of grade,  
2 immediately prior to or upon entrance into any public, private,  
3 or parochial school or nursery school, each child shall present  
4 proof of having been examined in accordance with this Section  
5 and the rules and regulations promulgated hereunder. Any child  
6 who received a health examination within one year prior to  
7 entering the fifth grade for the 2007-2008 school year is not  
8 required to receive an additional health examination in order  
9 to comply with the provisions of Public Act 95-422 when he or  
10 she attends school for the 2008-2009 school year, unless the  
11 child is attending school for the first time as provided in  
12 this paragraph.

13 A tuberculosis skin test screening shall be included as a  
14 required part of each health examination included under this  
15 Section if the child resides in an area designated by the  
16 Department of Public Health as having a high incidence of  
17 tuberculosis. Additional health examinations of pupils,  
18 including eye examinations, may be required when deemed  
19 necessary by school authorities. Parents are encouraged to have  
20 their children undergo eye examinations at the same points in  
21 time required for health examinations.

22 (1.5) In compliance with rules adopted by the Department of  
23 Public Health and except as otherwise provided in this Section,  
24 all children in kindergarten and the second and sixth grades of  
25 any public, private, or parochial school shall have a dental  
26 examination. Each of these children shall present proof of

1 having been examined by a dentist in accordance with this  
2 Section and rules adopted under this Section before May 15th of  
3 the school year. If a child in the second or sixth grade fails  
4 to present proof by May 15th, the school may hold the child's  
5 report card until one of the following occurs: (i) the child  
6 presents proof of a completed dental examination or (ii) the  
7 child presents proof that a dental examination will take place  
8 within 60 days after May 15th. The Department of Public Health  
9 shall establish, by rule, a waiver for children who show an  
10 undue burden or a lack of access to a dentist. Each public,  
11 private, and parochial school must give notice of this dental  
12 examination requirement to the parents and guardians of  
13 students at least 60 days before May 15th of each school year.

14 (1.10) Except as otherwise provided in this Section, all  
15 children enrolling in kindergarten in a public, private, or  
16 parochial school on or after the effective date of this  
17 amendatory Act of the 95th General Assembly and any student  
18 enrolling for the first time in a public, private, or parochial  
19 school on or after the effective date of this amendatory Act of  
20 the 95th General Assembly shall have an eye examination. Each  
21 of these children shall present proof of having been examined  
22 by a physician licensed to practice medicine in all of its  
23 branches or a licensed optometrist within the previous year, in  
24 accordance with this Section and rules adopted under this  
25 Section, before October 15th of the school year. If the child  
26 fails to present proof by October 15th, the school may hold the



1 child's report card until one of the following occurs: (i) the  
2 child presents proof of a completed eye examination or (ii) the  
3 child presents proof that an eye examination will take place  
4 within 60 days after October 15th. The Department of Public  
5 Health shall establish, by rule, a waiver for children who show  
6 an undue burden or a lack of access to a physician licensed to  
7 practice medicine in all of its branches who provides eye  
8 examinations or to a licensed optometrist. Each public,  
9 private, and parochial school must give notice of this eye  
10 examination requirement to the parents and guardians of  
11 students in compliance with rules of the Department of Public  
12 Health. Nothing in this Section shall be construed to allow a  
13 school to exclude a child from attending because of a parent's  
14 or guardian's failure to obtain an eye examination for the  
15 child.

16 (2) The Department of Public Health shall promulgate rules  
17 and regulations specifying the examinations and procedures  
18 that constitute a health examination, which shall include the  
19 collection of data relating to obesity (including at a minimum,  
20 date of birth, gender, height, weight, blood pressure, and date  
21 of exam), and a dental examination and may recommend by rule  
22 that certain additional examinations be performed. The rules  
23 and regulations of the Department of Public Health shall  
24 specify that a tuberculosis skin test screening shall be  
25 included as a required part of each health examination included  
26 under this Section if the child resides in an area designated

1 by the Department of Public Health as having a high incidence  
2 of tuberculosis. The Department of Public Health shall specify  
3 that a diabetes screening as defined by rule shall be included  
4 as a required part of each health examination. Diabetes testing  
5 is not required.

6 Physicians licensed to practice medicine in all of its  
7 branches, advanced practice nurses who have a written  
8 collaborative agreement with a collaborating physician which  
9 authorizes them to perform health examinations, or physician  
10 assistants who have been delegated the performance of health  
11 examinations by their supervising physician shall be  
12 responsible for the performance of the health examinations,  
13 other than dental examinations, eye examinations, and vision  
14 and hearing screening, and shall sign all report forms required  
15 by subsection (4) of this Section that pertain to those  
16 portions of the health examination for which the physician,  
17 advanced practice nurse, or physician assistant is  
18 responsible. If a registered nurse performs any part of a  
19 health examination, then a physician licensed to practice  
20 medicine in all of its branches must review and sign all  
21 required report forms. Licensed dentists shall perform all  
22 dental examinations and shall sign all report forms required by  
23 subsection (4) of this Section that pertain to the dental  
24 examinations. Physicians licensed to practice medicine in all  
25 its branches or licensed optometrists shall perform all eye  
26 examinations required by this Section and shall sign all report

1 forms required by subsection (4) of this Section that pertain  
2 to the eye examination. For purposes of this Section, an eye  
3 examination shall at a minimum include history, visual acuity,  
4 subjective refraction to best visual acuity near and far,  
5 internal and external examination, and a glaucoma evaluation,  
6 as well as any other tests or observations that in the  
7 professional judgment of the doctor are necessary. Vision and  
8 hearing screening tests, which shall not be considered  
9 examinations as that term is used in this Section, shall be  
10 conducted in accordance with rules and regulations of the  
11 Department of Public Health, and by individuals whom the  
12 Department of Public Health has certified. In these rules and  
13 regulations, the Department of Public Health shall require that  
14 individuals conducting vision screening tests give a child's  
15 parent or guardian written notification, before the vision  
16 screening is conducted, that states, "Vision screening is not a  
17 substitute for a complete eye and vision evaluation by an eye  
18 doctor. Your child is not required to undergo this vision  
19 screening if an optometrist or ophthalmologist has completed  
20 and signed a report form indicating that an examination has  
21 been administered within the previous 12 months."

22 (3) Every child shall, at or about the same time as he or  
23 she receives a health examination required by subsection (1) of  
24 this Section, present to the local school proof of having  
25 received such immunizations against preventable communicable  
26 diseases as the Department of Public Health shall require by

1 rules and regulations promulgated pursuant to this Section and  
2 the Communicable Disease Prevention Act.

3 (4) The individuals conducting the health examination,  
4 dental examination, or eye examination shall record the fact of  
5 having conducted the examination, and such additional  
6 information as required, including for a health examination  
7 data relating to obesity (including at a minimum, date of  
8 birth, gender, height, weight, blood pressure, and date of  
9 exam), on uniform forms which the Department of Public Health  
10 and the State Board of Education shall prescribe for statewide  
11 use. The examiner shall summarize on the report form any  
12 condition that he or she suspects indicates a need for special  
13 services, including for a health examination factors relating  
14 to obesity. The individuals confirming the administration of  
15 required immunizations shall record as indicated on the form  
16 that the immunizations were administered.

17 (5) If a child does not submit proof of having had either  
18 the health examination or the immunization as required, then  
19 the child shall be examined or receive the immunization, as the  
20 case may be, and present proof by October 15 of the current  
21 school year, or by an earlier date of the current school year  
22 established by a school district. To establish a date before  
23 October 15 of the current school year for the health  
24 examination or immunization as required, a school district must  
25 give notice of the requirements of this Section 60 days prior  
26 to the earlier established date. If for medical reasons one or

1 more of the required immunizations must be given after October  
2 15 of the current school year, or after an earlier established  
3 date of the current school year, then the child shall present,  
4 by October 15, or by the earlier established date, a schedule  
5 for the administration of the immunizations and a statement of  
6 the medical reasons causing the delay, both the schedule and  
7 the statement being issued by the physician, advanced practice  
8 nurse, physician assistant, registered nurse, or local health  
9 department that will be responsible for administration of the  
10 remaining required immunizations. If a child does not comply by  
11 October 15, or by the earlier established date of the current  
12 school year, with the requirements of this subsection, then the  
13 local school authority shall exclude that child from school  
14 until such time as the child presents proof of having had the  
15 health examination as required and presents proof of having  
16 received those required immunizations which are medically  
17 possible to receive immediately. During a child's exclusion  
18 from school for noncompliance with this subsection, the child's  
19 parents or legal guardian shall be considered in violation of  
20 Section 26-1 and subject to any penalty imposed by Section  
21 26-10. This subsection (5) does not apply to dental  
22 examinations and eye examinations. If the student is an  
23 out-of-state transfer student and does not have the proof  
24 required under this subsection (5) before October 15 of the  
25 current year or whatever date is set by the school district,  
26 then he or she may only attend classes (i) if he or she has

1 proof that an appointment for the required vaccinations has  
2 been scheduled with a party authorized to submit proof of the  
3 required vaccinations. If the proof of vaccination required  
4 under this subsection (5) is not submitted within 30 days after  
5 the student is permitted to attend classes, then the student is  
6 not to be permitted to attend classes until proof of the  
7 vaccinations has been properly submitted. No school district or  
8 employee of a school district shall be held liable for any  
9 injury or illness to another person that results from admitting  
10 an out-of-state transfer student to class that has an  
11 appointment scheduled pursuant to this subsection (5).

12 (6) Every school shall report to the State Board of  
13 Education by November 15, in the manner which that agency shall  
14 require, the number of children who have received the necessary  
15 immunizations and the health examination (other than a dental  
16 examination or eye examination) as required, indicating, of  
17 those who have not received the immunizations and examination  
18 as required, the number of children who are exempt from health  
19 examination and immunization requirements on religious or  
20 medical grounds as provided in subsection (8). On or before  
21 December 1 of each year, every public school district and  
22 registered nonpublic school shall make publicly available the  
23 immunization data they are required to submit to the State  
24 Board of Education by November 15. The immunization data made  
25 publicly available must be identical to the data the school  
26 district or school has reported to the State Board of

1 Education.

2 Every school shall report to the State Board of Education  
3 by June 30, in the manner that the State Board requires, the  
4 number of children who have received the required dental  
5 examination, indicating, of those who have not received the  
6 required dental examination, the number of children who are  
7 exempt from the dental examination on religious grounds as  
8 provided in subsection (8) of this Section and the number of  
9 children who have received a waiver under subsection (1.5) of  
10 this Section.

11 Every school shall report to the State Board of Education  
12 by June 30, in the manner that the State Board requires, the  
13 number of children who have received the required eye  
14 examination, indicating, of those who have not received the  
15 required eye examination, the number of children who are exempt  
16 from the eye examination as provided in subsection (8) of this  
17 Section, the number of children who have received a waiver  
18 under subsection (1.10) of this Section, and the total number  
19 of children in noncompliance with the eye examination  
20 requirement.

21 The reported information under this subsection (6) shall be  
22 provided to the Department of Public Health by the State Board  
23 of Education.

24 (7) Upon determining that the number of pupils who are  
25 required to be in compliance with subsection (5) of this  
26 Section is below 90% of the number of pupils enrolled in the

1 school district, 10% of each State aid payment made pursuant to  
2 Section 18-8.05 or 18-8.15 to the school district for such year  
3 may be withheld by the State Board of Education until the  
4 number of students in compliance with subsection (5) is the  
5 applicable specified percentage or higher.

6 (8) Parents or legal guardians who object to health,  
7 dental, or eye examinations or any part thereof, or to  
8 immunizations, on religious grounds shall not be required to  
9 submit their children or wards to the examinations or  
10 immunizations to which they so object if such parents or legal  
11 guardians present to the appropriate local school authority a  
12 signed statement of objection, detailing the grounds for the  
13 objection. If the physical condition of the child is such that  
14 any one or more of the immunizing agents should not be  
15 administered, the examining physician, advanced practice  
16 nurse, or physician assistant responsible for the performance  
17 of the health examination shall endorse that fact upon the  
18 health examination form. Exempting a child from the health,  
19 dental, or eye examination does not exempt the child from  
20 participation in the program of physical education training  
21 provided in Sections 27-5 through 27-7 of this Code.

22 (9) For the purposes of this Section, "nursery schools"  
23 means those nursery schools operated by elementary school  
24 systems or secondary level school units or institutions of  
25 higher learning.

26 (Source: P.A. 97-216, eff. 1-1-12; 97-910, eff. 1-1-13; 98-673,



1 eff. 6-30-14.)

2 (105 ILCS 5/27A-9)

3 Sec. 27A-9. Term of charter; renewal.

4 (a) A charter may be granted for a period not less than 5  
5 and not more than 10 school years. A charter may be renewed in  
6 incremental periods not to exceed 5 school years.

7 (b) A charter school renewal proposal submitted to the  
8 local school board or the Commission, as the chartering entity,  
9 shall contain:

10 (1) A report on the progress of the charter school in  
11 achieving the goals, objectives, pupil performance  
12 standards, content standards, and other terms of the  
13 initial approved charter proposal; and

14 (2) A financial statement that discloses the costs of  
15 administration, instruction, and other spending categories  
16 for the charter school that is understandable to the  
17 general public and that will allow comparison of those  
18 costs to other schools or other comparable organizations,  
19 in a format required by the State Board.

20 (c) A charter may be revoked or not renewed if the local  
21 school board or the Commission, as the chartering entity,  
22 clearly demonstrates that the charter school did any of the  
23 following, or otherwise failed to comply with the requirements  
24 of this law:

25 (1) Committed a material violation of any of the

1 conditions, standards, or procedures set forth in the  
2 charter.

3 (2) Failed to meet or make reasonable progress toward  
4 achievement of the content standards or pupil performance  
5 standards identified in the charter.

6 (3) Failed to meet generally accepted standards of  
7 fiscal management.

8 (4) Violated any provision of law from which the  
9 charter school was not exempted.

10 In the case of revocation, the local school board or the  
11 Commission, as the chartering entity, shall notify the charter  
12 school in writing of the reason why the charter is subject to  
13 revocation. The charter school shall submit a written plan to  
14 the local school board or the Commission, whichever is  
15 applicable, to rectify the problem. The plan shall include a  
16 timeline for implementation, which shall not exceed 2 years or  
17 the date of the charter's expiration, whichever is earlier. If  
18 the local school board or the Commission, as the chartering  
19 entity, finds that the charter school has failed to implement  
20 the plan of remediation and adhere to the timeline, then the  
21 chartering entity shall revoke the charter. Except in  
22 situations of an emergency where the health, safety, or  
23 education of the charter school's students is at risk, the  
24 revocation shall take place at the end of a school year.  
25 Nothing in this amendatory Act of the 96th General Assembly  
26 shall be construed to prohibit an implementation timetable that

1 is less than 2 years in duration.

2 (d) (Blank).

3 (e) Notice of a local school board's decision to deny,  
4 revoke or not to renew a charter shall be provided to the  
5 Commission and the State Board. The Commission may reverse a  
6 local board's decision if the Commission finds that the charter  
7 school or charter school proposal (i) is in compliance with  
8 this Article, and (ii) is in the best interests of the students  
9 it is designed to serve. The Commission may condition the  
10 granting of an appeal on the acceptance by the charter school  
11 of funding in an amount less than that requested in the  
12 proposal submitted to the local school board. Final decisions  
13 of the Commission shall be subject to judicial review under the  
14 Administrative Review Law.

15 (f) Notwithstanding other provisions of this Article, if  
16 the Commission on appeal reverses a local board's decision or  
17 if a charter school is approved by referendum, the Commission  
18 shall act as the authorized chartering entity for the charter  
19 school. The Commission shall approve the charter and shall  
20 perform all functions under this Article otherwise performed by  
21 the local school board. The State Board shall determine whether  
22 the charter proposal approved by the Commission is consistent  
23 with the provisions of this Article and, if the approved  
24 proposal complies, certify the proposal pursuant to this  
25 Article. The State Board shall report the aggregate number of  
26 charter school pupils resident in a school district to that

1 district and shall notify the district of the amount of funding  
2 to be paid by the State Board to the charter school enrolling  
3 such students. The Commission shall require the charter school  
4 to maintain accurate records of daily attendance that shall be  
5 deemed sufficient to file claims under Section 18-8.05 or  
6 18-8.15 notwithstanding any other requirements of that Section  
7 regarding hours of instruction and teacher certification. The  
8 State Board shall withhold from funds otherwise due the  
9 district the funds authorized by this Article to be paid to the  
10 charter school and shall pay such amounts to the charter  
11 school.

12 (g) For charter schools authorized by the Commission, the  
13 Commission shall quarterly certify to the State Board the  
14 student enrollment for each of its charter schools.

15 (h) For charter schools authorized by the Commission, the  
16 State Board shall pay directly to a charter school any federal  
17 or State aid attributable to a student with a disability  
18 attending the school.

19 (Source: P.A. 97-152, eff. 7-20-11; 98-739, eff. 7-16-14.)

20 (105 ILCS 5/27A-11)

21 Sec. 27A-11. Local financing.

22 (a) For purposes of the School Code, pupils enrolled in a  
23 charter school shall be included in the pupil enrollment of the  
24 school district within which the pupil resides. Each charter  
25 school (i) shall determine the school district in which each

1 pupil who is enrolled in the charter school resides, (ii) shall  
2 report the aggregate number of pupils resident of a school  
3 district who are enrolled in the charter school to the school  
4 district in which those pupils reside, and (iii) shall maintain  
5 accurate records of daily attendance that shall be deemed  
6 sufficient to file claims under Section 18-8 or 18-8.15  
7 notwithstanding any other requirements of that Section  
8 regarding hours of instruction and teacher certification.

9 (b) Except for a charter school established by referendum  
10 under Section 27A-6.5, as part of a charter school contract,  
11 the charter school and the local school board shall agree on  
12 funding and any services to be provided by the school district  
13 to the charter school. Agreed funding that a charter school is  
14 to receive from the local school board for a school year shall  
15 be paid in equal quarterly installments with the payment of the  
16 installment for the first quarter being made not later than  
17 July 1, unless the charter establishes a different payment  
18 schedule. However, if a charter school dismisses a pupil from  
19 the charter school after receiving a quarterly payment, the  
20 charter school shall return to the school district, on a  
21 quarterly basis, the prorated portion of public funding  
22 provided for the education of that pupil for the time the  
23 student is not enrolled at the charter school. Likewise, if a  
24 pupil transfers to a charter school between quarterly payments,  
25 the school district shall provide, on a quarterly basis, a  
26 prorated portion of the public funding to the charter school to

1 provide for the education of that pupil.

2 All services centrally or otherwise provided by the school  
3 district including, but not limited to, rent, food services,  
4 custodial services, maintenance, curriculum, media services,  
5 libraries, transportation, and warehousing shall be subject to  
6 negotiation between a charter school and the local school board  
7 and paid for out of the revenues negotiated pursuant to this  
8 subsection (b); provided that the local school board shall not  
9 attempt, by negotiation or otherwise, to obligate a charter  
10 school to provide pupil transportation for pupils for whom a  
11 district is not required to provide transportation under the  
12 criteria set forth in subsection (a) (13) of Section 27A-7.

13 In no event shall the funding be less than 75% or more than  
14 125% of the school district's per capita student tuition  
15 multiplied by the number of students residing in the district  
16 who are enrolled in the charter school.

17 It is the intent of the General Assembly that funding and  
18 service agreements under this subsection (b) shall be neither a  
19 financial incentive nor a financial disincentive to the  
20 establishment of a charter school.

21 The charter school may set and collect reasonable fees.  
22 Fees collected from students enrolled at a charter school shall  
23 be retained by the charter school.

24 (c) Notwithstanding subsection (b) of this Section, the  
25 proportionate share of State and federal resources generated by  
26 students with disabilities or staff serving them shall be

1 directed to charter schools enrolling those students by their  
2 school districts or administrative units. The proportionate  
3 share of moneys generated under other federal or State  
4 categorical aid programs shall be directed to charter schools  
5 serving students eligible for that aid.

6 (d) The governing body of a charter school is authorized to  
7 accept gifts, donations, or grants of any kind made to the  
8 charter school and to expend or use gifts, donations, or grants  
9 in accordance with the conditions prescribed by the donor;  
10 however, a gift, donation, or grant may not be accepted by the  
11 governing body if it is subject to any condition contrary to  
12 applicable law or contrary to the terms of the contract between  
13 the charter school and the local school board. Charter schools  
14 shall be encouraged to solicit and utilize community volunteer  
15 speakers and other instructional resources when providing  
16 instruction on the Holocaust and other historical events.

17 (e) (Blank).

18 (f) The Commission shall provide technical assistance to  
19 persons and groups preparing or revising charter applications.

20 (g) At the non-renewal or revocation of its charter, each  
21 charter school shall refund to the local board of education all  
22 unspent funds.

23 (h) A charter school is authorized to incur temporary,  
24 short term debt to pay operating expenses in anticipation of  
25 receipt of funds from the local school board.

26 (Source: P.A. 98-640, eff. 6-9-14; 98-739, eff. 7-16-14;

1 revised 10-1-14.)

2 (105 ILCS 5/29-5) (from Ch. 122, par. 29-5)

3 Sec. 29-5. Reimbursement by State for transportation. Any  
4 school district, maintaining a school, transporting resident  
5 pupils to another school district's vocational program,  
6 offered through a joint agreement approved by the State Board  
7 of Education, as provided in Section 10-22.22 or transporting  
8 its resident pupils to a school which meets the standards for  
9 recognition as established by the State Board of Education  
10 which provides transportation meeting the standards of safety,  
11 comfort, convenience, efficiency and operation prescribed by  
12 the State Board of Education for resident pupils in  
13 kindergarten or any of grades 1 through 12 who: (a) reside at  
14 least 1 1/2 miles as measured by the customary route of travel,  
15 from the school attended; or (b) reside in areas where  
16 conditions are such that walking constitutes a hazard to the  
17 safety of the child when determined under Section 29-3; and (c)  
18 are transported to the school attended from pick-up points at  
19 the beginning of the school day and back again at the close of  
20 the school day or transported to and from their assigned  
21 attendance centers during the school day, shall be reimbursed  
22 by the State as hereinafter provided in this Section through  
23 fiscal year 2015.

24 Through fiscal year 2015, the ~~The~~ State will pay the cost  
25 of transporting eligible pupils less the assessed valuation in



1 a dual school district maintaining secondary grades 9 to 12  
2 inclusive times a qualifying rate of .05%; in elementary school  
3 districts maintaining grades K to 8 times a qualifying rate of  
4 .06%; and in unit districts maintaining grades K to 12,  
5 including optional elementary unit districts and combined high  
6 school - unit districts, times a qualifying rate of .07%;  
7 provided that for optional elementary unit districts and  
8 combined high school - unit districts, assessed valuation for  
9 high school purposes, as defined in Article 11E of this Code,  
10 must be used. To be eligible to receive reimbursement in excess  
11 of 4/5 of the cost to transport eligible pupils, a school  
12 district shall have a Transportation Fund tax rate of at least  
13 .12%. If a school district does not have a .12% Transportation  
14 Fund tax rate, the amount of its claim in excess of 4/5 of the  
15 cost of transporting pupils shall be reduced by the sum arrived  
16 at by subtracting the Transportation Fund tax rate from .12%  
17 and multiplying that amount by the districts equalized or  
18 assessed valuation, provided, that in no case shall said  
19 reduction result in reimbursement of less than 4/5 of the cost  
20 to transport eligible pupils.

21 Through fiscal year 2015, the ~~The~~ minimum amount to be  
22 received by a district is \$16 times the number of eligible  
23 pupils transported.

24 When calculating the reimbursement for transportation  
25 costs, the State Board of Education may not deduct the number  
26 of pupils enrolled in early education programs from the number

1 of pupils eligible for reimbursement if the pupils enrolled in  
2 the early education programs are transported at the same time  
3 as other eligible pupils.

4 Through fiscal year 2015, any ~~Any~~ such district  
5 transporting resident pupils during the school day to an area  
6 vocational school or another school district's vocational  
7 program more than 1 1/2 miles from the school attended, as  
8 provided in Sections 10-22.20a and 10-22.22, shall be  
9 reimbursed by the State for 4/5 of the cost of transporting  
10 eligible pupils.

11 School day means that period of time which the pupil is  
12 required to be in attendance for instructional purposes.

13 If a pupil is at a location within the school district  
14 other than his residence for child care purposes at the time  
15 for transportation to school, that location may be considered  
16 for purposes of determining the 1 1/2 miles from the school  
17 attended.

18 Claims for reimbursement that include children who attend  
19 any school other than a public school shall show the number of  
20 such children transported.

21 Claims for reimbursement under this Section shall not be  
22 paid for the transportation of pupils for whom transportation  
23 costs are claimed for payment under other Sections of this Act.

24 The allowable direct cost of transporting pupils for  
25 regular, vocational, and special education pupil  
26 transportation shall be limited to the sum of the cost of

1 physical examinations required for employment as a school bus  
2 driver; the salaries of full or part-time drivers and school  
3 bus maintenance personnel; employee benefits excluding  
4 Illinois municipal retirement payments, social security  
5 payments, unemployment insurance payments and workers'  
6 compensation insurance premiums; expenditures to independent  
7 carriers who operate school buses; payments to other school  
8 districts for pupil transportation services; pre-approved  
9 contractual expenditures for computerized bus scheduling; the  
10 cost of gasoline, oil, tires, and other supplies necessary for  
11 the operation of school buses; the cost of converting buses'  
12 gasoline engines to more fuel efficient engines or to engines  
13 which use alternative energy sources; the cost of travel to  
14 meetings and workshops conducted by the regional  
15 superintendent or the State Superintendent of Education  
16 pursuant to the standards established by the Secretary of State  
17 under Section 6-106 of the Illinois Vehicle Code to improve the  
18 driving skills of school bus drivers; the cost of maintenance  
19 of school buses including parts and materials used;  
20 expenditures for leasing transportation vehicles, except  
21 interest and service charges; the cost of insurance and  
22 licenses for transportation vehicles; expenditures for the  
23 rental of transportation equipment; plus a depreciation  
24 allowance of 20% for 5 years for school buses and vehicles  
25 approved for transporting pupils to and from school and a  
26 depreciation allowance of 10% for 10 years for other

1 transportation equipment so used. Each school year, if a school  
2 district has made expenditures to the Regional Transportation  
3 Authority or any of its service boards, a mass transit  
4 district, or an urban transportation district under an  
5 intergovernmental agreement with the district to provide for  
6 the transportation of pupils and if the public transit carrier  
7 received direct payment for services or passes from a school  
8 district within its service area during the 2000-2001 school  
9 year, then the allowable direct cost of transporting pupils for  
10 regular, vocational, and special education pupil  
11 transportation shall also include the expenditures that the  
12 district has made to the public transit carrier. In addition to  
13 the above allowable costs school districts shall also claim all  
14 transportation supervisory salary costs, including Illinois  
15 municipal retirement payments, and all transportation related  
16 building and building maintenance costs without limitation.

17 Special education allowable costs shall also include  
18 expenditures for the salaries of attendants or aides for that  
19 portion of the time they assist special education pupils while  
20 in transit and expenditures for parents and public carriers for  
21 transporting special education pupils when pre-approved by the  
22 State Superintendent of Education.

23 Indirect costs shall be included in the reimbursement claim  
24 for districts which own and operate their own school buses.  
25 Such indirect costs shall include administrative costs, or any  
26 costs attributable to transporting pupils from their

1 attendance centers to another school building for  
2 instructional purposes. No school district which owns and  
3 operates its own school buses may claim reimbursement for  
4 indirect costs which exceed 5% of the total allowable direct  
5 costs for pupil transportation.

6 The State Board of Education shall prescribe uniform  
7 regulations for determining the above standards and shall  
8 prescribe forms of cost accounting and standards of determining  
9 reasonable depreciation. Such depreciation shall include the  
10 cost of equipping school buses with the safety features  
11 required by law or by the rules, regulations and standards  
12 promulgated by the State Board of Education, and the Department  
13 of Transportation for the safety and construction of school  
14 buses provided, however, any equipment cost reimbursed by the  
15 Department of Transportation for equipping school buses with  
16 such safety equipment shall be deducted from the allowable cost  
17 in the computation of reimbursement under this Section in the  
18 same percentage as the cost of the equipment is depreciated.

19 On or before August 15, annually, through August 15, 2014,  
20 the chief school administrator for the district shall certify  
21 to the State Superintendent of Education the district's claim  
22 for reimbursement for the school year ending on June 30 next  
23 preceding. The State Superintendent of Education shall check  
24 and approve the claims and prepare the vouchers showing the  
25 amounts due for district reimbursement claims. Each fiscal year  
26 through fiscal year 2015, the State Superintendent of Education

1 shall prepare and transmit the first 3 vouchers to the  
2 Comptroller on the 30th day of September, December and March,  
3 respectively, and the final voucher, no later than June 20.

4 If the amount appropriated for transportation  
5 reimbursement is insufficient to fund total claims for any  
6 fiscal year, the State Board of Education shall reduce each  
7 school district's allowable costs and flat grant amount  
8 proportionately to make total adjusted claims equal the total  
9 amount appropriated.

10 For purposes of calculating claims for reimbursement under  
11 this Section for any school year beginning July 1, 1998, or  
12 thereafter, the equalized assessed valuation for a school  
13 district used to compute reimbursement shall be computed in the  
14 same manner as it is computed under paragraph (2) of subsection  
15 (G) of Section 18-8.05.

16 All reimbursements received from the State shall be  
17 deposited into the district's transportation fund or into the  
18 fund from which the allowable expenditures were made.

19 Notwithstanding any other provision of law, any school  
20 district receiving a payment under this Section or under  
21 Section 14-7.02, 14-7.02b, or 14-13.01 of this Code may  
22 classify all or a portion of the funds that it receives in a  
23 particular fiscal year or from general State aid pursuant to  
24 Section 18-8.05 of this Code as funds received in connection  
25 with any funding program for which it is entitled to receive  
26 funds from the State in that fiscal year (including, without

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

25 Any school district with a population of not more than  
26 500,000 must deposit all funds received under this Article into

1 the transportation fund and use those funds for the provision  
2 of transportation services.

3 (Source: P.A. 95-903, eff. 8-25-08; 96-1264, eff. 1-1-11.)

4 (105 ILCS 5/34-2.3) (from Ch. 122, par. 34-2.3)

5 Sec. 34-2.3. Local school councils - Powers and duties.  
6 Each local school council shall have and exercise, consistent  
7 with the provisions of this Article and the powers and duties  
8 of the board of education, the following powers and duties:

9 1. (A) To annually evaluate the performance of the  
10 principal of the attendance center using a Board approved  
11 principal evaluation form, which shall include the evaluation  
12 of (i) student academic improvement, as defined by the school  
13 improvement plan, (ii) student absenteeism rates at the school,  
14 (iii) instructional leadership, (iv) the effective  
15 implementation of programs, policies, or strategies to improve  
16 student academic achievement, (v) school management, and (vi)  
17 any other factors deemed relevant by the local school council,  
18 including, without limitation, the principal's communication  
19 skills and ability to create and maintain a student-centered  
20 learning environment, to develop opportunities for  
21 professional development, and to encourage parental  
22 involvement and community partnerships to achieve school  
23 improvement;

24 (B) to determine in the manner provided by subsection (c)  
25 of Section 34-2.2 and subdivision 1.5 of this Section whether



1 the performance contract of the principal shall be renewed; and

2 (C) to directly select, in the manner provided by  
3 subsection (c) of Section 34-2.2, a new principal (including a  
4 new principal to fill a vacancy) -- without submitting any list  
5 of candidates for that position to the general superintendent  
6 as provided in paragraph 2 of this Section -- to serve under a  
7 4 year performance contract; provided that (i) the  
8 determination of whether the principal's performance contract  
9 is to be renewed, based upon the evaluation required by  
10 subdivision 1.5 of this Section, shall be made no later than  
11 150 days prior to the expiration of the current  
12 performance-based contract of the principal, (ii) in cases  
13 where such performance contract is not renewed -- a direct  
14 selection of a new principal -- to serve under a 4 year  
15 performance contract shall be made by the local school council  
16 no later than 45 days prior to the expiration of the current  
17 performance contract of the principal, and (iii) a selection by  
18 the local school council of a new principal to fill a vacancy  
19 under a 4 year performance contract shall be made within 90  
20 days after the date such vacancy occurs. A Council shall be  
21 required, if requested by the principal, to provide in writing  
22 the reasons for the council's not renewing the principal's  
23 contract.

24 1.5. The local school council's determination of whether to  
25 renew the principal's contract shall be based on an evaluation  
26 to assess the educational and administrative progress made at

1 the school during the principal's current performance-based  
2 contract. The local school council shall base its evaluation on  
3 (i) student academic improvement, as defined by the school  
4 improvement plan, (ii) student absenteeism rates at the school,  
5 (iii) instructional leadership, (iv) the effective  
6 implementation of programs, policies, or strategies to improve  
7 student academic achievement, (v) school management, and (vi)  
8 any other factors deemed relevant by the local school council,  
9 including, without limitation, the principal's communication  
10 skills and ability to create and maintain a student-centered  
11 learning environment, to develop opportunities for  
12 professional development, and to encourage parental  
13 involvement and community partnerships to achieve school  
14 improvement. If a local school council fails to renew the  
15 performance contract of a principal rated by the general  
16 superintendent, or his or her designee, in the previous years'  
17 evaluations as meeting or exceeding expectations, the  
18 principal, within 15 days after the local school council's  
19 decision not to renew the contract, may request a review of the  
20 local school council's principal non-retention decision by a  
21 hearing officer appointed by the American Arbitration  
22 Association. A local school council member or members or the  
23 general superintendent may support the principal's request for  
24 review. During the period of the hearing officer's review of  
25 the local school council's decision on whether or not to retain  
26 the principal, the local school council shall maintain all

1 authority to search for and contract with a person to serve as  
2 interim or acting principal, or as the principal of the  
3 attendance center under a 4-year performance contract,  
4 provided that any performance contract entered into by the  
5 local school council shall be voidable or modified in  
6 accordance with the decision of the hearing officer. The  
7 principal may request review only once while at that attendance  
8 center. If a local school council renews the contract of a  
9 principal who failed to obtain a rating of "meets" or "exceeds  
10 expectations" in the general superintendent's evaluation for  
11 the previous year, the general superintendent, within 15 days  
12 after the local school council's decision to renew the  
13 contract, may request a review of the local school council's  
14 principal retention decision by a hearing officer appointed by  
15 the American Arbitration Association. The general  
16 superintendent may request a review only once for that  
17 principal at that attendance center. All requests to review the  
18 retention or non-retention of a principal shall be submitted to  
19 the general superintendent, who shall, in turn, forward such  
20 requests, within 14 days of receipt, to the American  
21 Arbitration Association. The general superintendent shall send  
22 a contemporaneous copy of the request that was forwarded to the  
23 American Arbitration Association to the principal and to each  
24 local school council member and shall inform the local school  
25 council of its rights and responsibilities under the  
26 arbitration process, including the local school council's

1 right to representation and the manner and process by which the  
2 Board shall pay the costs of the council's representation. If  
3 the local school council retains the principal and the general  
4 superintendent requests a review of the retention decision, the  
5 local school council and the general superintendent shall be  
6 considered parties to the arbitration, a hearing officer shall  
7 be chosen between those 2 parties pursuant to procedures  
8 promulgated by the State Board of Education, and the principal  
9 may retain counsel and participate in the arbitration. If the  
10 local school council does not retain the principal and the  
11 principal requests a review of the retention decision, the  
12 local school council and the principal shall be considered  
13 parties to the arbitration and a hearing officer shall be  
14 chosen between those 2 parties pursuant to procedures  
15 promulgated by the State Board of Education. The hearing shall  
16 begin (i) within 45 days after the initial request for review  
17 is submitted by the principal to the general superintendent or  
18 (ii) if the initial request for review is made by the general  
19 superintendent, within 45 days after that request is mailed to  
20 the American Arbitration Association. The hearing officer  
21 shall render a decision within 45 days after the hearing begins  
22 and within 90 days after the initial request for review. The  
23 Board shall contract with the American Arbitration Association  
24 for all of the hearing officer's reasonable and necessary  
25 costs. In addition, the Board shall pay any reasonable costs  
26 incurred by a local school council for representation before a

1 hearing officer.

2 1.10. The hearing officer shall conduct a hearing, which  
3 shall include (i) a review of the principal's performance,  
4 evaluations, and other evidence of the principal's service at  
5 the school, (ii) reasons provided by the local school council  
6 for its decision, and (iii) documentation evidencing views of  
7 interested persons, including, without limitation, students,  
8 parents, local school council members, school faculty and  
9 staff, the principal, the general superintendent or his or her  
10 designee, and members of the community. The burden of proof in  
11 establishing that the local school council's decision was  
12 arbitrary and capricious shall be on the party requesting the  
13 arbitration, and this party shall sustain the burden by a  
14 preponderance of the evidence. The hearing officer shall set  
15 the local school council decision aside if that decision, in  
16 light of the record developed at the hearing, is arbitrary and  
17 capricious. The decision of the hearing officer may not be  
18 appealed to the Board or the State Board of Education. If the  
19 hearing officer decides that the principal shall be retained,  
20 the retention period shall not exceed 2 years.

21 2. In the event (i) the local school council does not renew  
22 the performance contract of the principal, or the principal  
23 fails to receive a satisfactory rating as provided in  
24 subsection (h) of Section 34-8.3, or the principal is removed  
25 for cause during the term of his or her performance contract in  
26 the manner provided by Section 34-85, or a vacancy in the

1 position of principal otherwise occurs prior to the expiration  
2 of the term of a principal's performance contract, and (ii) the  
3 local school council fails to directly select a new principal  
4 to serve under a 4 year performance contract, the local school  
5 council in such event shall submit to the general  
6 superintendent a list of 3 candidates -- listed in the local  
7 school council's order of preference -- for the position of  
8 principal, one of which shall be selected by the general  
9 superintendent to serve as principal of the attendance center.  
10 If the general superintendent fails or refuses to select one of  
11 the candidates on the list to serve as principal within 30 days  
12 after being furnished with the candidate list, the general  
13 superintendent shall select and place a principal on an interim  
14 basis (i) for a period not to exceed one year or (ii) until the  
15 local school council selects a new principal with 7 affirmative  
16 votes as provided in subsection (c) of Section 34-2.2,  
17 whichever occurs first. If the local school council fails or  
18 refuses to select and appoint a new principal, as specified by  
19 subsection (c) of Section 34-2.2, the general superintendent  
20 may select and appoint a new principal on an interim basis for  
21 an additional year or until a new contract principal is  
22 selected by the local school council. There shall be no  
23 discrimination on the basis of race, sex, creed, color or  
24 disability unrelated to ability to perform in connection with  
25 the submission of candidates for, and the selection of a  
26 candidate to serve as principal of an attendance center. No

1 person shall be directly selected, listed as a candidate for,  
2 or selected to serve as principal of an attendance center (i)  
3 if such person has been removed for cause from employment by  
4 the Board or (ii) if such person does not hold a valid  
5 administrative certificate issued or exchanged under Article  
6 21 and endorsed as required by that Article for the position of  
7 principal. A principal whose performance contract is not  
8 renewed as provided under subsection (c) of Section 34-2.2 may  
9 nevertheless, if otherwise qualified and certified as herein  
10 provided and if he or she has received a satisfactory rating as  
11 provided in subsection (h) of Section 34-8.3, be included by a  
12 local school council as one of the 3 candidates listed in order  
13 of preference on any candidate list from which one person is to  
14 be selected to serve as principal of the attendance center  
15 under a new performance contract. The initial candidate list  
16 required to be submitted by a local school council to the  
17 general superintendent in cases where the local school council  
18 does not renew the performance contract of its principal and  
19 does not directly select a new principal to serve under a 4  
20 year performance contract shall be submitted not later than 30  
21 days prior to the expiration of the current performance  
22 contract. In cases where the local school council fails or  
23 refuses to submit the candidate list to the general  
24 superintendent no later than 30 days prior to the expiration of  
25 the incumbent principal's contract, the general superintendent  
26 may appoint a principal on an interim basis for a period not to

1 exceed one year, during which time the local school council  
2 shall be able to select a new principal with 7 affirmative  
3 votes as provided in subsection (c) of Section 34-2.2. In cases  
4 where a principal is removed for cause or a vacancy otherwise  
5 occurs in the position of principal and the vacancy is not  
6 filled by direct selection by the local school council, the  
7 candidate list shall be submitted by the local school council  
8 to the general superintendent within 90 days after the date  
9 such removal or vacancy occurs. In cases where the local school  
10 council fails or refuses to submit the candidate list to the  
11 general superintendent within 90 days after the date of the  
12 vacancy, the general superintendent may appoint a principal on  
13 an interim basis for a period of one year, during which time  
14 the local school council shall be able to select a new  
15 principal with 7 affirmative votes as provided in subsection  
16 (c) of Section 34-2.2.

17 2.5. Whenever a vacancy in the office of a principal occurs  
18 for any reason, the vacancy shall be filled in the manner  
19 provided by this Section by the selection of a new principal to  
20 serve under a 4 year performance contract.

21 3. To establish additional criteria to be included as part  
22 of the performance contract of its principal, provided that  
23 such additional criteria shall not discriminate on the basis of  
24 race, sex, creed, color or disability unrelated to ability to  
25 perform, and shall not be inconsistent with the uniform 4 year  
26 performance contract for principals developed by the board as



1 provided in Section 34-8.1 of the School Code or with other  
2 provisions of this Article governing the authority and  
3 responsibility of principals.

4 4. To approve the expenditure plan prepared by the  
5 principal with respect to all funds allocated and distributed  
6 to the attendance center by the Board. The expenditure plan  
7 shall be administered by the principal. Notwithstanding any  
8 other provision of this Act or any other law, any expenditure  
9 plan approved and administered under this Section 34-2.3 shall  
10 be consistent with and subject to the terms of any contract for  
11 services with a third party entered into by the Chicago School  
12 Reform Board of Trustees or the board under this Act.

13 Via a supermajority vote of 7 members of the local school  
14 council or 8 members of a high school local school council, the  
15 Council may transfer allocations pursuant to Section 34-2.3  
16 within funds; provided that such a transfer is consistent with  
17 applicable law and collective bargaining agreements.

18 Beginning in fiscal year 1991 and in each fiscal year  
19 thereafter, the Board may reserve up to 1% of its total fiscal  
20 year budget for distribution on a prioritized basis to schools  
21 throughout the school system in order to assure adequate  
22 programs to meet the needs of special student populations as  
23 determined by the Board. This distribution shall take into  
24 account the needs catalogued in the Systemwide Plan and the  
25 various local school improvement plans of the local school  
26 councils. Information about these centrally funded programs

1 shall be distributed to the local school councils so that their  
2 subsequent planning and programming will account for these  
3 provisions.

4 Beginning in fiscal year 1991 and in each fiscal year  
5 thereafter, from other amounts available in the applicable  
6 fiscal year budget, the board shall allocate a lump sum amount  
7 to each local school based upon such formula as the board shall  
8 determine taking into account the special needs of the student  
9 body. The local school principal shall develop an expenditure  
10 plan in consultation with the local school council, the  
11 professional personnel leadership committee and with all other  
12 school personnel, which reflects the priorities and activities  
13 as described in the school's local school improvement plan and  
14 is consistent with applicable law and collective bargaining  
15 agreements and with board policies and standards; however, the  
16 local school council shall have the right to request waivers of  
17 board policy from the board of education and waivers of  
18 employee collective bargaining agreements pursuant to Section  
19 34-8.1a.

20 The expenditure plan developed by the principal with  
21 respect to amounts available from the fund for prioritized  
22 special needs programs and the allocated lump sum amount must  
23 be approved by the local school council.

24 The lump sum allocation shall take into account the  
25 following principles:

26 a. Teachers: Each school shall be allocated funds equal

1 to the amount appropriated in the previous school year for  
2 compensation for teachers (regular grades kindergarten  
3 through 12th grade) plus whatever increases in  
4 compensation have been negotiated contractually or through  
5 longevity as provided in the negotiated agreement.  
6 Adjustments shall be made due to layoff or reduction in  
7 force, lack of funds or work, change in subject  
8 requirements, enrollment changes, or contracts with third  
9 parties for the performance of services or to rectify any  
10 inconsistencies with system-wide allocation formulas or  
11 for other legitimate reasons.

12 b. Other personnel: Funds for other teacher  
13 certificated and uncertificated personnel paid through  
14 non-categorical funds shall be provided according to  
15 system-wide formulas based on student enrollment and the  
16 special needs of the school as determined by the Board.

17 c. Non-compensation items: Appropriations for all  
18 non-compensation items shall be based on system-wide  
19 formulas based on student enrollment and on the special  
20 needs of the school or factors related to the physical  
21 plant, including but not limited to textbooks, electronic  
22 textbooks and the technological equipment necessary to  
23 gain access to and use electronic textbooks, supplies,  
24 electricity, equipment, and routine maintenance.

25 d. Funds for categorical programs: Schools shall  
26 receive personnel and funds based on, and shall use such

1 personnel and funds in accordance with State and Federal  
2 requirements applicable to each categorical program  
3 provided to meet the special needs of the student body  
4 (including but not limited to, Federal Chapter I,  
5 Bilingual, and Special Education).

6 d.1. Funds for State Title I: Each school shall receive  
7 funds based on State and Board requirements applicable to  
8 each State Title I pupil provided to meet the special needs  
9 of the student body. Each school shall receive the  
10 proportion of funds as provided in Section 18-8 or 18-8.15  
11 to which they are entitled. These funds shall be spent only  
12 with the budgetary approval of the Local School Council as  
13 provided in Section 34-2.3.

14 e. The Local School Council shall have the right to  
15 request the principal to close positions and open new ones  
16 consistent with the provisions of the local school  
17 improvement plan provided that these decisions are  
18 consistent with applicable law and collective bargaining  
19 agreements. If a position is closed, pursuant to this  
20 paragraph, the local school shall have for its use the  
21 system-wide average compensation for the closed position.

22 f. Operating within existing laws and collective  
23 bargaining agreements, the local school council shall have  
24 the right to direct the principal to shift expenditures  
25 within funds.

26 g. (Blank).

1 Any funds unexpended at the end of the fiscal year shall be  
2 available to the board of education for use as part of its  
3 budget for the following fiscal year.

4 5. To make recommendations to the principal concerning  
5 textbook selection and concerning curriculum developed  
6 pursuant to the school improvement plan which is consistent  
7 with systemwide curriculum objectives in accordance with  
8 Sections 34-8 and 34-18 of the School Code and in conformity  
9 with the collective bargaining agreement.

10 6. To advise the principal concerning the attendance and  
11 disciplinary policies for the attendance center, subject to the  
12 provisions of this Article and Article 26, and consistent with  
13 the uniform system of discipline established by the board  
14 pursuant to Section 34-19.

15 7. To approve a school improvement plan developed as  
16 provided in Section 34-2.4. The process and schedule for plan  
17 development shall be publicized to the entire school community,  
18 and the community shall be afforded the opportunity to make  
19 recommendations concerning the plan. At least twice a year the  
20 principal and local school council shall report publicly on  
21 progress and problems with respect to plan implementation.

22 8. To evaluate the allocation of teaching resources and  
23 other certificated and uncertificated staff to the attendance  
24 center to determine whether such allocation is consistent with  
25 and in furtherance of instructional objectives and school  
26 programs reflective of the school improvement plan adopted for

1 the attendance center; and to make recommendations to the  
2 board, the general superintendent and the principal concerning  
3 any reallocation of teaching resources or other staff whenever  
4 the council determines that any such reallocation is  
5 appropriate because the qualifications of any existing staff at  
6 the attendance center do not adequately match or support  
7 instructional objectives or school programs which reflect the  
8 school improvement plan.

9 9. To make recommendations to the principal and the general  
10 superintendent concerning their respective appointments, after  
11 August 31, 1989, and in the manner provided by Section 34-8 and  
12 Section 34-8.1, of persons to fill any vacant, additional or  
13 newly created positions for teachers at the attendance center  
14 or at attendance centers which include the attendance center  
15 served by the local school council.

16 10. To request of the Board the manner in which training  
17 and assistance shall be provided to the local school council.  
18 Pursuant to Board guidelines a local school council is  
19 authorized to direct the Board of Education to contract with  
20 personnel or not-for-profit organizations not associated with  
21 the school district to train or assist council members. If  
22 training or assistance is provided by contract with personnel  
23 or organizations not associated with the school district, the  
24 period of training or assistance shall not exceed 30 hours  
25 during a given school year; person shall not be employed on a  
26 continuous basis longer than said period and shall not have

1 been employed by the Chicago Board of Education within the  
2 preceding six months. Council members shall receive training in  
3 at least the following areas:

4 1. school budgets;

5 2. educational theory pertinent to the attendance  
6 center's particular needs, including the development of  
7 the school improvement plan and the principal's  
8 performance contract; and

9 3. personnel selection.

10 Council members shall, to the greatest extent possible,  
11 complete such training within 90 days of election.

12 11. In accordance with systemwide guidelines contained in  
13 the System-Wide Educational Reform Goals and Objectives Plan,  
14 criteria for evaluation of performance shall be established for  
15 local school councils and local school council members. If a  
16 local school council persists in noncompliance with systemwide  
17 requirements, the Board may impose sanctions and take necessary  
18 corrective action, consistent with Section 34-8.3.

19 12. Each local school council shall comply with the Open  
20 Meetings Act and the Freedom of Information Act. Each local  
21 school council shall issue and transmit to its school community  
22 a detailed annual report accounting for its activities  
23 programmatically and financially. Each local school council  
24 shall convene at least 2 well-publicized meetings annually with  
25 its entire school community. These meetings shall include  
26 presentation of the proposed local school improvement plan, of

1 the proposed school expenditure plan, and the annual report,  
2 and shall provide an opportunity for public comment.

3 13. Each local school council is encouraged to involve  
4 additional non-voting members of the school community in  
5 facilitating the council's exercise of its responsibilities.

6 14. The local school council may adopt a school uniform or  
7 dress code policy that governs the attendance center and that  
8 is necessary to maintain the orderly process of a school  
9 function or prevent endangerment of student health or safety,  
10 consistent with the policies and rules of the Board of  
11 Education. A school uniform or dress code policy adopted by a  
12 local school council: (i) shall not be applied in such manner  
13 as to discipline or deny attendance to a transfer student or  
14 any other student for noncompliance with that policy during  
15 such period of time as is reasonably necessary to enable the  
16 student to acquire a school uniform or otherwise comply with  
17 the dress code policy that is in effect at the attendance  
18 center into which the student's enrollment is transferred; and  
19 (ii) shall include criteria and procedures under which the  
20 local school council will accommodate the needs of or otherwise  
21 provide appropriate resources to assist a student from an  
22 indigent family in complying with an applicable school uniform  
23 or dress code policy. A student whose parents or legal  
24 guardians object on religious grounds to the student's  
25 compliance with an applicable school uniform or dress code  
26 policy shall not be required to comply with that policy if the



1 student's parents or legal guardians present to the local  
2 school council a signed statement of objection detailing the  
3 grounds for the objection.

4 15. All decisions made and actions taken by the local  
5 school council in the exercise of its powers and duties shall  
6 comply with State and federal laws, all applicable collective  
7 bargaining agreements, court orders and rules properly  
8 promulgated by the Board.

9 15a. To grant, in accordance with board rules and policies,  
10 the use of assembly halls and classrooms when not otherwise  
11 needed, including lighting, heat, and attendants, for public  
12 lectures, concerts, and other educational and social  
13 activities.

14 15b. To approve, in accordance with board rules and  
15 policies, receipts and expenditures for all internal accounts  
16 of the attendance center, and to approve all fund-raising  
17 activities by nonschool organizations that use the school  
18 building.

19 16. (Blank).

20 17. Names and addresses of local school council members  
21 shall be a matter of public record.

22 (Source: P.A. 96-1403, eff. 7-29-10.)

23 (105 ILCS 5/34-8.4)

24 Sec. 34-8.4. Intervention. The Chicago Schools Academic  
25 Accountability Council may recommend to the Chicago School

1 Reform Board of Trustees that any school placed on remediation  
2 or probation under Section 34-8.3 or schools that for the 3  
3 consecutive school years of 1992-1993, 1993-1994, and  
4 1994-1995 have met the State Board of Education's category of  
5 "does not meet expectations" be made subject to intervention  
6 under this Section 34-8.4. In addition to any powers created  
7 under this Section, the Trustees shall have all powers created  
8 under Section 34-8.3 with respect to schools subjected to  
9 intervention.

10 Prior to subjecting a school to intervention, the Trustees  
11 shall conduct a public hearing and make findings of facts  
12 concerning the recommendation of the Chicago Schools Academic  
13 Accountability Council and the factors causing the failure of  
14 the school to adequately perform. The Trustees shall afford an  
15 opportunity at the hearing for interested persons to comment  
16 about the intervention recommendation. After the hearing has  
17 been held and completion of findings of fact, the Trustees  
18 shall make a determination whether to subject the school to  
19 intervention.

20 If the Trustees determine that a school shall be subject to  
21 intervention under this Section, the Trustees shall develop an  
22 intervention implementation plan and shall cause a performance  
23 evaluation to be made of each employee at the school. Upon  
24 consideration of such evaluations, and consistent with the  
25 intervention implementation plan, the Trustees may reassign,  
26 layoff, or dismiss any employees at the attendance center,

1 notwithstanding the provisions of Sections 24A-5 and 34-85.

2 The chief educational officer shall appoint a principal for  
3 the school and shall set the terms and conditions of the  
4 principal's contract, which in no case may be longer than 2  
5 years. The principal shall select all teachers and  
6 non-certified personnel for the school as may be necessary. Any  
7 provision of Section 34-8.1 that conflicts with this Section  
8 shall not apply to a school subjected to intervention under  
9 this Section.

10 If pursuant to this Section, the general superintendent,  
11 with the approval of the board, orders new local school council  
12 elections, the general superintendent shall carry out the  
13 responsibilities of the local school council for a school  
14 subject to intervention until the new local school council  
15 members are elected and trained.

16 Each school year, 5% of the supplemental general State aid  
17 or supplemental grant funds distributed to a school subject to  
18 intervention during that school year under subsection  
19 5(i)(1)(a) of part A of Section 18-8, ~~or~~ subsection (H) of  
20 Section 18-8.05, or paragraph (2) of subsection (j) of Section  
21 18-8.15 shall be used for employee performance incentives. The  
22 Trustees shall prepare a report evaluating the results of any  
23 interventions undertaken pursuant to this Section and shall  
24 make recommendations concerning implementation of special  
25 programs for dealing with underperforming schools on an ongoing  
26 basis. This report shall be submitted to the State

1 Superintendent of Education and Mayor of the City of Chicago by  
2 January 1, 1999.

3 (Source: P.A. 89-15, eff. 5-30-95; 89-698, eff. 1-14-97;  
4 90-548, eff. 1-1-98.)

5 (105 ILCS 5/34-18) (from Ch. 122, par. 34-18)

6 Sec. 34-18. Powers of the board. The board shall exercise  
7 general supervision and jurisdiction over the public education  
8 and the public school system of the city, and, except as  
9 otherwise provided by this Article, shall have power:

10 1. To make suitable provision for the establishment and  
11 maintenance throughout the year or for such portion thereof  
12 as it may direct, not less than 9 months, of schools of all  
13 grades and kinds, including normal schools, high schools,  
14 night schools, schools for defectives and delinquents,  
15 parental and truant schools, schools for the blind, the  
16 deaf and the physically disabled, schools or classes in  
17 manual training, constructural and vocational teaching,  
18 domestic arts and physical culture, vocation and extension  
19 schools and lecture courses, and all other educational  
20 courses and facilities, including establishing, equipping,  
21 maintaining and operating playgrounds and recreational  
22 programs, when such programs are conducted in, adjacent to,  
23 or connected with any public school under the general  
24 supervision and jurisdiction of the board; provided that  
25 the calendar for the school term and any changes must be

1 submitted to and approved by the State Board of Education  
2 before the calendar or changes may take effect, and  
3 provided that in allocating funds from year to year for the  
4 operation of all attendance centers within the district,  
5 the board shall ensure that supplemental general State aid  
6 or supplemental grant funds are allocated and applied in  
7 accordance with Section 18-8, ~~or~~ 18-8.05, or 18-8.15. To  
8 admit to such schools without charge foreign exchange  
9 students who are participants in an organized exchange  
10 student program which is authorized by the board. The board  
11 shall permit all students to enroll in apprenticeship  
12 programs in trade schools operated by the board, whether  
13 those programs are union-sponsored or not. No student shall  
14 be refused admission into or be excluded from any course of  
15 instruction offered in the common schools by reason of that  
16 student's sex. No student shall be denied equal access to  
17 physical education and interscholastic athletic programs  
18 supported from school district funds or denied  
19 participation in comparable physical education and  
20 athletic programs solely by reason of the student's sex.  
21 Equal access to programs supported from school district  
22 funds and comparable programs will be defined in rules  
23 promulgated by the State Board of Education in consultation  
24 with the Illinois High School Association. Notwithstanding  
25 any other provision of this Article, neither the board of  
26 education nor any local school council or other school

1 official shall recommend that children with disabilities  
2 be placed into regular education classrooms unless those  
3 children with disabilities are provided with supplementary  
4 services to assist them so that they benefit from the  
5 regular classroom instruction and are included on the  
6 teacher's regular education class register;

7 2. To furnish lunches to pupils, to make a reasonable  
8 charge therefor, and to use school funds for the payment of  
9 such expenses as the board may determine are necessary in  
10 conducting the school lunch program;

11 3. To co-operate with the circuit court;

12 4. To make arrangements with the public or quasi-public  
13 libraries and museums for the use of their facilities by  
14 teachers and pupils of the public schools;

15 5. To employ dentists and prescribe their duties for  
16 the purpose of treating the pupils in the schools, but  
17 accepting such treatment shall be optional with parents or  
18 guardians;

19 6. To grant the use of assembly halls and classrooms  
20 when not otherwise needed, including light, heat, and  
21 attendants, for free public lectures, concerts, and other  
22 educational and social interests, free of charge, under  
23 such provisions and control as the principal of the  
24 affected attendance center may prescribe;

25 7. To apportion the pupils to the several schools;  
26 provided that no pupil shall be excluded from or segregated

1 in any such school on account of his color, race, sex, or  
2 nationality. The board shall take into consideration the  
3 prevention of segregation and the elimination of  
4 separation of children in public schools because of color,  
5 race, sex, or nationality. Except that children may be  
6 committed to or attend parental and social adjustment  
7 schools established and maintained either for boys or girls  
8 only. All records pertaining to the creation, alteration or  
9 revision of attendance areas shall be open to the public.  
10 Nothing herein shall limit the board's authority to  
11 establish multi-area attendance centers or other student  
12 assignment systems for desegregation purposes or  
13 otherwise, and to apportion the pupils to the several  
14 schools. Furthermore, beginning in school year 1994-95,  
15 pursuant to a board plan adopted by October 1, 1993, the  
16 board shall offer, commencing on a phased-in basis, the  
17 opportunity for families within the school district to  
18 apply for enrollment of their children in any attendance  
19 center within the school district which does not have  
20 selective admission requirements approved by the board.  
21 The appropriate geographical area in which such open  
22 enrollment may be exercised shall be determined by the  
23 board of education. Such children may be admitted to any  
24 such attendance center on a space available basis after all  
25 children residing within such attendance center's area  
26 have been accommodated. If the number of applicants from

1 outside the attendance area exceed the space available,  
2 then successful applicants shall be selected by lottery.  
3 The board of education's open enrollment plan must include  
4 provisions that allow low income students to have access to  
5 transportation needed to exercise school choice. Open  
6 enrollment shall be in compliance with the provisions of  
7 the Consent Decree and Desegregation Plan cited in Section  
8 34-1.01;

9 8. To approve programs and policies for providing  
10 transportation services to students. Nothing herein shall  
11 be construed to permit or empower the State Board of  
12 Education to order, mandate, or require busing or other  
13 transportation of pupils for the purpose of achieving  
14 racial balance in any school;

15 9. Subject to the limitations in this Article, to  
16 establish and approve system-wide curriculum objectives  
17 and standards, including graduation standards, which  
18 reflect the multi-cultural diversity in the city and are  
19 consistent with State law, provided that for all purposes  
20 of this Article courses or proficiency in American Sign  
21 Language shall be deemed to constitute courses or  
22 proficiency in a foreign language; and to employ principals  
23 and teachers, appointed as provided in this Article, and  
24 fix their compensation. The board shall prepare such  
25 reports related to minimal competency testing as may be  
26 requested by the State Board of Education, and in addition



1 shall monitor and approve special education and bilingual  
2 education programs and policies within the district to  
3 assure that appropriate services are provided in  
4 accordance with applicable State and federal laws to  
5 children requiring services and education in those areas;

6 10. To employ non-teaching personnel or utilize  
7 volunteer personnel for: (i) non-teaching duties not  
8 requiring instructional judgment or evaluation of pupils,  
9 including library duties; and (ii) supervising study  
10 halls, long distance teaching reception areas used  
11 incident to instructional programs transmitted by  
12 electronic media such as computers, video, and audio,  
13 detention and discipline areas, and school-sponsored  
14 extracurricular activities. The board may further utilize  
15 volunteer non-certificated personnel or employ  
16 non-certificated personnel to assist in the instruction of  
17 pupils under the immediate supervision of a teacher holding  
18 a valid certificate, directly engaged in teaching subject  
19 matter or conducting activities; provided that the teacher  
20 shall be continuously aware of the non-certificated  
21 persons' activities and shall be able to control or modify  
22 them. The general superintendent shall determine  
23 qualifications of such personnel and shall prescribe rules  
24 for determining the duties and activities to be assigned to  
25 such personnel;

26 10.5. To utilize volunteer personnel from a regional

1 School Crisis Assistance Team (S.C.A.T.), created as part  
2 of the Safe to Learn Program established pursuant to  
3 Section 25 of the Illinois Violence Prevention Act of 1995,  
4 to provide assistance to schools in times of violence or  
5 other traumatic incidents within a school community by  
6 providing crisis intervention services to lessen the  
7 effects of emotional trauma on individuals and the  
8 community; the School Crisis Assistance Team Steering  
9 Committee shall determine the qualifications for  
10 volunteers;

11 11. To provide television studio facilities in not to  
12 exceed one school building and to provide programs for  
13 educational purposes, provided, however, that the board  
14 shall not construct, acquire, operate, or maintain a  
15 television transmitter; to grant the use of its studio  
16 facilities to a licensed television station located in the  
17 school district; and to maintain and operate not to exceed  
18 one school radio transmitting station and provide programs  
19 for educational purposes;

20 12. To offer, if deemed appropriate, outdoor education  
21 courses, including field trips within the State of  
22 Illinois, or adjacent states, and to use school educational  
23 funds for the expense of the said outdoor educational  
24 programs, whether within the school district or not;

25 13. During that period of the calendar year not  
26 embraced within the regular school term, to provide and

1           conduct courses in subject matters normally embraced in the  
2           program of the schools during the regular school term and  
3           to give regular school credit for satisfactory completion  
4           by the student of such courses as may be approved for  
5           credit by the State Board of Education;

6           14. To insure against any loss or liability of the  
7           board, the former School Board Nominating Commission,  
8           Local School Councils, the Chicago Schools Academic  
9           Accountability Council, or the former Subdistrict Councils  
10          or of any member, officer, agent or employee thereof,  
11          resulting from alleged violations of civil rights arising  
12          from incidents occurring on or after September 5, 1967 or  
13          from the wrongful or negligent act or omission of any such  
14          person whether occurring within or without the school  
15          premises, provided the officer, agent or employee was, at  
16          the time of the alleged violation of civil rights or  
17          wrongful act or omission, acting within the scope of his  
18          employment or under direction of the board, the former  
19          School Board Nominating Commission, the Chicago Schools  
20          Academic Accountability Council, Local School Councils, or  
21          the former Subdistrict Councils; and to provide for or  
22          participate in insurance plans for its officers and  
23          employees, including but not limited to retirement  
24          annuities, medical, surgical and hospitalization benefits  
25          in such types and amounts as may be determined by the  
26          board; provided, however, that the board shall contract for

1 such insurance only with an insurance company authorized to  
2 do business in this State. Such insurance may include  
3 provision for employees who rely on treatment by prayer or  
4 spiritual means alone for healing, in accordance with the  
5 tenets and practice of a recognized religious  
6 denomination;

7 15. To contract with the corporate authorities of any  
8 municipality or the county board of any county, as the case  
9 may be, to provide for the regulation of traffic in parking  
10 areas of property used for school purposes, in such manner  
11 as is provided by Section 11-209 of The Illinois Vehicle  
12 Code, approved September 29, 1969, as amended;

13 16. (a) To provide, on an equal basis, access to a high  
14 school campus and student directory information to the  
15 official recruiting representatives of the armed forces of  
16 Illinois and the United States for the purposes of  
17 informing students of the educational and career  
18 opportunities available in the military if the board has  
19 provided such access to persons or groups whose purpose is  
20 to acquaint students with educational or occupational  
21 opportunities available to them. The board is not required  
22 to give greater notice regarding the right of access to  
23 recruiting representatives than is given to other persons  
24 and groups. In this paragraph 16, "directory information"  
25 means a high school student's name, address, and telephone  
26 number.

1           (b) If a student or his or her parent or guardian  
2 submits a signed, written request to the high school before  
3 the end of the student's sophomore year (or if the student  
4 is a transfer student, by another time set by the high  
5 school) that indicates that the student or his or her  
6 parent or guardian does not want the student's directory  
7 information to be provided to official recruiting  
8 representatives under subsection (a) of this Section, the  
9 high school may not provide access to the student's  
10 directory information to these recruiting representatives.  
11 The high school shall notify its students and their parents  
12 or guardians of the provisions of this subsection (b).

13           (c) A high school may require official recruiting  
14 representatives of the armed forces of Illinois and the  
15 United States to pay a fee for copying and mailing a  
16 student's directory information in an amount that is not  
17 more than the actual costs incurred by the high school.

18           (d) Information received by an official recruiting  
19 representative under this Section may be used only to  
20 provide information to students concerning educational and  
21 career opportunities available in the military and may not  
22 be released to a person who is not involved in recruiting  
23 students for the armed forces of Illinois or the United  
24 States;

25           17. (a) To sell or market any computer program  
26 developed by an employee of the school district, provided

1 that such employee developed the computer program as a  
2 direct result of his or her duties with the school district  
3 or through the utilization of the school district resources  
4 or facilities. The employee who developed the computer  
5 program shall be entitled to share in the proceeds of such  
6 sale or marketing of the computer program. The distribution  
7 of such proceeds between the employee and the school  
8 district shall be as agreed upon by the employee and the  
9 school district, except that neither the employee nor the  
10 school district may receive more than 90% of such proceeds.  
11 The negotiation for an employee who is represented by an  
12 exclusive bargaining representative may be conducted by  
13 such bargaining representative at the employee's request.

14 (b) For the purpose of this paragraph 17:

15 (1) "Computer" means an internally programmed,  
16 general purpose digital device capable of  
17 automatically accepting data, processing data and  
18 supplying the results of the operation.

19 (2) "Computer program" means a series of coded  
20 instructions or statements in a form acceptable to a  
21 computer, which causes the computer to process data in  
22 order to achieve a certain result.

23 (3) "Proceeds" means profits derived from  
24 marketing or sale of a product after deducting the  
25 expenses of developing and marketing such product;

26 18. To delegate to the general superintendent of

1 schools, by resolution, the authority to approve contracts  
2 and expenditures in amounts of \$10,000 or less;

3 19. Upon the written request of an employee, to  
4 withhold from the compensation of that employee any dues,  
5 payments or contributions payable by such employee to any  
6 labor organization as defined in the Illinois Educational  
7 Labor Relations Act. Under such arrangement, an amount  
8 shall be withheld from each regular payroll period which is  
9 equal to the pro rata share of the annual dues plus any  
10 payments or contributions, and the board shall transmit  
11 such withholdings to the specified labor organization  
12 within 10 working days from the time of the withholding;

13 19a. Upon receipt of notice from the comptroller of a  
14 municipality with a population of 500,000 or more, a county  
15 with a population of 3,000,000 or more, the Cook County  
16 Forest Preserve District, the Chicago Park District, the  
17 Metropolitan Water Reclamation District, the Chicago  
18 Transit Authority, or a housing authority of a municipality  
19 with a population of 500,000 or more that a debt is due and  
20 owing the municipality, the county, the Cook County Forest  
21 Preserve District, the Chicago Park District, the  
22 Metropolitan Water Reclamation District, the Chicago  
23 Transit Authority, or the housing authority by an employee  
24 of the Chicago Board of Education, to withhold, from the  
25 compensation of that employee, the amount of the debt that  
26 is due and owing and pay the amount withheld to the

1 municipality, the county, the Cook County Forest Preserve  
2 District, the Chicago Park District, the Metropolitan  
3 Water Reclamation District, the Chicago Transit Authority,  
4 or the housing authority; provided, however, that the  
5 amount deducted from any one salary or wage payment shall  
6 not exceed 25% of the net amount of the payment. Before the  
7 Board deducts any amount from any salary or wage of an  
8 employee under this paragraph, the municipality, the  
9 county, the Cook County Forest Preserve District, the  
10 Chicago Park District, the Metropolitan Water Reclamation  
11 District, the Chicago Transit Authority, or the housing  
12 authority shall certify that (i) the employee has been  
13 afforded an opportunity for a hearing to dispute the debt  
14 that is due and owing the municipality, the county, the  
15 Cook County Forest Preserve District, the Chicago Park  
16 District, the Metropolitan Water Reclamation District, the  
17 Chicago Transit Authority, or the housing authority and  
18 (ii) the employee has received notice of a wage deduction  
19 order and has been afforded an opportunity for a hearing to  
20 object to the order. For purposes of this paragraph, "net  
21 amount" means that part of the salary or wage payment  
22 remaining after the deduction of any amounts required by  
23 law to be deducted and "debt due and owing" means (i) a  
24 specified sum of money owed to the municipality, the  
25 county, the Cook County Forest Preserve District, the  
26 Chicago Park District, the Metropolitan Water Reclamation



1 District, the Chicago Transit Authority, or the housing  
2 authority for services, work, or goods, after the period  
3 granted for payment has expired, or (ii) a specified sum of  
4 money owed to the municipality, the county, the Cook County  
5 Forest Preserve District, the Chicago Park District, the  
6 Metropolitan Water Reclamation District, the Chicago  
7 Transit Authority, or the housing authority pursuant to a  
8 court order or order of an administrative hearing officer  
9 after the exhaustion of, or the failure to exhaust,  
10 judicial review;

11 20. The board is encouraged to employ a sufficient  
12 number of certified school counselors to maintain a  
13 student/counselor ratio of 250 to 1 by July 1, 1990. Each  
14 counselor shall spend at least 75% of his work time in  
15 direct contact with students and shall maintain a record of  
16 such time;

17 21. To make available to students vocational and career  
18 counseling and to establish 5 special career counseling  
19 days for students and parents. On these days  
20 representatives of local businesses and industries shall  
21 be invited to the school campus and shall inform students  
22 of career opportunities available to them in the various  
23 businesses and industries. Special consideration shall be  
24 given to counseling minority students as to career  
25 opportunities available to them in various fields. For the  
26 purposes of this paragraph, minority student means a person

1 who is any of the following:

2 (a) American Indian or Alaska Native (a person having  
3 origins in any of the original peoples of North and South  
4 America, including Central America, and who maintains  
5 tribal affiliation or community attachment).

6 (b) Asian (a person having origins in any of the  
7 original peoples of the Far East, Southeast Asia, or the  
8 Indian subcontinent, including, but not limited to,  
9 Cambodia, China, India, Japan, Korea, Malaysia, Pakistan,  
10 the Philippine Islands, Thailand, and Vietnam).

11 (c) Black or African American (a person having origins  
12 in any of the black racial groups of Africa). Terms such as  
13 "Haitian" or "Negro" can be used in addition to "Black or  
14 African American".

15 (d) Hispanic or Latino (a person of Cuban, Mexican,  
16 Puerto Rican, South or Central American, or other Spanish  
17 culture or origin, regardless of race).

18 (e) Native Hawaiian or Other Pacific Islander (a person  
19 having origins in any of the original peoples of Hawaii,  
20 Guam, Samoa, or other Pacific Islands).

21 Counseling days shall not be in lieu of regular school  
22 days;

23 22. To report to the State Board of Education the  
24 annual student dropout rate and number of students who  
25 graduate from, transfer from or otherwise leave bilingual  
26 programs;

1           23. Except as otherwise provided in the Abused and  
2 Neglected Child Reporting Act or other applicable State or  
3 federal law, to permit school officials to withhold, from  
4 any person, information on the whereabouts of any child  
5 removed from school premises when the child has been taken  
6 into protective custody as a victim of suspected child  
7 abuse. School officials shall direct such person to the  
8 Department of Children and Family Services, or to the local  
9 law enforcement agency if appropriate;

10           24. To develop a policy, based on the current state of  
11 existing school facilities, projected enrollment and  
12 efficient utilization of available resources, for capital  
13 improvement of schools and school buildings within the  
14 district, addressing in that policy both the relative  
15 priority for major repairs, renovations and additions to  
16 school facilities, and the advisability or necessity of  
17 building new school facilities or closing existing schools  
18 to meet current or projected demographic patterns within  
19 the district;

20           25. To make available to the students in every high  
21 school attendance center the ability to take all courses  
22 necessary to comply with the Board of Higher Education's  
23 college entrance criteria effective in 1993;

24           26. To encourage mid-career changes into the teaching  
25 profession, whereby qualified professionals become  
26 certified teachers, by allowing credit for professional

1 employment in related fields when determining point of  
2 entry on teacher pay scale;

3 27. To provide or contract out training programs for  
4 administrative personnel and principals with revised or  
5 expanded duties pursuant to this Act in order to assure  
6 they have the knowledge and skills to perform their duties;

7 28. To establish a fund for the prioritized special  
8 needs programs, and to allocate such funds and other lump  
9 sum amounts to each attendance center in a manner  
10 consistent with the provisions of part 4 of Section 34-2.3.  
11 Nothing in this paragraph shall be construed to require any  
12 additional appropriations of State funds for this purpose;

13 29. (Blank);

14 30. Notwithstanding any other provision of this Act or  
15 any other law to the contrary, to contract with third  
16 parties for services otherwise performed by employees,  
17 including those in a bargaining unit, and to layoff those  
18 employees upon 14 days written notice to the affected  
19 employees. Those contracts may be for a period not to  
20 exceed 5 years and may be awarded on a system-wide basis.  
21 The board may not operate more than 30 contract schools,  
22 provided that the board may operate an additional 5  
23 contract turnaround schools pursuant to item (5.5) of  
24 subsection (d) of Section 34-8.3 of this Code;

25 31. To promulgate rules establishing procedures  
26 governing the layoff or reduction in force of employees and

1 the recall of such employees, including, but not limited  
2 to, criteria for such layoffs, reductions in force or  
3 recall rights of such employees and the weight to be given  
4 to any particular criterion. Such criteria shall take into  
5 account factors including, but not be limited to,  
6 qualifications, certifications, experience, performance  
7 ratings or evaluations, and any other factors relating to  
8 an employee's job performance;

9 32. To develop a policy to prevent nepotism in the  
10 hiring of personnel or the selection of contractors;

11 33. To enter into a partnership agreement, as required  
12 by Section 34-3.5 of this Code, and, notwithstanding any  
13 other provision of law to the contrary, to promulgate  
14 policies, enter into contracts, and take any other action  
15 necessary to accomplish the objectives and implement the  
16 requirements of that agreement; and

17 34. To establish a Labor Management Council to the  
18 board comprised of representatives of the board, the chief  
19 executive officer, and those labor organizations that are  
20 the exclusive representatives of employees of the board and  
21 to promulgate policies and procedures for the operation of  
22 the Council.

23 The specifications of the powers herein granted are not to  
24 be construed as exclusive but the board shall also exercise all  
25 other powers that they may be requisite or proper for the  
26 maintenance and the development of a public school system, not

1 inconsistent with the other provisions of this Article or  
2 provisions of this Code which apply to all school districts.

3 In addition to the powers herein granted and authorized to  
4 be exercised by the board, it shall be the duty of the board to  
5 review or to direct independent reviews of special education  
6 expenditures and services. The board shall file a report of  
7 such review with the General Assembly on or before May 1, 1990.

8 (Source: P.A. 96-105, eff. 7-30-09; 97-227, eff. 1-1-12;  
9 97-396, eff. 1-1-12; 97-813, eff. 7-13-12.)

10 (105 ILCS 5/34-18.30)

11 Sec. 34-18.30. Dependents of military personnel; no  
12 tuition charge. If, at the time of enrollment, a dependent of  
13 United States military personnel is housed in temporary housing  
14 located outside of the school district, but will be living  
15 within the district within 60 days after the time of initial  
16 enrollment, the dependent must be allowed to enroll, subject to  
17 the requirements of this Section, and must not be charged  
18 tuition. Any United States military personnel attempting to  
19 enroll a dependent under this Section shall provide proof that  
20 the dependent will be living within the district within 60 days  
21 after the time of initial enrollment. Proof of residency may  
22 include, but is not limited to, postmarked mail addressed to  
23 the military personnel and sent to an address located within  
24 the district, a lease agreement for occupancy of a residence  
25 located within the district, or proof of ownership of a

1 residence located within the district. Non-resident dependents  
2 of United States military personnel attending school on a  
3 tuition-free basis may be counted for the purposes of  
4 determining the apportionment of State aid provided under  
5 Section 18-8.05 or 18-8.15 of this Code.

6 (Source: P.A. 95-331, eff. 8-21-07.)

7 (105 ILCS 5/34-43.1) (from Ch. 122, par. 34-43.1)

8 Sec. 34-43.1. (A) Limitation of noninstructional costs. It  
9 is the purpose of this Section to establish for the Board of  
10 Education and the general superintendent of schools  
11 requirements and standards which maximize the proportion of  
12 school district resources in direct support of educational,  
13 program, and building maintenance and safety services for the  
14 pupils of the district, and which correspondingly minimize the  
15 amount and proportion of such resources associated with  
16 centralized administration, administrative support services,  
17 and other noninstructional services.

18 For the 1989-90 school year and for all subsequent school  
19 years, the Board of Education shall undertake budgetary and  
20 expenditure control actions which limit the administrative  
21 expenditures of the Board of Education to levels, as provided  
22 for in this Section, which represent an average of the  
23 administrative expenses of all school districts in this State  
24 not subject to Article 34.

25 (B) Certification of expenses by the State Superintendent

1 of Education. The State Superintendent of Education shall  
2 annually certify, on or before May 1, to the Board of Education  
3 and the School Finance Authority, for the applicable school  
4 year, the following information:

5 (1) the annual expenditures of all school districts of  
6 the State not subject to Article 34 properly attributable  
7 to expenditure functions defined by the rules and  
8 regulations of the State Board of Education as: 2210  
9 (Improvement of Instructional Services); 2300 (Support  
10 Services - General Administration) excluding, however,  
11 2320 (Executive Administrative Services); 2490 (Other  
12 Support Services - School Administration); 2500 (Support  
13 Services - Business); 2600 (Support Services - Central);

14 (2) the total annual expenditures of all school  
15 districts not subject to Article 34 attributable to the  
16 Education Fund, the Operations, Building and Maintenance  
17 Fund, the Transportation Fund and the Illinois Municipal  
18 Retirement Fund of the several districts, as defined by the  
19 rules and regulations of the State Board of Education; and

20 (3) a ratio, to be called the statewide average of  
21 administrative expenditures, derived by dividing the  
22 expenditures certified pursuant to paragraph (B)(1) by the  
23 expenditures certified pursuant to paragraph (B)(2).

24 For purposes of the annual certification of expenditures  
25 and ratios required by this Section, the "applicable year" of  
26 certification shall initially be the 1986-87 school year and,



1 in sequent years, each succeeding school year.

2 The State Superintendent of Education shall consult with  
3 the Board of Education to ascertain whether particular  
4 expenditure items allocable to the administrative functions  
5 enumerated in paragraph (B)(1) are appropriately or  
6 necessarily higher in the applicable school district than in  
7 the rest of the State due to noncomparable factors. The State  
8 Superintendent shall also review the relevant cost proportions  
9 in other large urban school districts. The State Superintendent  
10 shall also review the expenditure categories in paragraph  
11 (B)(1) to ascertain whether they contain school-level  
12 expenses. If he or she finds that adjustments to the formula  
13 are appropriate or necessary to establish a more fair and  
14 comparable standard for administrative cost for the Board of  
15 Education or to exclude school-level expenses, the State  
16 Superintendent shall recommend to the School Finance Authority  
17 rules and regulations adjusting particular subcategories in  
18 this subsection (B) or adjusting certain costs in determining  
19 the budget and expenditure items properly attributable to the  
20 functions or otherwise adjust the formula.

21 (C) Administrative expenditure limitations. The annual  
22 budget of the Board of Education, as adopted and implemented,  
23 and the related annual expenditures for the school year, shall  
24 reflect a limitation on administrative outlays as required by  
25 the following provisions, taking into account any adjustments  
26 established by the State Superintendent of Education: (1) the

1 budget and expenditures of the Board of Education for the  
2 1989-90 school year shall reflect a ratio of administrative  
3 expenditures to total expenditures equal to or less than the  
4 statewide average of administrative expenditures for the  
5 1986-87 school year as certified by the State Superintendent of  
6 Education pursuant to paragraph (B)(3); (2) for the 1990-91  
7 school year and for all subsequent school years, the budget and  
8 expenditures of the Board of Education shall reflect a ratio of  
9 administrative expenditures to total expenditures equal to or  
10 less than the statewide average of administrative expenditures  
11 certified by the State Superintendent of Education for the  
12 applicable year pursuant to paragraph (B)(3); (3) if for any  
13 school year the budget of the Board of Education reflects a  
14 ratio of administrative expenditures to total expenditures  
15 which exceeds the applicable statewide average, the Board of  
16 Education shall reduce expenditure items allocable to the  
17 administrative functions enumerated in paragraph (B)(1) such  
18 that the Board of Education's ratio of administrative  
19 expenditures to total expenditures is equal to or less than the  
20 applicable statewide average ratio.

21 For purposes of this Section, the ratio of administrative  
22 expenditures to the total expenditures of the Board of  
23 Education, as applied to the budget of the Board of Education,  
24 shall mean: the budgeted expenditure items of the Board of  
25 Education properly attributable to the expenditure functions  
26 identified in paragraph (B)(1) divided by the total budgeted

1 expenditures of the Board of Education properly attributable to  
2 the Board of Education funds corresponding to those funds  
3 identified in paragraph (B)(2), exclusive of any monies  
4 budgeted for payment to the Public School Teachers' Pension and  
5 Retirement System, attributable to payments due from the  
6 General Funds of the State of Illinois.

7 The annual expenditure of the Board of Education for 2320  
8 (Executive Administrative Services) for the 1989-90 school  
9 year shall be no greater than the 2320 expenditure for the  
10 1988-89 school year. The annual expenditure of the Board of  
11 Education for 2320 for the 1990-91 school year and each  
12 subsequent school year shall be no greater than the 2320  
13 expenditure for the immediately preceding school year or the  
14 1988-89 school year, whichever is less. This annual expenditure  
15 limitation may be adjusted in each year in an amount not to  
16 exceed any change effective during the applicable school year  
17 in salary to be paid under the collective bargaining agreement  
18 with instructional personnel to which the Board is a party and  
19 in benefit costs either required by law or such collective  
20 bargaining agreement.

21 (D) Cost control measures. In undertaking actions to  
22 control or reduce expenditure items necessitated by the  
23 administrative expenditure limitations of this Section, the  
24 Board of Education shall give priority consideration to  
25 reductions or cost controls with the least effect upon direct  
26 services to students or instructional services for pupils, and

1 upon the safety and well-being of pupils, and, as applicable,  
2 with the particular costs or functions to which the Board of  
3 Education is higher than the statewide average.

4 For purposes of assuring that the cost control priorities  
5 of this subsection (D) are met, the State Superintendent of  
6 Education shall, with the assistance of the Board of Education,  
7 review the cost allocation practices of the Board of Education,  
8 and the State Superintendent of Education shall thereafter  
9 recommend to the School Finance Authority rules and regulations  
10 which define administrative areas which most impact upon the  
11 direct and instructional needs of students and upon the safety  
12 and well-being of the pupils of the district. No position  
13 closed shall be reopened using State or federal categorical  
14 funds.

15 (E) Report of Audited Information. For the 1988-89 school  
16 year and for all subsequent school years, the Board of  
17 Education shall file with the State Board of Education the  
18 Annual Financial Report and its audit, as required by the rules  
19 of the State Board of Education. Such reports shall be filed no  
20 later than February 15 following the end of the school year of  
21 the Board of Education, beginning with the report to be filed  
22 no later than February 15, 1990 for the 1988-89 school year.

23 As part of the required Annual Financial Report, the Board  
24 of Education shall provide a detailed accounting of the central  
25 level, district, bureau and department costs and personnel  
26 included within expenditure functions included in paragraph

1 (B)(1). The nature and detail of the reporting required for  
2 these functions shall be prescribed by the State Board of  
3 Education in rules and regulations. A copy of this detailed  
4 accounting shall also be provided annually to the School  
5 Finance Authority and the public. This report shall contain a  
6 reconciliation to the board of education's adopted budget for  
7 that fiscal year, specifically delineating administrative  
8 functions.

9 If the information required under this Section is not  
10 provided by the Board of Education in a timely manner, or is  
11 initially or subsequently determined by the State  
12 Superintendent of Education to be incomplete or inaccurate, the  
13 State Superintendent shall, in writing, notify the Board of  
14 Education of reporting deficiencies. The Board of Education  
15 shall, within 60 days of such notice, address the reporting  
16 deficiencies identified. If the State Superintendent of  
17 Education does not receive satisfactory response to these  
18 reporting deficiencies within 60 days, the next payment of  
19 general State aid or primary State aid due the Board of  
20 Education under Section 18-8 or Section 18-8.15, as applicable,  
21 and all subsequent payments, shall be withheld by the State  
22 Superintendent of Education until the enumerated deficiencies  
23 have been addressed.

24 Utilizing the Annual Financial Report, the State  
25 Superintendent of Education shall certify on or before May 1 to  
26 the School Finance Authority the Board of Education's ratio of

1 administrative expenditures to total expenditures for the  
2 1988-89 school year and for each succeeding school year. Such  
3 certification shall indicate the extent to which the  
4 administrative expenditure ratio of the Board of Education  
5 conformed to the limitations required in subsection (C) of this  
6 Section, taking into account any adjustments of the limitations  
7 which may have been recommended by the State Superintendent of  
8 Education to the School Finance Authority. In deriving the  
9 administrative expenditure ratio of the Chicago Board of  
10 Education, the State Superintendent of Education shall utilize  
11 the definition of this ratio prescribed in subsection (C) of  
12 this Section, except that the actual expenditures of the Board  
13 of Education shall be substituted for budgeted expenditure  
14 items.

15 (F) Approval and adjustments to administrative expenditure  
16 limitations. The School Finance Authority organized under  
17 Article 34A shall monitor the Board of Education's adherence to  
18 the requirements of this Section. As part of its responsibility  
19 the School Finance Authority shall determine whether the Board  
20 of Education's budget for the next school year, and the  
21 expenditures for a prior school year, comply with the  
22 limitation of administrative expenditures required by this  
23 Section. The Board of Education and the State Board of  
24 Education shall provide such information as is required by the  
25 School Finance Authority in order for the Authority to  
26 determine compliance with the provisions of this Section. If

1 the Authority determines that the budget proposed by the Board  
2 of Education does not meet the cost control requirements of  
3 this Section, the Board of Education shall undertake budgetary  
4 reductions, consistent with the requirements of this Section,  
5 to bring the proposed budget into compliance with such cost  
6 control limitations.

7 If, in formulating cost control and cost reduction  
8 alternatives, the Board of Education believes that meeting the  
9 cost control requirements of this Section related to the budget  
10 for the ensuing year would impair the education, safety, or  
11 well-being of the pupils of the school district, the Board of  
12 Education may request that the School Finance Authority make  
13 adjustments to the limitations required by this Section. The  
14 Board of Education shall specify the amount, nature, and  
15 reasons for the relief required and shall also identify cost  
16 reductions which can be made in expenditure functions not  
17 enumerated in paragraph (B) (1), which would serve the purposes  
18 of this Section.

19 The School Finance Authority shall consult with the State  
20 Superintendent of Education concerning the reasonableness from  
21 an educational administration perspective of the adjustments  
22 sought by the Board of Education. The School Finance Authority  
23 shall provide an opportunity for the public to comment upon the  
24 reasonableness of the Board's request. If, after such  
25 consultation, the School Finance Authority determines that all  
26 or a portion of the adjustments sought by the Board of

1 Education are reasonably appropriate or necessary, the  
2 Authority may grant such relief from the provisions of this  
3 Section which the Authority deems appropriate. Adjustments so  
4 granted apply only to the specific school year for which the  
5 request was made.

6 In the event that the School Finance Authority determines  
7 that the Board of Education has failed to achieve the required  
8 administrative expenditure limitations for a prior school  
9 year, or if the Authority determines that the Board of  
10 Education has not met the requirements of subsection (F), the  
11 Authority shall make recommendations to the Board of Education  
12 concerning appropriate corrective actions. If the Board of  
13 Education fails to provide adequate assurance to the Authority  
14 that appropriate corrective actions have been or will be taken,  
15 the Authority may, within 60 days thereafter, require the board  
16 to adjust its current budget to correct for the prior year's  
17 shortage or may recommend to the members of the General  
18 Assembly and the Governor such sanctions or remedial actions as  
19 will serve to deter any further such failures on the part of  
20 the Board of Education.

21 To assist the Authority in its monitoring  
22 responsibilities, the Board of Education shall provide such  
23 reports and information as are from time to time required by  
24 the Authority.

25 (G) Independent reviews of administrative expenditures.  
26 The School Finance Authority may direct independent reviews of



1 the administrative and administrative support expenditures and  
2 services and other non-instructional expenditure functions of  
3 the Board of Education. The Board of Education shall afford  
4 full cooperation to the School Finance Authority in such review  
5 activity. The purpose of such reviews shall be to verify  
6 specific targets for improved operating efficiencies of the  
7 Board of Education, to identify other areas of potential  
8 efficiencies, and to assure full and proper compliance by the  
9 Board of Education with all requirements of this Section.

10 In the conduct of reviews under this subsection, the  
11 Authority may request the assistance and consultation of the  
12 State Superintendent of Education with regard to questions of  
13 efficiency and effectiveness in educational administration.

14 (H) Reports to Governor and General Assembly. On or before  
15 May 1, 1991 and no less frequently than yearly thereafter, the  
16 School Finance Authority shall provide to the Governor, the  
17 State Board of Education, and the members of the General  
18 Assembly an annual report, as outlined in Section 34A-606,  
19 which includes the following information: (1) documenting the  
20 compliance or non-compliance of the Board of Education with the  
21 requirements of this Section; (2) summarizing the costs,  
22 findings, and recommendations of any reviews directed by the  
23 School Finance Authority, and the response to such  
24 recommendations made by the Board of Education; and (3)  
25 recommending sanctions or legislation necessary to fulfill the  
26 intent of this Section.

1 (Source: P.A. 86-124; 86-1477.)

2 Section 950. The Educational Opportunity for Military  
3 Children Act is amended by changing Section 25 as follows:

4 (105 ILCS 70/25)

5 Sec. 25. Tuition for children of active duty military  
6 personnel who are transfer students. If a student who is a  
7 child of active duty military personnel is (i) placed with a  
8 non-custodial parent and (ii) as a result of placement, must  
9 attend a non-resident school district, then the student must  
10 not be charged the tuition of the school that the student  
11 attends as a result of placement with the non-custodial parent  
12 and the student must be counted in the calculation of average  
13 daily attendance under Section 18-8.05 or 18-8.15 of the School  
14 Code.

15 (Source: P.A. 98-673, eff. 6-30-14.)

16 Section 955. The Illinois Public Aid Code is amended by  
17 changing Section 5-16.4 as follows:

18 (305 ILCS 5/5-16.4)

19 Sec. 5-16.4. Medical Assistance Provider Payment Fund.

20 (a) There is created in the State treasury the Medical  
21 Assistance Provider Payment Fund. Interest earned by the Fund  
22 shall be credited to the Fund.

1 (b) The Fund is created for the purpose of disbursing  
2 moneys as follows:

3 (1) For medical services provided to recipients of aid  
4 under Articles V, VI, and XII.

5 (2) For payment of administrative expenses incurred by  
6 the Illinois Department or its agent in performing the  
7 activities authorized by this Section.

8 (3) For making transfers to the General Obligation Bond  
9 Retirement and Interest Fund, as those transfers are  
10 authorized in the proceedings authorizing debt under the  
11 Medicaid Liability Liquidity Borrowing Act, but transfers  
12 made under this paragraph (3) may not exceed the principal  
13 amount of debt issued under that Act.

14 Disbursements from the Fund, other than transfers to the  
15 General Obligation Bond Retirement and Interest Fund (which  
16 shall be made in accordance with the provisions of the Medicaid  
17 Liability Liquidity Borrowing Act), shall be by warrants drawn  
18 by the State Comptroller upon receipt of vouchers duly executed  
19 and certified by the Illinois Department.

20 (c) The Fund shall consist of the following:

21 (1) All federal matching funds received by the Illinois  
22 Department as a result of expenditures made by the Illinois  
23 Department that are attributable to moneys deposited into  
24 the Fund.

25 (2) Proceeds from any short-term borrowing directed to  
26 the Fund by the Governor pursuant to the Medicaid Liability

1           Liquidity Borrowing Act.

2           (3) Amounts transferred into the Fund under subsection  
3           (d) of this Section.

4           (4) All other moneys received for the Fund from any  
5           other source, including interest earned on those moneys.

6           (d) Beginning July 1, 1995, on the 13th and 26th days of  
7           each month the State Comptroller and Treasurer shall transfer  
8           from the General Revenue Fund to the Medical Assistance  
9           Provider Payment Fund an amount equal to 1/48th of the annual  
10          Medical Assistance appropriation to the Department of  
11          Healthcare and Family Services (formerly Illinois Department  
12          of Public Aid) from the Medical Assistance Provider Payment  
13          Fund, plus cumulative deficiencies from those prior transfers.  
14          In addition to those transfers, the State Comptroller and  
15          Treasurer may transfer from the General Revenue Fund to the  
16          Medical Assistance Provider Payment Fund as much as is  
17          necessary to pay claims pursuant to the new twice-monthly  
18          payment schedule established in Section 5-16.5 and to avoid  
19          interest liabilities under the State Prompt Payment Act. No  
20          transfers made pursuant to this subsection shall interfere with  
21          the timely payment of the general State aid or primary State  
22          aid payment made pursuant to Section 18-11 of the School Code.  
23          (Source: P.A. 95-331, eff. 8-21-07.)

24          Section 995. Savings clause. Any repeal or amendment made  
25          by this Act shall not affect or impair any of the following:

1 suits pending or rights existing at the time this Act takes  
2 effect; any grant or conveyance made or right acquired or cause  
3 of action now existing under any Section, Article, or Act  
4 repealed or amended by this Act; the validity of any bonds or  
5 other obligations issued or sold and constituting valid  
6 obligations of the issuing authority at the time this Act takes  
7 effect; the validity of any contract; the validity of any tax  
8 levied under any law in effect prior to the effective date of  
9 this Act; or any offense committed, act done, penalty,  
10 punishment, or forfeiture incurred or any claim, right, power,  
11 or remedy accrued under any law in effect prior to the  
12 effective date of this Act.

13 Section 999. Effective date. This Act takes effect upon  
14 becoming law."