

1 provides for the basis to calculate a per pupil level of
2 general State financial aid that, when added to Available
3 Local Resources, equals or exceeds the Foundation Level. The
4 amount of per pupil general State financial aid for school
5 districts, in general, varies in inverse relation to
6 Available Local Resources. Per pupil amounts are based upon
7 each school district's Average Daily Attendance as that term
8 is defined in this Section.

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

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

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

1 upon a legal claim which was filed while it was
2 recognized.

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

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

11 (d) (Blank).

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

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

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

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

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

30 (c) "Corporate Personal Property Replacement
31 Taxes": Funds paid to local school districts pursuant to
32 "An Act in relation to the abolition of ad valorem
33 personal property tax and the replacement of revenues
34 lost thereby, and amending and repealing certain Acts and
35 parts of Acts in connection therewith", certified August

1 14, 1979, as amended (Public Act 81-1st S.S.-1).

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

5 (e) "Operating Tax Rate": All school district
6 property taxes extended for all purposes, except Bond and
7 Interest, Summer School, Rent, Capital Improvement, and
8 Vocational Education Building purposes.

9 (B) Foundation Level.

10 (1) The Foundation Level is a figure established by the
11 State representing the minimum level of per pupil financial
12 support that should be available to provide for the basic
13 education of each pupil in Average Daily Attendance. As set
14 forth in this Section, each school district is assumed to
15 exert a sufficient local taxing effort such that, in
16 combination with the aggregate of general State financial aid
17 provided the district, an aggregate of State and local
18 resources are available to meet the basic education needs of
19 pupils in the district.

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

24 (3) For the 2001-2002 school year and each school year
25 thereafter, the Foundation Level of support is \$4,560 or such
26 greater amount as may be established by law by the General
27 Assembly.

28 (C) Average Daily Attendance.

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

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

6 (2) The Average Daily Attendance figures utilized in
7 subsection (E) shall be the requisite attendance data for the
8 school year immediately preceding the school year for which
9 general State aid is being calculated or the average of the
10 attendance data for the 3 preceding school years, whichever
11 is greater. The Average Daily Attendance figures utilized in
12 subsection (H) shall be the requisite attendance data for the
13 school year immediately preceding the school year for which
14 general State aid is being calculated.

15 (D) Available Local Resources.

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

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

32 (3) For school districts maintaining grades kindergarten
33 through 12, local property tax revenues per pupil shall be
34 calculated as the product of the applicable equalized

1 assessed valuation for the district multiplied by 3.00%, and
2 divided by the district's Average Daily Attendance figure.
3 For school districts maintaining grades kindergarten through
4 8, local property tax revenues per pupil shall be calculated
5 as the product of the applicable equalized assessed valuation
6 for the district multiplied by 2.30%, and divided by the
7 district's Average Daily Attendance figure. For school
8 districts maintaining grades 9 through 12, local property tax
9 revenues per pupil shall be the applicable equalized assessed
10 valuation of the district multiplied by 1.05%, and divided by
11 the district's Average Daily Attendance figure.

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

22 (E) Computation of General State Aid.

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

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

32 (3) For any school district for which Available Local
33 Resources per pupil is equal to or greater than the product
34 of 0.93 times the Foundation Level and less than the product

1 of 1.75 times the Foundation Level, the general State aid per
2 pupil shall be a decimal proportion of the Foundation Level
3 derived using a linear algorithm. Under this linear
4 algorithm, the calculated general State aid per pupil shall
5 decline in direct linear fashion from 0.07 times the
6 Foundation Level for a school district with Available Local
7 Resources equal to the product of 0.93 times the Foundation
8 Level, to 0.05 times the Foundation Level for a school
9 district with Available Local Resources equal to the product
10 of 1.75 times the Foundation Level. The allocation of
11 general State aid for school districts subject to this
12 paragraph 3 shall be the calculated general State aid per
13 pupil figure multiplied by the Average Daily Attendance of
14 the school district.

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

21 (5) The amount of general State aid allocated to a
22 school district for the 1999-2000 school year meeting the
23 requirements set forth in paragraph (4) of subsection (G)
24 shall be increased by an amount equal to the general State
25 aid that would have been received by the district for the
26 1998-1999 school year by utilizing the Extension Limitation
27 Equalized Assessed Valuation as calculated in paragraph (4)
28 of subsection (G) less the general State aid allotted for the
29 1998-1999 school year. This amount shall be deemed a one
30 time increase, and shall not affect any future general State
31 aid allocations.

32 (F) Compilation of Average Daily Attendance.

33 (1) Each school district shall, by July 1 of each year,
34 submit to the State Board of Education, on forms prescribed

1 by the State Board of Education, attendance figures for the
2 school year that began in the preceding calendar year. The
3 attendance information so transmitted shall identify the
4 average daily attendance figures for each month of the school
5 year, except that any days of attendance in August shall be
6 added to the month of September and any days of attendance in
7 June shall be added to the month of May.

8 Except as otherwise provided in this Section, days of
9 attendance by pupils shall be counted only for sessions of
10 not less than 5 clock hours of school work per day under
11 direct supervision of: (i) teachers, or (ii) non-teaching
12 personnel or volunteer personnel when engaging in
13 non-teaching duties and supervising in those instances
14 specified in subsection (a) of Section 10-22.34 and paragraph
15 10 of Section 34-18, with pupils of legal school age and in
16 kindergarten and grades 1 through 12.

17 Days of attendance by tuition pupils shall be accredited
18 only to the districts that pay the tuition to a recognized
19 school.

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

23 (a) Pupils regularly enrolled in a public school
24 for only a part of the school day may be counted on the
25 basis of 1/6 day for every class hour of instruction of
26 40 minutes or more attended pursuant to such enrollment,
27 unless a pupil is enrolled in a block-schedule format of
28 80 minutes or more of instruction, in which case the
29 pupil may be counted on the basis of the proportion of
30 minutes of school work completed each day to the minimum
31 number of minutes that school work is required to be held
32 that day.

33 (b) Days of attendance may be less than 5 clock
34 hours on the opening and closing of the school term, and
35 upon the first day of pupil attendance, if preceded by a

1 day or days utilized as an institute or teachers'
2 workshop.

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

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

1 in-service training programs, staff development
2 activities, or parent-teacher conferences may be
3 scheduled separately for different grade levels and
4 different attendance centers of the district.

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

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

17 (g) For children with disabilities who are below
18 the age of 6 years and who cannot attend 2 or more clock
19 hours because of their disability or immaturity, a
20 session of not less than one clock hour may be counted as
21 1/2 day of attendance; however for such children whose
22 educational needs so require a session of 4 or more clock
23 hours may be counted as a full day of attendance.

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

1 first year of attendance in one kindergarten shall be
2 counted, except in case of children who entered the
3 kindergarten in their fifth year whose educational
4 development requires a second year of kindergarten as
5 determined under the rules and regulations of the State
6 Board of Education.

7 (G) Equalized Assessed Valuation Data.

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

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

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

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

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

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

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

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

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

1 "Base Tax Year": The property tax levy year used to
2 calculate the Budget Year allocation of general State
3 aid.

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

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

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

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

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

21 If a school district is subject to property tax extension
22 limitations as imposed under the Property Tax Extension
23 Limitation Law, the State Board of Education shall calculate
24 the Extension Limitation Equalized Assessed Valuation of that
25 district. For the 1999-2000 school year, the Extension
26 Limitation Equalized Assessed Valuation of a school district
27 as calculated by the State Board of Education shall be equal
28 to the product of the district's 1996 Equalized Assessed
29 Valuation and the district's Extension Limitation Ratio. For
30 the 2000-2001 school year and each school year thereafter,
31 the Extension Limitation Equalized Assessed Valuation of a
32 school district as calculated by the State Board of Education
33 shall be equal to the product of the Equalized Assessed
34 Valuation last used in the calculation of general State aid
35 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),
35 (H), and (J) of this Section is less than the amount of

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

8 (H) Supplemental General State Aid.

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

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

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

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

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

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

35 (d) For any school district with a Low Income

1 Concentration Level of 60% or more, the grant for the
2 1998-99 school year shall be \$1,900 multiplied by the low
3 income eligible pupil count.

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

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

12 (2.5) Supplemental general State aid pursuant to this
13 subsection (H) shall be provided as follows for the 2002-2003
14 ~~2001-2002~~ school year and each school year thereafter:

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

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

23 (c) For any school district with a Low Income
24 Concentration Level of at least 20% and less than 35%,
25 the grant for each school year shall be \$1,330 ~~\$1,190~~
26 multiplied by the low income eligible pupil count.

27 (d) For any school district with a Low Income
28 Concentration Level of at least 35% and less than 50%,
29 the grant for each school year shall be \$1,362 ~~\$1,333~~
30 multiplied by the low income eligible pupil count.

31 (e) For any school district with a Low Income
32 Concentration Level of at least 50% and less than 60%,
33 the grant for each school year shall be \$1,680 multiplied
34 by the low income eligible pupil count.

35 (f) For any school district with a Low Income

1 Concentration Level of 60% or more, the grant for each
2 school year shall be \$2,080 multiplied by the low income
3 eligible pupil count.

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

14 (4) School districts with an Average Daily Attendance of
15 50,000 or more that qualify for supplemental general State
16 aid pursuant to this subsection shall be required to
17 distribute from funds available pursuant to this Section, no
18 less than \$261,000,000 in accordance with the following
19 requirements:

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

27 (b) The distribution of these portions of
28 supplemental and general State aid among attendance
29 centers according to these requirements shall not be
30 compensated for or contravened by adjustments of the
31 total of other funds appropriated to any attendance
32 centers, and the Board of Education shall utilize funding
33 from one or several sources in order to fully implement
34 this provision annually prior to the opening of school.

35 (c) Each attendance center shall be provided by the

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

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

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

27 (f) Each district subject to the provisions of this
28 subdivision (H)(4) shall submit an acceptable plan to
29 meet the educational needs of disadvantaged children, in
30 compliance with the requirements of this paragraph, to
31 the State Board of Education prior to July 15 of each
32 year. This plan shall be consistent with the decisions of
33 local school councils concerning the school expenditure
34 plans developed in accordance with part 4 of Section
35 34-2.3. The State Board shall approve or reject the plan

1 within 60 days after its submission. If the plan is
2 rejected, the district shall give written notice of
3 intent to modify the plan within 15 days of the
4 notification of rejection and then submit a modified plan
5 within 30 days after the date of the written notice of
6 intent to modify. Districts may amend approved plans
7 pursuant to rules promulgated by the State Board of
8 Education.

9 Upon notification by the State Board of Education
10 that the district has not submitted a plan prior to July
11 15 or a modified plan within the time period specified
12 herein, the State aid funds affected by that plan or
13 modified plan shall be withheld by the State Board of
14 Education until a plan or modified plan is submitted.

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

22 For purposes of determining compliance with this
23 subsection in relation to the requirements of attendance
24 center funding, each district subject to the provisions
25 of this subsection shall submit as a separate document by
26 December 1 of each year a report of expenditure data for
27 the prior year in addition to any modification of its
28 current plan. If it is determined that there has been a
29 failure to comply with the expenditure provisions of this
30 subsection regarding contravention or supplanting, the
31 State Superintendent of Education shall, within 60 days
32 of receipt of the report, notify the district and any
33 affected local school council. The district shall within
34 45 days of receipt of that notification inform the State
35 Superintendent of Education of the remedial or corrective

1 action to be taken, whether by amendment of the current
2 plan, if feasible, or by adjustment in the plan for the
3 following year. Failure to provide the expenditure
4 report or the notification of remedial or corrective
5 action in a timely manner shall result in a withholding
6 of the affected funds.

7 The State Board of Education shall promulgate rules
8 and regulations to implement the provisions of this
9 subsection. No funds shall be released under this
10 subdivision (H)(4) to any district that has not submitted
11 a plan that has been approved by the State Board of
12 Education.

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

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

25 (2) For a school district which annexes all of the
26 territory of one or more entire other school districts, for
27 the first year during which the change of boundaries
28 attributable to such annexation becomes effective for all
29 purposes as determined under Section 7-9 or 7A-8, the general
30 State aid and supplemental general State aid calculated under
31 this Section shall be computed for the annexing district as
32 constituted after the annexation and for the annexing and
33 each annexed district as constituted prior to the annexation;
34 and if the computation on the basis of the annexing and

1 annexed districts as constituted prior to the annexation is
2 greater, a supplementary payment equal to the difference
3 shall be made for the first 4 years of existence of the
4 annexing school district as constituted upon such annexation.

5 (3) For 2 or more school districts which annex all of
6 the territory of one or more entire other school districts,
7 and for 2 or more community unit districts which result upon
8 the division (pursuant to petition under Section 11A-2) of
9 one or more other unit school districts into 2 or more parts
10 and which together include all of the parts into which such
11 other unit school district or districts are so divided, for
12 the first year during which the change of boundaries
13 attributable to such annexation or division becomes effective
14 for all purposes as determined under Section 7-9 or 11A-10,
15 as the case may be, the general State aid and supplemental
16 general State aid calculated under this Section shall be
17 computed for each annexing or resulting district as
18 constituted after the annexation or division and for each
19 annexing and annexed district, or for each resulting and
20 divided district, as constituted prior to the annexation or
21 division; and if the aggregate of the general State aid and
22 supplemental general State aid as so computed for the
23 annexing or resulting districts as constituted after the
24 annexation or division is less than the aggregate of the
25 general State aid and supplemental general State aid as so
26 computed for the annexing and annexed districts, or for the
27 resulting and divided districts, as constituted prior to the
28 annexation or division, then a supplementary payment equal to
29 the difference shall be made and allocated between or among
30 the annexing or resulting districts, as constituted upon such
31 annexation or division, for the first 4 years of their
32 existence. The total difference payment shall be allocated
33 between or among the annexing or resulting districts in the
34 same ratio as the pupil enrollment from that portion of the
35 annexed or divided district or districts which is annexed to

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

16 (3.5) Claims for financial assistance under this
17 subsection (I) shall not be recomputed except as expressly
18 provided under this Section.

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

22 (J) Supplementary Grants in Aid.

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

1 supplemental general State aid under this Section which that
2 district is eligible to receive for each school year shall be
3 no less than the amount of the aggregate general State aid
4 entitlement that was received by the district under Section
5 18-8 (exclusive of amounts received under subsections 5(p)
6 and 5(p-5) of that Section) for the 1997-1998 school year,
7 pursuant to the provisions of that Section as it was then in
8 effect.

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

20 (3) (Blank).

21 (K) Grants to Laboratory and Alternative Schools.

22 In calculating the amount to be paid to the governing
23 board of a public university that operates a laboratory
24 school under this Section or to any alternative school that
25 is operated by a regional superintendent of schools, the
26 State Board of Education shall require by rule such reporting
27 requirements as it deems necessary.

28 As used in this Section, "laboratory school" means a
29 public school which is created and operated by a public
30 university and approved by the State Board of Education. The
31 governing board of a public university which receives funds
32 from the State Board under this subsection (K) may not
33 increase the number of students enrolled in its laboratory
34 school from a single district, if that district is already

1 sending 50 or more students, except under a mutual agreement
2 between the school board of a student's district of residence
3 and the university which operates the laboratory school. A
4 laboratory school may not have more than 1,000 students,
5 excluding students with disabilities in a special education
6 program.

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

23 Each laboratory and alternative school shall file, on
24 forms provided by the State Superintendent of Education, an
25 annual State aid claim which states the Average Daily
26 Attendance of the school's students by month. The best 3
27 months' Average Daily Attendance shall be computed for each
28 school. The general State aid entitlement shall be computed
29 by multiplying the applicable Average Daily Attendance by the
30 Foundation Level as determined under this Section.

31 (L) Payments, Additional Grants in Aid and Other
32 Requirements.

33 (1) For a school district operating under the financial
34 supervision of an Authority created under Article 34A, the

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

12 (2) (Blank).

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

15 (M) Education Funding Advisory Board.

16 The Education Funding Advisory Board, hereinafter in this
17 subsection (M) referred to as the "Board", is hereby created.
18 The Board shall consist of 5 members who are appointed by the
19 Governor, by and with the advice and consent of the Senate.
20 The members appointed shall include representatives of
21 education, business, and the general public. One of the
22 members so appointed shall be designated by the Governor at
23 the time the appointment is made as the chairperson of the
24 Board. The initial members of the Board may be appointed any
25 time after the effective date of this amendatory Act of 1997.
26 The regular term of each member of the Board shall be for 4
27 years from the third Monday of January of the year in which
28 the term of the member's appointment is to commence, except
29 that of the 5 initial members appointed to serve on the
30 Board, the member who is appointed as the chairperson shall
31 serve for a term that commences on the date of his or her
32 appointment and expires on the third Monday of January, 2002,
33 and the remaining 4 members, by lots drawn at the first
34 meeting of the Board that is held after all 5 members are

1 appointed, shall determine 2 of their number to serve for
2 terms that commence on the date of their respective
3 appointments and expire on the third Monday of January, 2001,
4 and 2 of their number to serve for terms that commence on the
5 date of their respective appointments and expire on the third
6 Monday of January, 2000. All members appointed to serve on
7 the Board shall serve until their respective successors are
8 appointed and confirmed. Vacancies shall be filled in the
9 same manner as original appointments. If a vacancy in
10 membership occurs at a time when the Senate is not in
11 session, the Governor shall make a temporary appointment
12 until the next meeting of the Senate, when he or she shall
13 appoint, by and with the advice and consent of the Senate, a
14 person to fill that membership for the unexpired term. If
15 the Senate is not in session when the initial appointments
16 are made, those appointments shall be made as in the case of
17 vacancies.

18 The Education Funding Advisory Board shall be deemed
19 established, and the initial members appointed by the
20 Governor to serve as members of the Board shall take office,
21 on the date that the Governor makes his or her appointment of
22 the fifth initial member of the Board, whether those initial
23 members are then serving pursuant to appointment and
24 confirmation or pursuant to temporary appointments that are
25 made by the Governor as in the case of vacancies.

26 The State Board of Education shall provide such staff
27 assistance to the Education Funding Advisory Board as is
28 reasonably required for the proper performance by the Board
29 of its responsibilities.

30 For school years after the 2000-2001 school year, the
31 Education Funding Advisory Board, in consultation with the
32 State Board of Education, shall make recommendations as
33 provided in this subsection (M) to the General Assembly for
34 the foundation level under subdivision (B)(3) of this Section
35 and for the supplemental general State aid grant level under

1 subsection (H) of this Section for districts with high
 2 concentrations of children from poverty. The recommended
 3 foundation level shall be determined based on a methodology
 4 which incorporates the basic education expenditures of
 5 low-spending schools exhibiting high academic performance.
 6 The Education Funding Advisory Board shall make such
 7 recommendations to the General Assembly on January 1 of odd
 8 numbered years, beginning January 1, 2001.

9 (N) (Blank).

10 (O) References.

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

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

19 (Source: P.A. 91-24, eff. 7-1-99; 91-93, eff. 7-9-99; 91-96,
 20 eff. 7-9-99; 91-111, eff. 7-14-99; 91-357, eff. 7-29-99;
 21 91-533, eff. 8-13-99; 92-7, eff. 6-29-01; 92-16, eff.
 22 6-28-01; 92-28, eff. 7-1-01; 92-29, eff. 7-1-01; 92-269, eff.
 23 8-7-01; revised 8-7-01.)".

24 Submitted on June 1, 2002.

25 s/Sen. Dan Cronin

s/Rep. William Delgado

26 s/Sen. Frank P. Watson

s/Rep. Barbara Flynn Currie

27 s/Sen. Bradley Burzynski

s/Rep. Calvin L. Giles

28 s/Sen. Lisa Madigan

s/Rep. Art Tenhouse

29 s/Sen. Vince Demuzio

Rep. Mary Lou Cowlshaw

30 Committee for the Senate

Committee for the House