

1 AN ACT relating to schools.

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

4 Section 5. The School Code is amended by changing
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
22 amount of per pupil general State financial aid for school
23 districts, in general, varies in inverse relation to
24 Available Local Resources. Per pupil amounts are based upon
25 each school district's Average Daily Attendance as that term
26 is defined in this Section.

27 (2) In addition to general State financial aid, school
28 districts with specified levels or concentrations of pupils
29 from low income households are eligible to receive
30 supplemental general State financial aid grants as provided
31 pursuant to subsection (H). The supplemental State aid grants

1 provided for school districts under subsection (H) shall be
 2 appropriated for distribution to school districts as part of
 3 the same line item in which the general State financial aid
 4 of school districts is appropriated under this Section.

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

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

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

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

33 (d) (Blank).

34 (4) Except as provided in subsections (H) and (L), the

1 board of any district receiving any of the grants provided
2 for in this Section may apply those funds to any fund so
3 received for which that board is authorized to make
4 expenditures by law.

5 School districts are not required to exert a minimum
6 Operating Tax Rate in order to qualify for assistance under
7 this Section.

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

10 (a) "Average Daily Attendance": A count of pupil
11 attendance in school, averaged as provided for in
12 subsection (C) and utilized in deriving per pupil
13 financial support levels.

14 (b) "Available Local Resources": A computation of
15 local financial support, calculated on the basis of
16 Average Daily Attendance and derived as provided pursuant
17 to subsection (D).

18 (c) "Corporate Personal Property Replacement
19 Taxes": Funds paid to local school districts pursuant to
20 "An Act in relation to the abolition of ad valorem
21 personal property tax and the replacement of revenues
22 lost thereby, and amending and repealing certain Acts and
23 parts of Acts in connection therewith", certified August
24 14, 1979, as amended (Public Act 81-1st S.S.-1).

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

28 (e) "Operating Tax Rate": All school district
29 property taxes extended for all purposes, except Bond and
30 Interest, Summer School, Rent, Capital Improvement, and
31 Vocational Education Building purposes.

32 (B) Foundation Level.

33 (1) The Foundation Level is a figure established by the
34 State representing the minimum level of per pupil financial

1 support that should be available to provide for the basic
2 education of each pupil in Average Daily Attendance. As set
3 forth in this Section, each school district is assumed to
4 exert a sufficient local taxing effort such that, in
5 combination with the aggregate of general State financial aid
6 provided the district, an aggregate of State and local
7 resources are available to meet the basic education needs of
8 pupils in the district.

9 (2) For the 1998-1999 school year, the Foundation Level
10 of support is \$4,225. For the 1999-2000 school year, the
11 Foundation Level of support is \$4,325. For the 2000-2001
12 school year, the Foundation Level of support is \$4,425.

13 (3) For the 2001-2002 school year and each school year
14 thereafter, the Foundation Level of support is \$4,600 \$4,425
15 or such greater amount as may be established by law by the
16 General Assembly.

17 (C) Average Daily Attendance.

18 (1) For purposes of calculating general State aid
19 pursuant to subsection (E), an Average Daily Attendance
20 figure shall be utilized. The Average Daily Attendance
21 figure for formula calculation purposes shall be the monthly
22 average of the actual number of pupils in attendance of each
23 school district, as further averaged for the best 3 months of
24 pupil attendance for each school district. In compiling the
25 figures for the number of pupils in attendance, school
26 districts and the State Board of Education shall, for
27 purposes of general State aid funding, conform attendance
28 figures to the requirements of subsection (F).

29 (2) The Average Daily Attendance figures utilized in
30 subsection (E) shall be (i) the requisite attendance data for
31 the school year immediately preceding the school year for
32 which general State aid is being calculated or (ii) the
33 average of the requisite attendance data for the 3 school
34 years preceding the school year for which general State aid

1 is being calculated, whichever is greater. The Average Daily
2 Attendance figure utilized in subsection (H) shall be the
3 requisite attendance data for the school year immediately
4 preceding the school year for which general State aid is
5 being calculated.

6 (D) Available Local Resources.

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

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

23 (3) For school districts maintaining grades kindergarten
24 through 12, local property tax revenues per pupil shall be
25 calculated as the product of the applicable equalized
26 assessed valuation for the district multiplied by 3.00%, and
27 divided by the district's Average Daily Attendance figure.
28 For school districts maintaining grades kindergarten through
29 8, local property tax revenues per pupil shall be calculated
30 as the product of the applicable equalized assessed valuation
31 for the district multiplied by 2.30%, and divided by the
32 district's Average Daily Attendance figure. For school
33 districts maintaining grades 9 through 12, local property tax
34 revenues per pupil shall be the applicable equalized assessed

1 valuation of the district multiplied by 1.05%, and divided by
2 the district's Average Daily Attendance figure.

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

13 (E) Computation of General State Aid.

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

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

23 (3) For any school district for which Available Local
24 Resources per pupil is equal to or greater than the product
25 of 0.93 times the Foundation Level and less than the product
26 of 1.75 times the Foundation Level, the general State aid per
27 pupil shall be a decimal proportion of the Foundation Level
28 derived using a linear algorithm. Under this linear
29 algorithm, the calculated general State aid per pupil shall
30 decline in direct linear fashion from 0.07 times the
31 Foundation Level for a school district with Available Local
32 Resources equal to the product of 0.93 times the Foundation
33 Level, to 0.05 times the Foundation Level for a school
34 district with Available Local Resources equal to the product

1 of 1.75 times the Foundation Level. The allocation of
2 general State aid for school districts subject to this
3 paragraph 3 shall be the calculated general State aid per
4 pupil figure multiplied by the Average Daily Attendance of
5 the school district.

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

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

23 (F) Compilation of Average Daily Attendance.

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

33 Except as otherwise provided in this Section, days of
34 attendance by pupils shall be counted only for sessions of

1 not less than 5 clock hours of school work per day under
2 direct supervision of: (i) teachers, or (ii) non-teaching
3 personnel or volunteer personnel when engaging in
4 non-teaching duties and supervising in those instances
5 specified in subsection (a) of Section 10-22.34 and paragraph
6 10 of Section 34-18, with pupils of legal school age and in
7 kindergarten and grades 1 through 12.

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

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

14 (a) Pupils regularly enrolled in a public school
15 for only a part of the school day may be counted on the
16 basis of 1/6 day for every class hour of instruction of
17 40 minutes or more attended pursuant to such enrollment.

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

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

28 (d) A session of 3 or more clock hours may be
29 counted as a day of attendance (1) when the remainder of
30 the school day or at least 2 hours in the evening of that
31 day is utilized for an in-service training program for
32 teachers, up to a maximum of 5 days per school year of
33 which a maximum of 4 days of such 5 days may be used for
34 parent-teacher conferences, provided a district conducts

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

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

32 (f) A session of at least 4 clock hours may be
33 counted as a day of attendance for first grade pupils,
34 and pupils in full day kindergartens, and a session of 2

1 or more hours may be counted as 1/2 day of attendance by
2 pupils in kindergartens which provide only 1/2 day of
3 attendance.

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

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

29 (G) Equalized Assessed Valuation Data.

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

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

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

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

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

34 (b) The real property equalized assessed valuation

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

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

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

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

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

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

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

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

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

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

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

10 If a school district is subject to property tax extension
11 limitations as imposed under the Property Tax Extension
12 Limitation Law, and if the Available Local Resources of that
13 school district as calculated pursuant to subsection (D)
14 using the Base Tax Year are less than the product of 1.75
15 times the Foundation Level for the Budget Year, the State
16 Board of Education shall calculate the Extension Limitation
17 Equalized Assessed Valuation of that district. For the
18 1999-2000 school year, the Extension Limitation Equalized
19 Assessed Valuation of a school district as calculated by the
20 State Board of Education shall be equal to the product of the
21 district's 1996 Equalized Assessed Valuation and the
22 district's Extension Limitation Ratio. For the 2000-2001
23 school year and each school year thereafter, the Extension
24 Limitation Equalized Assessed Valuation of a school district
25 as calculated by the State Board of Education shall be equal
26 to the product of the last calculated Extension Limitation
27 Equalized Assessed Valuation and the district's Extension
28 Limitation Ratio. If the Extension Limitation Equalized
29 Assessed Valuation of a school district as calculated under
30 this subsection (G)(3) is less than the district's equalized
31 assessed valuation as calculated pursuant to subsections
32 (G)(1) and (G)(2), then for purposes of calculating the
33 district's general State aid for the Budget Year pursuant to
34 subsection (E), that Extension Limitation Equalized Assessed

1 Valuation shall be utilized to calculate the district's
2 Available Local Resources under subsection (D).

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

23 (5) For school districts having a majority of their
24 equalized assessed valuation in any county except Cook,
25 DuPage, Kane, Lake, McHenry, or Will, if the amount of
26 general State aid allocated to the school district for the
27 1999-2000 school year under the provisions of subsection (E),
28 (H), and (J) of this Section is less than the amount of
29 general State aid allocated to the district for the 1998-1999
30 school year under these subsections, then the general State
31 aid of the district for the 1999-2000 school year only shall
32 be increased by the difference between these amounts. The
33 total payments made under this paragraph (5) shall not exceed
34 \$14,000,000. Claims shall be prorated if they exceed

1 \$14,000,000.

2 (H) Supplemental General State Aid.

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

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

30 (a) For any school district with a Low Income
31 Concentration Level of at least 20% and less than 35%,
32 the grant for any school year before the 2001-2002 school
33 year shall be \$800 multiplied by the low income eligible
34 pupil count.

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

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

9 (d) For any school district with a Low Income
 10 Concentration Level of 60% or more, the grant for the
 11 1998-99 school year shall be \$1,900 multiplied by the low
 12 income eligible pupil count.

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

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

21 (g) The following shall be the grant for the
 22 2001-2002 school year and each school year thereafter:

23 (i) For any school district with a Low Income
 24 Concentration Level of at least 20% and less than
 25 35%, the grant shall be 28% of the Foundation Level
 26 multiplied by the low income eligible pupil count.

27 (ii) For any school district with a Low Income
 28 Concentration Level of at least 35% and less than
 29 50%, the grant shall be 31% of the Foundation Level
 30 multiplied by the low income eligible pupil count.

31 (iii) For any school district with a Low
 32 Income Concentration Level of at least 50% and less
 33 than 60%, the grant shall be 38% of the Foundation
 34 Level multiplied by the low income eligible pupil

1 count.

2 (iv) For any school district with a Low Income
3 Concentration Level of 60% or more, the grant shall
4 be 47% of the Foundation Level multiplied by the low
5 income eligible pupil count.

6 (3) School districts with an Average Daily Attendance of
7 more than 1,000 and less than 50,000 that qualify for
8 supplemental general State aid pursuant to this subsection
9 shall submit a plan to the State Board of Education prior to
10 October 30 of each year for the use of the funds resulting
11 from this grant of supplemental general State aid for the
12 improvement of instruction in which priority is given to
13 meeting the education needs of disadvantaged children. Such
14 plan shall be submitted in accordance with rules and
15 regulations promulgated by the State Board of Education.

16 (4) School districts with an Average Daily Attendance of
17 50,000 or more that qualify for supplemental general State
18 aid pursuant to this subsection shall be required to
19 distribute from funds available pursuant to this Section, no
20 less than \$261,000,000 in accordance with the following
21 requirements:

22 (a) The required amounts shall be distributed to
23 the attendance centers within the district in proportion
24 to the number of pupils enrolled at each attendance
25 center who are eligible to receive free or reduced-price
26 lunches or breakfasts under the federal Child Nutrition
27 Act of 1966 and under the National School Lunch Act
28 during the immediately preceding school year.

29 (b) The distribution of these portions of
30 supplemental and general State aid among attendance
31 centers according to these requirements shall not be
32 compensated for or contravened by adjustments of the
33 total of other funds appropriated to any attendance
34 centers, and the Board of Education shall utilize funding

1 from one or several sources in order to fully implement
2 this provision annually prior to the opening of school.

3 (c) Each attendance center shall be provided by the
4 school district a distribution of noncategorical funds
5 and other categorical funds to which an attendance center
6 is entitled under law in order that the general State aid
7 and supplemental general State aid provided by
8 application of this subsection supplements rather than
9 supplants the noncategorical funds and other categorical
10 funds provided by the school district to the attendance
11 centers.

12 (d) Any funds made available under this subsection
13 that by reason of the provisions of this subsection are
14 not required to be allocated and provided to attendance
15 centers may be used and appropriated by the board of the
16 district for any lawful school purpose.

17 (e) Funds received by an attendance center pursuant
18 to this subsection shall be used by the attendance center
19 at the discretion of the principal and local school
20 council for programs to improve educational opportunities
21 at qualifying schools through the following programs and
22 services: early childhood education, reduced class size
23 or improved adult to student classroom ratio, enrichment
24 programs, remedial assistance, attendance improvement,
25 and other educationally beneficial expenditures which
26 supplement the regular and basic programs as determined
27 by the State Board of Education. Funds provided shall
28 not be expended for any political or lobbying purposes as
29 defined by board rule.

30 (f) Each district subject to the provisions of this
31 subdivision (H)(4) shall submit an acceptable plan to
32 meet the educational needs of disadvantaged children, in
33 compliance with the requirements of this paragraph, to
34 the State Board of Education prior to July 15 of each

1 year. This plan shall be consistent with the decisions of
2 local school councils concerning the school expenditure
3 plans developed in accordance with part 4 of Section
4 34-2.3. The State Board shall approve or reject the plan
5 within 60 days after its submission. If the plan is
6 rejected, the district shall give written notice of
7 intent to modify the plan within 15 days of the
8 notification of rejection and then submit a modified plan
9 within 30 days after the date of the written notice of
10 intent to modify. Districts may amend approved plans
11 pursuant to rules promulgated by the State Board of
12 Education.

13 Upon notification by the State Board of Education
14 that the district has not submitted a plan prior to July
15 15 or a modified plan within the time period specified
16 herein, the State aid funds affected by that plan or
17 modified plan shall be withheld by the State Board of
18 Education until a plan or modified plan is submitted.

19 If the district fails to distribute State aid to
20 attendance centers in accordance with an approved plan,
21 the plan for the following year shall allocate funds, in
22 addition to the funds otherwise required by this
23 subsection, to those attendance centers which were
24 underfunded during the previous year in amounts equal to
25 such underfunding.

26 For purposes of determining compliance with this
27 subsection in relation to the requirements of attendance
28 center funding, each district subject to the provisions
29 of this subsection shall submit as a separate document by
30 December 1 of each year a report of expenditure data for
31 the prior year in addition to any modification of its
32 current plan. If it is determined that there has been a
33 failure to comply with the expenditure provisions of this
34 subsection regarding contravention or supplanting, the

1 State Superintendent of Education shall, within 60 days
2 of receipt of the report, notify the district and any
3 affected local school council. The district shall within
4 45 days of receipt of that notification inform the State
5 Superintendent of Education of the remedial or corrective
6 action to be taken, whether by amendment of the current
7 plan, if feasible, or by adjustment in the plan for the
8 following year. Failure to provide the expenditure
9 report or the notification of remedial or corrective
10 action in a timely manner shall result in a withholding
11 of the affected funds.

12 The State Board of Education shall promulgate rules
13 and regulations to implement the provisions of this
14 subsection. No funds shall be released under this
15 subdivision (H)(4) to any district that has not submitted
16 a plan that has been approved by the State Board of
17 Education.

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

19 (1) For a new school district formed by combining
20 property included totally within 2 or more previously
21 existing school districts, for its first year of existence
22 the general State aid and supplemental general State aid
23 calculated under this Section shall be computed for the new
24 district and for the previously existing districts for which
25 property is totally included within the new district. If the
26 computation on the basis of the previously existing districts
27 is greater, a supplementary payment equal to the difference
28 shall be made for the first 4 years of existence of the new
29 district.

30 (2) For a school district which annexes all of the
31 territory of one or more entire other school districts, for
32 the first year during which the change of boundaries
33 attributable to such annexation becomes effective for all
34 purposes as determined under Section 7-9 or 7A-8, the general

1 State aid and supplemental general State aid calculated under
2 this Section shall be computed for the annexing district as
3 constituted after the annexation and for the annexing and
4 each annexed district as constituted prior to the annexation;
5 and if the computation on the basis of the annexing and
6 annexed districts as constituted prior to the annexation is
7 greater, a supplementary payment equal to the difference
8 shall be made for the first 4 years of existence of the
9 annexing school district as constituted upon such annexation.

10 (3) For 2 or more school districts which annex all of
11 the territory of one or more entire other school districts,
12 and for 2 or more community unit districts which result upon
13 the division (pursuant to petition under Section 11A-2) of
14 one or more other unit school districts into 2 or more parts
15 and which together include all of the parts into which such
16 other unit school district or districts are so divided, for
17 the first year during which the change of boundaries
18 attributable to such annexation or division becomes effective
19 for all purposes as determined under Section 7-9 or 11A-10,
20 as the case may be, the general State aid and supplemental
21 general State aid calculated under this Section shall be
22 computed for each annexing or resulting district as
23 constituted after the annexation or division and for each
24 annexing and annexed district, or for each resulting and
25 divided district, as constituted prior to the annexation or
26 division; and if the aggregate of the general State aid and
27 supplemental general State aid as so computed for the
28 annexing or resulting districts as constituted after the
29 annexation or division is less than the aggregate of the
30 general State aid and supplemental general State aid as so
31 computed for the annexing and annexed districts, or for the
32 resulting and divided districts, as constituted prior to the
33 annexation or division, then a supplementary payment equal to
34 the difference shall be made and allocated between or among

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

22 (3.5) Claims for financial assistance under this
23 subsection (I) shall not be recomputed except as expressly
24 provided under this Section.

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

28 (J) Supplementary Grants in Aid.

29 (1) Notwithstanding any other provisions of this
30 Section, the amount of the aggregate general State aid in
31 combination with supplemental general State aid under this
32 Section for which each school district is eligible shall be
33 no less than the amount of the aggregate general State aid
34 entitlement that was received by the district under Section

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

15 (2) If, as provided in paragraph (1) of this subsection
 16 (J), a school district is to receive aggregate general State
 17 aid in combination with supplemental general State aid under
 18 this Section for the 1998-99 school year and any subsequent
 19 school year that in any such school year is less than the
 20 amount of the aggregate general State aid entitlement that
 21 the district received for the 1997-98 school year, the school
 22 district shall also receive, from a separate appropriation
 23 made for purposes of this subsection (J), a supplementary
 24 payment that is equal to the amount of the difference in the
 25 aggregate State aid figures as described in paragraph (1).

26 (3) (Blank).

27 (K) Grants to Laboratory and Alternative Schools.

28 In calculating the amount to be paid to the governing
 29 board of a public university that operates a laboratory
 30 school under this Section or to any alternative school that
 31 is operated by a regional superintendent of schools, the
 32 State Board of Education shall require by rule such reporting
 33 requirements as it deems necessary.

34 As used in this Section, "laboratory school" means a

1 public school which is created and operated by a public
2 university and approved by the State Board of Education. The
3 governing board of a public university which receives funds
4 from the State Board under this subsection (K) may not
5 increase the number of students enrolled in its laboratory
6 school from a single district, if that district is already
7 sending 50 or more students, except under a mutual agreement
8 between the school board of a student's district of residence
9 and the university which operates the laboratory school. A
10 laboratory school may not have more than 1,000 students,
11 excluding students with disabilities in a special education
12 program.

13 As used in this Section, "alternative school" means a
14 public school which is created and operated by a Regional
15 Superintendent of Schools and approved by the State Board of
16 Education. Such alternative schools may offer courses of
17 instruction for which credit is given in regular school
18 programs, courses to prepare students for the high school
19 equivalency testing program or vocational and occupational
20 training. A regional superintendent of schools may contract
21 with a school district or a public community college district
22 to operate an alternative school. An alternative school
23 serving more than one educational service region may be
24 established by the regional superintendents of schools of the
25 affected educational service regions. An alternative school
26 serving more than one educational service region may be
27 operated under such terms as the regional superintendents of
28 schools of those educational service regions may agree.

29 Each laboratory and alternative school shall file, on
30 forms provided by the State Superintendent of Education, an
31 annual State aid claim which states the Average Daily
32 Attendance of the school's students by month. The best 3
33 months' Average Daily Attendance shall be computed for each
34 school. The general State aid entitlement shall be computed

1 by multiplying the applicable Average Daily Attendance by the
2 Foundation Level as determined under this Section.

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

5 (1) For a school district operating under the financial
6 supervision of an Authority created under Article 34A, the
7 general State aid otherwise payable to that district under
8 this Section, but not the supplemental general State aid,
9 shall be reduced by an amount equal to the budget for the
10 operations of the Authority as certified by the Authority to
11 the State Board of Education, and an amount equal to such
12 reduction shall be paid to the Authority created for such
13 district for its operating expenses in the manner provided in
14 Section 18-11. The remainder of general State school aid for
15 any such district shall be paid in accordance with Article
16 34A when that Article provides for a disposition other than
17 that provided by this Article.

18 (2) (Blank).

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

21 (M) Education Funding Advisory Board.

22 The Education Funding Advisory Board, hereinafter in this
23 subsection (M) referred to as the "Board", is hereby created.
24 The Board shall consist of 5 members who are appointed by the
25 Governor, by and with the advice and consent of the Senate.
26 The members appointed shall include representatives of
27 education, business, and the general public. One of the
28 members so appointed shall be designated by the Governor at
29 the time the appointment is made as the chairperson of the
30 Board. The initial members of the Board may be appointed any
31 time after the effective date of this amendatory Act of 1997.
32 The regular term of each member of the Board shall be for 4
33 years from the third Monday of January of the year in which

1 the term of the member's appointment is to commence, except
2 that of the 5 initial members appointed to serve on the
3 Board, the member who is appointed as the chairperson shall
4 serve for a term that commences on the date of his or her
5 appointment and expires on the third Monday of January, 2002,
6 and the remaining 4 members, by lots drawn at the first
7 meeting of the Board that is held after all 5 members are
8 appointed, shall determine 2 of their number to serve for
9 terms that commence on the date of their respective
10 appointments and expire on the third Monday of January, 2001,
11 and 2 of their number to serve for terms that commence on the
12 date of their respective appointments and expire on the third
13 Monday of January, 2000. All members appointed to serve on
14 the Board shall serve until their respective successors are
15 appointed and confirmed. Vacancies shall be filled in the
16 same manner as original appointments. If a vacancy in
17 membership occurs at a time when the Senate is not in
18 session, the Governor shall make a temporary appointment
19 until the next meeting of the Senate, when he or she shall
20 appoint, by and with the advice and consent of the Senate, a
21 person to fill that membership for the unexpired term. If
22 the Senate is not in session when the initial appointments
23 are made, those appointments shall be made as in the case of
24 vacancies.

25 The Education Funding Advisory Board shall be deemed
26 established, and the initial members appointed by the
27 Governor to serve as members of the Board shall take office,
28 on the date that the Governor makes his or her appointment of
29 the fifth initial member of the Board, whether those initial
30 members are then serving pursuant to appointment and
31 confirmation or pursuant to temporary appointments that are
32 made by the Governor as in the case of vacancies.

33 The State Board of Education shall provide such staff
34 assistance to the Education Funding Advisory Board as is

1 reasonably required for the proper performance by the Board
2 of its responsibilities.

3 For school years after the 2000-2001 school year, the
4 Education Funding Advisory Board, in consultation with the
5 State Board of Education, shall make recommendations as
6 provided in this subsection (M) to the General Assembly for
7 the foundation level under subdivision (B)(3) of this Section
8 and for the supplemental general State aid grant level under
9 subsection (H) of this Section for districts with high
10 concentrations of children from poverty. The recommended
11 foundation level shall be determined based on a methodology
12 which incorporates the basic education expenditures of
13 low-spending schools exhibiting high academic performance.
14 The Education Funding Advisory Board shall make such
15 recommendations to the General Assembly on January 1 of odd
16 numbered years, beginning January 1, 2001.

17 (N) (Blank).

18 (O) References.

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

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

27 (Source: P.A. 90-548, eff. 7-1-98; incorporates 90-566;
28 90-653, eff. 7-29-98; 90-654, eff. 7-29-98; 90-655, eff.
29 7-30-98; 90-802, eff. 12-15-98; 90-815, eff. 2-11-99; 91-24,
30 eff. 7-1-99; 91-93, eff. 7-9-99; 91-96, eff. 7-9-99; 91-111,
31 eff. 7-14-99; 91-357, eff. 7-29-99; 91-533, eff. 8-13-99;
32 revised 8-27-99.)

1 Section 10. The State Aid Continuing Appropriation Law
2 is amended by changing Sections 15-10, 15-15, and 15-20 as
3 follows:

4 (105 ILCS 235/15-10)

5 Sec. 15-10. Annual budget; recommendation. The Governor
6 shall include a Common School Fund recommendation to the
7 State Board of Education in the ~~fiscal year 1999 through 2001~~
8 annual Budget Budgets sufficient to fund ~~(i)~~ the General
9 State Aid Formula set forth in subsection (E) (Computation of
10 General State Aid) and subsection (H) (Supplemental General
11 State Aid) of Section 18-8.05 of the School Code. In the
12 fiscal year 2002 Budget, the Governor shall include a Common
13 School Fund recommendation to the State Board of Education
14 sufficient to fund and-~~(ii)~~ the supplementary payments for
15 school districts set forth in subsection (J) (Supplementary
16 Grants in Aid) of Section 18-8.05 of the School Code.

17 (Source: P.A. 90-548, eff. 12-4-97; 90-654, eff. 7-29-98.)

18 (105 ILCS 235/15-15)

19 Sec. 15-15. State Aid Formula; Funding. The General
20 Assembly shall annually make Common School Fund
21 appropriations to the State Board of Education ~~in fiscal~~
22 ~~years 1999 through 2001~~ sufficient to fund ~~(i)~~ the General
23 State Aid Formula set forth in subsection (E) (Computation of
24 General State Aid) and subsection (H) (Supplemental General
25 State Aid) of Section 18-8.05 of the School Code. In fiscal
26 year 2002, the General Assembly shall make a Common School
27 Fund appropriation to the State Board of Education sufficient
28 to fund and--~~(ii)~~ the supplementary payments for school
29 districts set forth in subsection (J) (Supplementary Grants
30 in Aid) of Section 18-8.05 of the School Code.

31 (Source: P.A. 90-548, eff. 12-4-97; 90-654, eff. 7-29-98.)

1 (105 ILCS 235/15-20)

2 Sec. 15-20. Continuing appropriation. If the General
3 Assembly fails to make Common School Fund appropriations to
4 the State Board of Education ~~in--fiscal--years--1999--through~~
5 ~~2001~~ sufficient to fund (i) the General State Aid Formula set
6 forth in subsection (E) (Computation of General State Aid)
7 and subsection (H) (Supplemental General State Aid) of
8 Section 18-8.05 of the School Code and (ii) in fiscal year
9 2002, the supplementary payments for school districts set
10 forth in subsection (J) (Supplementary Grants in Aid) of
11 Section 18-8.05 of the School Code, this Article shall
12 constitute an irrevocable and continuing appropriation from
13 the Common School Fund of all amounts necessary for those
14 purposes.

15 (Source: P.A. 90-548, eff. 12-4-97; 90-654, eff. 7-29-98.)

16 (105 ILCS 235/15-25 rep.)

17 Section 15. The State Aid Continuing Appropriation Law
18 is amended by repealing Section 15-25.

19 Section 99. Effective date. This Act takes effect upon
20 becoming law.