

1                                    AMENDMENT TO HOUSE BILL 3050

2            AMENDMENT NO. \_\_\_\_\_. Amend House Bill 3050 by replacing  
3 everything after the enacting clause with the following:

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

6            (105 ILCS 5/18-8.05)

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

10          (A) General Provisions.

11            (1) The provisions of this Section apply to the  
12 1998-1999 and subsequent school years. The system of general  
13 State financial aid provided for in this Section is designed  
14 to assure that, through a combination of State financial aid  
15 and required local resources, the financial support provided  
16 each pupil in Average Daily Attendance equals or exceeds a  
17 prescribed per pupil Foundation Level. This formula approach  
18 imputes a level of per pupil Available Local Resources and  
19 provides for the basis to calculate a per pupil level of  
20 general State financial aid that, when added to Available  
21 Local Resources, equals or exceeds the Foundation Level. The

1 amount of per pupil general State financial aid for school  
2 districts, in general, varies in inverse relation to  
3 Available Local Resources. Per pupil amounts are based upon  
4 each school district's Average Daily Attendance as that term  
5 is defined in this Section.

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

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

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

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

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

9           (d) (Blank).

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

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

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

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

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

28           (c) "Corporate Personal Property Replacement  
29 Taxes": Funds paid to local school districts pursuant to  
30 "An Act in relation to the abolition of ad valorem  
31 personal property tax and the replacement of revenues  
32 lost thereby, and amending and repealing certain Acts and  
33 parts of Acts in connection therewith", certified August  
34 14, 1979, as amended (Public Act 81-1st S.S.-1).

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

4 (e) "Operating Tax Rate": All school district  
5 property taxes extended for all purposes, except Bond and  
6 Interest, Summer School, Rent, Capital Improvement, and  
7 Vocational 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  
14 exert a sufficient local taxing effort such that, in  
15 combination with the aggregate of general State financial aid  
16 provided the district, an aggregate of State and local  
17 resources are available to meet the basic education needs of  
18 pupils in the district.

19 (2) For the 1998-1999 school year, the Foundation Level  
20 of support is \$4,225. For the 1999-2000 school year, the  
21 Foundation Level of support is \$4,325. For the 2000-2001  
22 school year, the Foundation Level of support is \$4,425.

23 (3) For the 2001-2002 school year and each school year  
24 thereafter, the Foundation Level of support is \$4,425 or such  
25 greater amount as may be established by law by the General  
26 Assembly.

27 (C) Average Daily Attendance.

28 (1) For purposes of calculating general State aid  
29 pursuant to subsection (E), an Average Daily Attendance  
30 figure shall be utilized. The Average Daily Attendance  
31 figure for formula calculation purposes shall be the monthly  
32 average of the actual number of pupils in attendance of each  
33 school district, as further averaged for the best 3 months of

1 pupil attendance for each school district. In compiling the  
2 figures for the number of pupils in attendance, school  
3 districts and the State Board of Education shall, for  
4 purposes of general State aid funding, conform attendance  
5 figures to the requirements of subsection (F).

6 (2) The Average Daily Attendance figures utilized in  
7 subsection (E) shall be the requisite attendance data for the  
8 school year immediately preceding the school year for which  
9 general State aid is being calculated.

10 (D) Available Local Resources.

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

20 (2) In determining a school district's revenue from  
21 local property taxes, the State Board of Education shall  
22 utilize the equalized assessed valuation of all taxable  
23 property of each school district as of September 30 of the  
24 previous year. The equalized assessed valuation utilized  
25 shall be obtained and determined as provided in subsection  
26 (G).

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

1 for the district multiplied by 2.30%, and divided by the  
2 district's Average Daily Attendance figure. For school  
3 districts maintaining grades 9 through 12, local property tax  
4 revenues per pupil shall be the applicable equalized assessed  
5 valuation of the district multiplied by 1.05%, and divided by  
6 the district's Average Daily Attendance figure.

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

17 (E) Computation of General State Aid.

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

21 (2) For any school district for which Available Local  
22 Resources per pupil is less than the product of 0.93 times  
23 the Foundation Level, general State aid for that district  
24 shall be calculated as an amount equal to the Foundation  
25 Level minus Available Local Resources, multiplied by the  
26 Average Daily Attendance of the school district.

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

1 Foundation Level for a school district with Available Local  
2 Resources equal to the product of 0.93 times the Foundation  
3 Level, to 0.05 times the Foundation Level for a school  
4 district with Available Local Resources equal to the product  
5 of 1.75 times the Foundation Level. The allocation of  
6 general State aid for school districts subject to this  
7 paragraph 3 shall be the calculated general State aid per  
8 pupil figure multiplied by the Average Daily Attendance of  
9 the school district.

10 (4) For any school district for which Available Local  
11 Resources per pupil equals or exceeds the product of 1.75  
12 times the Foundation Level, the general State aid for the  
13 school district shall be calculated as the product of \$218  
14 multiplied by the Average Daily Attendance of the school  
15 district.

16 (5) The amount of general State aid allocated to a  
17 school district for the 1999-2000 school year meeting the  
18 requirements set forth in paragraph (4) of subsection (G)  
19 shall be increased by an amount equal to the general State  
20 aid that would have been received by the district for the  
21 1998-1999 school year by utilizing the Extension Limitation  
22 Equalized Assessed Valuation as calculated in paragraph (4)  
23 of subsection (G) less the general State aid allotted for the  
24 1998-1999 school year. This amount shall be deemed a one  
25 time increase, and shall not affect any future general State  
26 aid allocations.

27 (F) Compilation of Average Daily Attendance.

28 (1) Each school district shall, by July 1 of each year,  
29 submit to the State Board of Education, on forms prescribed  
30 by the State Board of Education, attendance figures for the  
31 school year that began in the preceding calendar year. The  
32 attendance information so transmitted shall identify the  
33 average daily attendance figures for each month of the school  
34 year, except that any days of attendance in August shall be

1 added to the month of September and any days of attendance in  
2 June shall be added to the month of May.

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

12 Days of attendance by tuition pupils shall be accredited  
13 only to the districts that pay the tuition to a recognized  
14 school.

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

18 (a) Pupils regularly enrolled in a public school  
19 for only a part of the school day may be counted on the  
20 basis of 1/6 day for every class hour of instruction of  
21 40 minutes or more attended pursuant to such enrollment.

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

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

32 (d) A session of 3 or more clock hours may be  
33 counted as a day of attendance (1) when the remainder of  
34 the school day or at least 2 hours in the evening of that



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

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

1 of attendance.

2 (f) A session of at least 4 clock hours may be  
3 counted as a day of attendance for first grade pupils,  
4 and pupils in full day kindergartens, and a session of 2  
5 or more hours may be counted as 1/2 day of attendance by  
6 pupils in kindergartens which provide only 1/2 day of  
7 attendance.

8 (g) For children with disabilities who are below  
9 the age of 6 years and who cannot attend 2 or more clock  
10 hours because of their disability or immaturity, a  
11 session of not less than one clock hour may be counted as  
12 1/2 day of attendance; however for such children whose  
13 educational needs so require a session of 4 or more clock  
14 hours may be counted as a full day of attendance.

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

33 (G) Equalized Assessed Valuation Data.

34 (1) For purposes of the calculation of Available Local

1 Resources required pursuant to subsection (D), the State  
2 Board of Education shall secure from the Department of  
3 Revenue the value as equalized or assessed by the Department  
4 of Revenue of all taxable property of every school district,  
5 together with (i) the applicable tax rate used in extending  
6 taxes for the funds of the district as of September 30 of the  
7 previous year and (ii) the limiting rate for all school  
8 districts subject to property tax extension limitations as  
9 imposed under the Property Tax Extension Limitation Law.

10 This equalized assessed valuation, as adjusted further by  
11 the requirements of this subsection, shall be utilized in the  
12 calculation of Available Local Resources.

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

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

1 equalized assessed valuation, whichever is lower, shall  
2 be used until such time as all redevelopment project  
3 costs have been paid.

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

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

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

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

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

31 "Preceding Tax Year": The property tax levy year  
32 immediately preceding the Base Tax Year.

33 "Base Tax Year's Tax Extension": The product of the  
34 equalized assessed valuation utilized by the County Clerk

1 in the Base Tax Year multiplied by the limiting rate as  
2 calculated by the County Clerk and defined in the  
3 Property Tax Extension Limitation Law.

4 "Preceding Tax Year's Tax Extension": The product of  
5 the equalized assessed valuation utilized by the County  
6 Clerk in the Preceding Tax Year multiplied by the  
7 Operating Tax Rate as defined in subsection (A).

8 "Extension Limitation Ratio": A numerical ratio,  
9 certified by the County Clerk, in which the numerator is  
10 the Base Tax Year's Tax Extension and the denominator is  
11 the Preceding Tax Year's Tax Extension.

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

14 If a school district is subject to property tax extension  
15 limitations as imposed under the Property Tax Extension  
16 Limitation Law, and if the Available Local Resources of that  
17 school district as calculated pursuant to subsection (D)  
18 using the Base Tax Year are less than the product of 1.75  
19 times the Foundation Level for the Budget Year, the State  
20 Board of Education shall calculate the Extension Limitation  
21 Equalized Assessed Valuation of that district. For the  
22 1999-2000 school year, the Extension Limitation Equalized  
23 Assessed Valuation of a school district as calculated by the  
24 State Board of Education shall be equal to the product of the  
25 district's 1996 Equalized Assessed Valuation and the  
26 district's Extension Limitation Ratio. For the 2000-2001  
27 school year and each school year thereafter, the Extension  
28 Limitation Equalized Assessed Valuation of a school district  
29 as calculated by the State Board of Education shall be equal  
30 to the product of the last calculated Extension Limitation  
31 Equalized Assessed Valuation and the district's Extension  
32 Limitation Ratio. If the Extension Limitation Equalized  
33 Assessed Valuation of a school district as calculated under  
34 this subsection (G)(3) is less than the district's equalized

1 assessed valuation as calculated pursuant to subsections  
2 (G)(1) and (G)(2), then for purposes of calculating the  
3 district's general State aid for the Budget Year pursuant to  
4 subsection (E), that Extension Limitation Equalized Assessed  
5 Valuation shall be utilized to calculate the district's  
6 Available Local Resources under subsection (D).

7 (4) For the purposes of calculating general State aid  
8 for the 1999-2000 school year only, if a school district  
9 experienced a triennial reassessment on the equalized  
10 assessed valuation used in calculating its general State  
11 financial aid apportionment for the 1998-1999 school year,  
12 the State Board of Education shall calculate the Extension  
13 Limitation Equalized Assessed Valuation that would have been  
14 used to calculate the district's 1998-1999 general State aid.  
15 This amount shall equal the product of the equalized assessed  
16 valuation used to calculate general State aid for the  
17 1997-1998 school year and the district's Extension Limitation  
18 Ratio. If the Extension Limitation Equalized Assessed  
19 Valuation of the school district as calculated under this  
20 paragraph (4) is less than the district's equalized assessed  
21 valuation utilized in calculating the district's 1998-1999  
22 general State aid allocation, then for purposes of  
23 calculating the district's general State aid pursuant to  
24 paragraph (5) of subsection (E), that Extension Limitation  
25 Equalized Assessed Valuation shall be utilized to calculate  
26 the district's Available Local Resources.

27 (5) For school districts having a majority of their  
28 equalized assessed valuation in any county except Cook,  
29 DuPage, Kane, Lake, McHenry, or Will, if the amount of  
30 general State aid allocated to the school district for the  
31 1999-2000 school year under the provisions of subsection (E),  
32 (H), and (J) of this Section is less than the amount of  
33 general State aid allocated to the district for the 1998-1999  
34 school year under these subsections, then the general State

1 aid of the district for the 1999-2000 school year only shall  
2 be increased by the difference between these amounts. The  
3 total payments made under this paragraph (5) shall not exceed  
4 \$14,000,000. Claims shall be prorated if they exceed  
5 \$14,000,000.

6 (H) Supplemental General State Aid.

7 (1) In addition to the general State aid a school  
8 district is allotted pursuant to subsection (E), qualifying  
9 school districts shall receive a grant, paid in conjunction  
10 with a district's payments of general State aid, for  
11 supplemental general State aid based upon the concentration  
12 level of children from low-income households within the  
13 school district. Supplemental State aid grants provided for  
14 school districts under this subsection shall be appropriated  
15 for distribution to school districts as part of the same line  
16 item in which the general State financial aid of school  
17 districts is appropriated under this Section. For purposes of  
18 this subsection, the term "Low-Income Concentration Level"  
19 shall be the low-income eligible pupil count from the most  
20 recently available federal census divided by the Average  
21 Daily Attendance of the school district. If, however, the  
22 percentage decrease from the 2 most recent federal censuses  
23 in the low-income eligible pupil count of a high school  
24 district with fewer than 400 students exceeds by 75% or more  
25 the percentage change in the total low-income eligible pupil  
26 count of contiguous elementary school districts, whose  
27 boundaries are coterminous with the high school district, the  
28 high school district's low-income eligible pupil count from  
29 the earlier federal census shall be the number used as the  
30 low-income eligible pupil count for the high school district,  
31 for purposes of this subsection (H).

32 (2) Supplemental general State aid pursuant to this  
33 subsection shall be provided as follows:

34 (a) For any school district with a Low Income

1 Concentration Level of at least 20% and less than 35%,  
2 the grant for any school year shall be \$800 multiplied by  
3 the low income eligible pupil count.

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

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

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

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

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

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

34 (4) School districts with an Average Daily Attendance of



1 50,000 or more that qualify for supplemental general State  
2 aid pursuant to this subsection shall be required to  
3 distribute from funds available pursuant to this Section, no  
4 less than \$261,000,000 in accordance with the following  
5 requirements:

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

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

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

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

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

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

31           Upon notification by the State Board of Education  
32 that the district has not submitted a plan prior to July  
33 15 or a modified plan within the time period specified  
34 herein, the State aid funds affected by that plan or

1 modified plan shall be withheld by the State Board of  
2 Education until a plan or modified plan is submitted.

3 If the district fails to distribute State aid to  
4 attendance centers in accordance with an approved plan,  
5 the plan for the following year shall allocate funds, in  
6 addition to the funds otherwise required by this  
7 subsection, to those attendance centers which were  
8 underfunded during the previous year in amounts equal to  
9 such underfunding.

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

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

1 Education.

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

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

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

28 (3) For 2 or more school districts which annex all of  
29 the territory of one or more entire other school districts,  
30 and for 2 or more community unit districts which result upon  
31 the division (pursuant to petition under Section 11A-2) of  
32 one or more other unit school districts into 2 or more parts  
33 and which together include all of the parts into which such  
34 other unit school district or districts are so divided, for

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

1 the State Board of Education, on forms which it shall provide  
2 for that purpose, by the regional superintendent of schools  
3 for each educational service region in which the annexing and  
4 annexed districts, or resulting and divided districts are  
5 located.

6 (3.5) Claims for financial assistance under this  
7 subsection (I) shall not be recomputed except as expressly  
8 provided under this Section.

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

12 (J) Supplementary Grants in Aid.

13 (1) Notwithstanding any other provisions of this  
14 Section, the amount of the aggregate general State aid in  
15 combination with supplemental general State aid under this  
16 Section for which each school district is eligible shall be  
17 no less than the amount of the aggregate general State aid  
18 entitlement that was received by the district under Section  
19 18-8 (exclusive of amounts received under subsections 5(p)  
20 and 5(p-5) of that Section) for the 1997-98 school year,  
21 pursuant to the provisions of that Section as it was then in  
22 effect. If a school district qualifies to receive a  
23 supplementary payment made under this subsection (J), the  
24 amount of the aggregate general State aid in combination with  
25 supplemental general State aid under this Section which that  
26 district is eligible to receive for each school year shall be  
27 no less than the amount of the aggregate general State aid  
28 entitlement that was received by the district under Section  
29 18-8 (exclusive of amounts received under subsections 5(p)  
30 and 5(p-5) of that Section) for the 1997-1998 school year,  
31 pursuant to the provisions of that Section as it was then in  
32 effect.

33 (2) If, as provided in paragraph (1) of this subsection  
34 (J), a school district is to receive aggregate general State

1 aid in combination with supplemental general State aid under  
2 this Section for the 1998-99 school year and any subsequent  
3 school year that in any such school year is less than the  
4 amount of the aggregate general State aid entitlement that  
5 the district received for the 1997-98 school year, the school  
6 district shall also receive, from a separate appropriation  
7 made for purposes of this subsection (J), a supplementary  
8 payment that is equal to the amount of the difference in the  
9 aggregate State aid figures as described in paragraph (1).

10 (3) (Blank).

11 (K) Grants to Laboratory and Alternative Schools.

12 In calculating the amount to be paid to the governing  
13 board of a public university that operates a laboratory  
14 school under this Section or to any alternative school that  
15 is operated by a regional superintendent of schools, the  
16 State Board of Education shall require by rule such reporting  
17 requirements as it deems necessary.

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

31 As used in this Section, "alternative school" means a  
32 public school which is created and operated by a Regional  
33 Superintendent of Schools and approved by the State Board of  
34 Education. Such alternative schools may offer courses of

1 instruction for which credit is given in regular school  
2 programs, courses to prepare students for the high school  
3 equivalency testing program or vocational and occupational  
4 training. A regional superintendent of schools may contract  
5 with a school district or a public community college district  
6 to operate an alternative school. An alternative school  
7 serving more than one educational service region may be  
8 established by the regional superintendents of schools of the  
9 affected educational service regions. An alternative school  
10 serving more than one educational service region may be  
11 operated under such terms as the regional superintendents of  
12 schools of those educational service regions may agree.

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

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

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



1 that provided by this Article.

2 (2) (Blank).

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

5 (M) Education Funding Advisory Board.

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

1 session, the Governor shall make a temporary appointment  
2 until the next meeting of the Senate, when he or she shall  
3 appoint, by and with the advice and consent of the Senate, a  
4 person to fill that membership for the unexpired term. If  
5 the Senate is not in session when the initial appointments  
6 are made, those appointments shall be made as in the case of  
7 vacancies.

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

16 The State Board of Education shall provide such staff  
17 assistance to the Education Funding Advisory Board as is  
18 reasonably required for the proper performance by the Board  
19 of its responsibilities.

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

34 (N) (Blank).

1 (0) References.

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

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

10 (Source: P.A. 90-548, eff. 7-1-98; incorporates 90-566;  
11 90-653, eff. 7-29-98; 90-654, eff. 7-29-98; 90-655, eff.  
12 7-30-98; 90-802, eff. 12-15-98; 90-815, eff. 2-11-99; 91-24,  
13 eff. 7-1-99; 91-93, eff. 7-9-99; 91-96, eff. 7-9-99; 91-111,  
14 eff. 7-14-99; 91-357, eff. 7-29-99; 91-533, eff. 8-13-99;  
15 revised 8-27-99.)".