

1 AN ACT regarding 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 \$4,560 or such
15 greater amount as may be established by law by the General
16 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. However, for the
25 purpose of calculating general State aid under subsection (E)
26 only, the Average Daily Attendance figure for pupils in
27 grades 9 through 12 shall be increased by 2% for fiscal year
28 2003, by 4% for fiscal year 2004, by 6% for fiscal year 2005,
29 by 8% for fiscal year 2006, and by 10% for fiscal year 2007
30 and each fiscal year thereafter. In compiling the figures for
31 the number of pupils in attendance, school districts and the
32 State Board of Education shall, for purposes of general State
33 aid funding, conform attendance figures to the requirements
34 of subsection (F).

1 (2) The Average Daily Attendance figures utilized in
2 subsection (E) shall be the requisite attendance data for the
3 school year immediately preceding the school year for which
4 general State aid is being calculated or the average of the
5 attendance data for the 3 preceding school years, whichever
6 is greater. The Average Daily Attendance figures utilized in
7 subsection (H) 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 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 unless a pupil is enrolled in a block-schedule format of
23 80 minutes or more of instruction, in which case the
24 pupil may be counted on the basis of the proportion of
25 minutes of school work completed each day to the minimum
26 number of minutes that school work is required to be held
27 that day.

28 (b) Days of attendance may be less than 5 clock
29 hours on the opening and closing of the school term, and
30 upon the first day of pupil attendance, if preceded by a
31 day or days utilized as an institute or teachers'
32 workshop.

33 (c) A session of 4 or more clock hours may be
34 counted as a day of attendance upon certification by the

1 regional superintendent, and approved by the State
2 Superintendent of Education to the extent that the
3 district has been forced to use daily multiple sessions.

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

1 different attendance centers of the district.

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

8 (f) A session of at least 4 clock hours may be
9 counted as a day of attendance for first grade pupils,
10 and pupils in full day kindergartens, and a session of 2
11 or more hours may be counted as 1/2 day of attendance by
12 pupils in kindergartens which provide only 1/2 day of
13 attendance.

14 (g) For children with disabilities who are below
15 the age of 6 years and who cannot attend 2 or more clock
16 hours because of their disability or immaturity, a
17 session of not less than one clock hour may be counted as
18 1/2 day of attendance; however for such children whose
19 educational needs so require a session of 4 or more clock
20 hours may be counted as a full day of attendance.

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

1 kindergarten in their fifth year whose educational
2 development requires a second year of kindergarten as
3 determined under the rules and regulations of the State
4 Board of Education.

5 (G) Equalized Assessed Valuation Data.

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

16 This equalized assessed valuation, as adjusted further by
17 the requirements of this subsection, shall be utilized in the
18 calculation of Available Local Resources.

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

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

1 time as all redevelopment project costs have been paid,
 2 as provided in Section 11-74.4-8 of the Tax Increment
 3 Allocation Redevelopment Act or in Section 11-74.6-35 of
 4 the Industrial Jobs Recovery Law. For the purpose of the
 5 equalized assessed valuation of the district, the total
 6 initial equalized assessed valuation or the current
 7 equalized assessed valuation, whichever is lower, shall
 8 be used until such time as all redevelopment project
 9 costs have been paid.

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

24 (3) For the 1999-2000 school year and each school year
 25 thereafter, if a school district meets all of the criteria of
 26 this subsection (G)(3), the school district's Available Local
 27 Resources shall be calculated under subsection (D) using the
 28 district's Extension Limitation Equalized Assessed Valuation
 29 as calculated under this subsection (G)(3).

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

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

34 "Base Tax Year": The property tax levy year used to

1 calculate the Budget Year allocation of general State
2 aid.

3 "Preceding Tax Year": The property tax levy year
4 immediately preceding the Base Tax Year.

5 "Base Tax Year's Tax Extension": The product of the
6 equalized assessed valuation utilized by the County Clerk
7 in the Base Tax Year multiplied by the limiting rate as
8 calculated by the County Clerk and defined in the
9 Property Tax Extension Limitation Law.

10 "Preceding Tax Year's Tax Extension": The product of
11 the equalized assessed valuation utilized by the County
12 Clerk in the Preceding Tax Year multiplied by the
13 Operating Tax Rate as defined in subsection (A).

14 "Extension Limitation Ratio": A numerical ratio,
15 certified by the County Clerk, in which the numerator is
16 the Base Tax Year's Tax Extension and the denominator is
17 the Preceding Tax Year's Tax Extension.

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

20 If a school district is subject to property tax extension
21 limitations as imposed under the Property Tax Extension
22 Limitation Law, the State Board of Education shall calculate
23 the Extension Limitation Equalized Assessed Valuation of that
24 district. For the 1999-2000 school year, the Extension
25 Limitation Equalized Assessed Valuation of a school district
26 as calculated by the State Board of Education shall be equal
27 to the product of the district's 1996 Equalized Assessed
28 Valuation and the district's Extension Limitation Ratio. For
29 the 2000-2001 school year and each school year thereafter,
30 the Extension Limitation Equalized Assessed Valuation of a
31 school district as calculated by the State Board of Education
32 shall be equal to the product of the Equalized Assessed
33 Valuation last used in the calculation of general State aid
34 and the district's Extension Limitation Ratio. If the

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

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

30 (5) For school districts having a majority of their
31 equalized assessed valuation in any county except Cook,
32 DuPage, Kane, Lake, McHenry, or Will, if the amount of
33 general State aid allocated to the school district for the
34 1999-2000 school year under the provisions of subsection (E),

1 (H), and (J) of this Section is less than the amount of
2 general State aid allocated to the district for the 1998-1999
3 school year under these subsections, then the general State
4 aid of the district for the 1999-2000 school year only shall
5 be increased by the difference between these amounts. The
6 total payments made under this paragraph (5) shall not exceed
7 \$14,000,000. Claims shall be prorated if they exceed
8 \$14,000,000.

9 (H) Supplemental General State Aid.

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

1 pupil count and there is a percentage increase in the total
2 low-income eligible pupil count of a majority of the
3 elementary school districts in excess of 50% from the 2 most
4 recent federal censuses, then the high school district's
5 low-income eligible pupil count from the earlier federal
6 census shall be the number used as the low-income eligible
7 pupil count for the high school district, for purposes of
8 this subsection (H). The changes made to this paragraph (1)
9 by Public Act 92-28 ~~this-amendatory-Act-of-the-92nd-General~~
10 ~~Assembly~~ shall apply to supplemental general State aid grants
11 paid in fiscal year 1999 and in each fiscal year thereafter
12 and to any State aid payments made in fiscal year 1994
13 through fiscal year 1998 pursuant to subsection 1(n) of
14 Section 18-8 of this Code (which was repealed on July 1,
15 1998), and any high school district that is affected by
16 Public Act 92-28 ~~this--amendatory--Act-of-the-92nd-General~~
17 ~~Assembly~~ is entitled to a recomputation of its supplemental
18 general State aid grant or State aid paid in any of those
19 fiscal years. This recomputation shall not be affected by
20 any other funding.

21 (2) Supplemental general State aid pursuant to this
22 subsection (H) shall be provided as follows for the
23 1998-1999, 1999-2000, and 2000-2001 school years only:

24 (a) For any school district with a Low Income
25 Concentration Level of at least 20% and less than 35%,
26 the grant for any school year shall be \$800 multiplied by
27 the low income eligible pupil count.

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

32 (c) For any school district with a Low Income
33 Concentration Level of at least 50% and less than 60%,
34 the grant for the 1998-99 school year shall be \$1,500

1 multiplied by the low income eligible pupil count.

2 (d) For any school district with a Low Income
3 Concentration Level of 60% or more, the grant for the
4 1998-99 school year shall be \$1,900 multiplied by the low
5 income eligible pupil count.

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

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

14 (2.5) Supplemental general State aid pursuant to this
15 subsection (H) shall be provided as follows for the 2001-2002
16 school year and each school year thereafter:

17 (a) For any school district with a Low Income
18 Concentration Level of less than 10%, the grant for each
19 school year shall be \$355 multiplied by the low income
20 eligible pupil count.

21 (b) For any school district with a Low Income
22 Concentration Level of at least 10% and less than 20%,
23 the grant for each school year shall be \$675 multiplied
24 by the low income eligible pupil count.

25 (c) For any school district with a Low Income
26 Concentration Level of at least 20% and less than 35%,
27 the grant for each school year shall be \$1,190 multiplied
28 by the low income eligible pupil count.

29 (d) For any school district with a Low Income
30 Concentration Level of at least 35% and less than 50%,
31 the grant for each school year shall be \$1,333 multiplied
32 by the low income eligible pupil count.

33 (e) For any school district with a Low Income
34 Concentration Level of at least 50% and less than 60%,

1 the grant for each school year shall be \$1,680 multiplied
2 by the low income eligible pupil count.

3 (f) For any school district with a Low Income
4 Concentration Level of 60% or more, the grant for each
5 school year shall be \$2,080 multiplied by the low income
6 eligible pupil count.

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

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

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

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

1 centers, and the Board of Education shall utilize funding
2 from one or several sources in order to fully implement
3 this provision annually prior to the opening of school.

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

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

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

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

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

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

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

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

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

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

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

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

31 (2) For a school district which annexes all of the
32 territory of one or more entire other school districts, for
33 the first year during which the change of boundaries
34 attributable to such annexation becomes effective for all

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

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

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

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

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

29 (J) Supplementary Grants in Aid.

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

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

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

27 (3) (Blank).

28 (K) Grants to Laboratory and Alternative Schools.

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

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

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

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

1 school. The general State aid entitlement shall be computed
2 by multiplying the applicable Average Daily Attendance by the
3 Foundation Level as determined under this Section.

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

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

19 (2) (Blank).

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

22 (M) Education Funding Advisory Board.

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

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

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

34 The State Board of Education shall provide such staff

1 assistance to the Education Funding Advisory Board as is
2 reasonably required for the proper performance by the Board
3 of its responsibilities.

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

18 (N) (Blank).

19 (O) References.

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

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

28 (Source: P.A. 91-24, eff. 7-1-99; 91-93, eff. 7-9-99; 91-96,
29 eff. 7-9-99; 91-111, eff. 7-14-99; 91-357, eff. 7-29-99;
30 91-533, eff. 8-13-99; 92-7, eff. 6-29-01; 92-16, eff.
31 6-28-01; 92-28, eff. 7-1-01; 92-29, eff. 7-1-01; 92-269, eff.
32 8-7-01; revised 8-7-01.)

1 Section 99. Effective date. This Act takes effect upon
2 becoming law.