SENATE JOURNAL

STATE OF ILLINOIS

NINETY-NINTH GENERAL ASSEMBLY

121ST LEGISLATIVE DAY

FRIDAY, MAY 27, 2016

10:03 O'CLOCK A.M.

NO. 121
[May 27, 2016]

SENATE
Daily Journal Index
121st Legislative Day

The Senate met pursuant to adjournment.
Senator Terry Link, Waukegan, Illinois, presiding.
Prayer by Pastor Ryan Neal, Relationship Church, St. Louis, Missouri.
Senator Cunningham led the Senate in the Pledge of Allegiance.

Senator Hunter moved that reading and approval of the Journal of Thursday, May 26, 2016, be postponed, pending arrival of the printed Journal.
The motion prevailed.

LEGISLATIVE MEASURES FILED

The following Floor amendments to the Senate Bills listed below have been filed with the Secretary and referred to the Committee on Assignments:

Floor Amendment No. 4 to Senate Bill 1585
Floor Amendment No. 2 to Senate Bill 2939

The following Floor amendment to the House Bills listed below have been filed with the Secretary and referred to the Committee on Assignments:

Floor Amendment No. 1 to House Bill 3760
Floor Amendment No. 2 to House Bill 5539

MESSAGES FROM THE HOUSE

A message from the House by
Mr. Mapes, Clerk:
Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 2610

A bill for AN ACT concerning regulation.
Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:
House Amendment No. 1 to SENATE BILL NO. 2610
Passed the House, as amended, May 26, 2016.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 2610

AMENDMENT NO. 1. Amend Senate Bill 2610 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Continuum of Care Services for the Developmentally Disabled Act.

Section 5. Purpose. The purpose of this Act is to authorize a new type of license for organizations providing services to individuals with developmental disabilities to be known as a continuum of care license; to define the requirements for a continuum of care facility to receive and maintain such a license; to establish a process for the development of an alternative budget-neutral reimbursement mechanism for such a facility; and to authorize a request to the federal government for a waiver pursuant to the federal Social Security Act.

Section 10. Definitions. As used in this Act, unless the context requires otherwise:
"Applicable requirements of law" means State and federal statutes, rules, regulations, and guidance, as such may from time to time be amended or revised, governing the rights, protections, and services, including reimbursement for such services, afforded to individuals with developmental disabilities.

"Campus group home" means a residential facility meeting the requirements of Section 30 of this Act and operated as part of a continuum of care facility licensed under this Act.

"Continuum of care facility" means a legally incorporated entity that provides a comprehensive range of programs, services, and supports for adults with developmental disabilities, positioned at a central geographic campus facility, and including all of the following:

(1) community-integrated living arrangements provided within reasonable geographic proximity of the campus and in accordance with applicable requirements of law;

(2) employment opportunities, including both on-campus compensated work opportunities and off-campus supported employment opportunities provided in accordance with applicable requirements of law;

(3) developmental training programs and services provided in accordance with applicable requirements of law;

(4) on-campus community living facility opportunities provided on-campus and in accordance with applicable requirements of law;

(5) campus group home opportunities as authorized and defined in this Act and provided in accordance with applicable requirements of law; and

(6) medically complex for the developmentally disabled facility opportunities provided on-campus and in accordance with applicable requirements of law.

"Continuum of care license" means a license issued to a continuum of care facility in accordance with the terms of this Act.

"Continuum of care plan" means a formal, written plan meeting the requirements of Section 25 of this Act.

"Facility constituent elements" means the particular, discrete programs, services, and supports delineated in the definition of "continuum of care facility" and provided collectively by the facility.

Section 15. Powers and duties. The Secretary of Human Services, acting in consultation and coordination as necessary with the Director of Public Health and the Director of Healthcare and Family Services, shall, within 12 months after the effective date of this Act, establish a system of licensure for continuum of care facilities, in accordance with this Act, for the following purposes:

(1) protecting the welfare, safety, and rights of individuals with developmental disabilities;

(2) providing additional options for care and services for individuals with developmental disabilities; and

(3) providing a model of care that can transition individuals with developmental disabilities in a seamless and timely manner across the continuum of residential care settings and supportive services, training, education, and employment opportunities in a manner that maximizes beneficiary choice and satisfaction.

Section 20. Licensing standards. The Secretary of Human Services shall, within 12 months after the effective date of this Act, file rules establishing standards for licensing of continuum of care facilities under a single license. These rules shall ensure that an applicant for licensure:

(1) meets the definition of "continuum of care facility" and provides all of the programs, services, and supports required by that definition;

(2) develops, submits, and maintains adherence to a continuum of care plan that meets the requirements of Section 25 of this Act;

(3) meets the regulatory requirements set forth in Section 30 of this Act;

(4) meets such requirements as the Secretary of Human Services may determine appropriate for renewal of licensure or for amendment of licensure to account for changes in the composition of facility constituent elements providing programs or services under the license; and

(5) meets such other requirements as the Secretary of Human Services may determine appropriate for the effective implementation of this Act.

Section 25. Continuum of care plan. An applicant for a continuum of care license shall submit to the Secretary of Human Services, in such form and manner as the Secretary of Human Services shall require, a continuum of care plan that demonstrates how the applicant will:

(1) undertake a comprehensive approach to facilitating the movement of individuals to the most appropriate site and level of care and services provided based on that individual's preference and needs;

(2) provide for the seamless integrated transition of individuals between and among

the required care settings and services in a manner that addresses the individual's location on the spectrum of disability and progression along the age spectrum;

(3) maximize employment and training opportunities consistent with the individual's preferences and capabilities;

(4) provide programs, services, and supports geared to addressing the demand for services for a growing population of aging individuals and individuals who need the services offered by a medically complex for the developmentally disabled facility; and

(5) demonstrate a commitment to providing informed, free, and meaningful choice regarding the type of community in which the individual prefers to live and the type of employment opportunities or developmental training the individual prefers to receive; beneficiary engagement; annual care planning and ongoing treatment focused on the needs and preferences of the individual and adherence to other applicable requirements of law relevant to protecting the rights and welfare of individuals with developmental disabilities; and

(6) use an evidence-based assessment tool, approved by the Department of Human Services and the Department of Healthcare and Family Services, to periodically reassess and confirm that individuals receiving more intense or restrictive services continue to require, or to choose if applicable, that level of support and services.

Section 30. Applicable requirements. The Secretary of Human Services, acting as appropriate through or in coordination with the Director of Public Health, shall in licensing a continuum of care facility ensure the following:

(1) community-integrated living arrangements provided by such licensee meet all otherwise applicable requirements of law pertaining to such arrangements, including those set forth in the Community-Integrated Living Arrangements Licensure and Certification Act, except that a continuum of care facility may, consistent with all applicable requirements of law, prioritize the movement of individuals into or out of community-integrated living arrangements from or into other residential facility constituent elements;

(2) on-campus and off-campus employment opportunities provided by the licensee meet all otherwise applicable requirements of law pertaining to such opportunities;

(3) developmental training programs and services provided by the licensee meet all otherwise applicable requirements of law pertaining to such programs and services;

(4) community living facility opportunities provided by the licensee meet all otherwise applicable requirements of law pertaining to such opportunities;

(5) campus group homes provided by the licensee meet all otherwise applicable requirements of law pertaining to an ID/DD facility under the ID/DD Community Care Act;

(6) medically complex for the developmentally disabled facility opportunities provided by the licensee meet all otherwise applicable requirements of law pertaining to such opportunities; and

(7) the applicant complies with such other requirements as the Secretary of Human Services may consider necessary and appropriate to carry out the purposes of this Act and other applicable requirements of law.

A continuum of care license may be issued to a continuum of care facility upon the adoption of the rules provided for in Section 20 of this Act.

Section 35. Existing and future programs and services.

(a) To the extent necessary to carry out the purposes of this Act and to maintain eligibility for reimbursement for services under applicable State and federal programs, including Title XIX of the federal Social Security Act, facility constituent elements of an entity licensed as a continuum of care facility may be considered to be licensed pursuant to the otherwise applicable requirements of law as set forth in Section 30 of this Act.

(b) In the event that a continuum of care facility ceases to retain licensure as a continuum of care facility, facility constituent elements that meet all otherwise applicable requirements of law with respect to such element as set forth in Section 30 of this Act shall be deemed to be licensed pursuant to such requirements.

(c) Residents of campus group homes and community-integrated living arrangements that are facility constituent elements shall continue to be beneficiaries of and have the rights and protections provided to residents of ID/DD facilities and community-integrated living arrangements, respectively, under the consent decree entered by the United States District Court for the Northern District of Illinois in the matter of Ligas v. Hamos, No. 1:05-CV-4331 on June 15, 2011 (Ligas). While the consent decree in Ligas remains in effect, members of the class in Ligas residing in ID/DD facilities on June 15, 2011 may move to community-integrated living arrangements as they chose to do so; members of the class in Ligas admitted

to ID/DD facilities after June 15, 2011 must enroll on the Prioritization of Urgency of Need for Services waiting list and be selected for community-integrated living arrangements services prior to moving.

(d) A continuum of care licensee shall be permitted to add new facility constituent elements under its license provided that it demonstrates a need for the new facility constituent elements and that the facility constituent elements meet all applicable requirements of law.

Section 40. Reimbursement rules. The Secretary of Human Services and the Director of Healthcare and Family Services shall:

(1) ensure that reimbursement utilizing federal and State resources for services provided to eligible beneficiaries through a continuum of care facility comports with the following requirements:

(A) such services shall be reimbursed in a budget-neutral manner such that reimbursement for services provided by the facility constituent elements of a continuum of care licensee shall be neither greater nor lesser than the reimbursement received for such services provided by that facility constituent element prior to the licensing of the continuum of care facility, adjusted to take into account any subsequent changes in reimbursement for such similar services, or, if the facility constituent element is a new facility reimbursement for the services provided by the new facility shall be no less than the reimbursement received for such services by a comparable facility constituent element of that continuum of care facility; and

(B) a continuum of care licensee shall enter into a single provider agreement with the Director of Healthcare and Family Services or the Secretary of Human Services; changes that may occur from time to time in the facility constituent elements under the continuum of care license shall be addressed as may be required by applicable requirements of law through amendments to the provider agreement; the Director of Healthcare and Family Services shall make all reasonable efforts to ensure that all facility constituent elements that are approved parts of a continuum of care license remain qualified for reimbursement under relevant State and federal programs including Title XIX of the federal Social Security Act; and

(2) in cooperation with interested stakeholders, develop an alternative payment methodology for a continuum of care facility; the initial methodology shall produce payments that are budget neutral as compared to the services provided by the licensee prior to the implementation of the continuum of care license; the effectiveness of the methodology and corresponding rate levels shall be evaluated 18 months following the implementation of the methodology and every 12 months thereafter and shall be adjusted as necessary, subject to appropriation.

Section 45. The Department of Healthcare and Family Services Law of the Civil Administrative Code of Illinois is amended by adding Section 2205-13 as follows:

(20 ILCS 2205/2205-13 new)

Sec. 2205-13. Authorization to secure a federal waiver pursuant to the federal Social Security Act or a State plan amendment.

(a) The Director of Healthcare and Family Services, in collaboration and coordination with the Secretary of Human Services, shall develop and submit to the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services, Center for Medicaid and State Operations, a request for a waiver pursuant to the federal Social Security Act or a State plan amendment consistent with the purpose of subsection (b) of this Section and requirements of subsection (c) of this Section.

(b) The purpose of the waiver or a State plan amendment authorized by subsection (a) of this Section is to obtain approval for the use of funds under Title XIX of the federal Social Security Act to provide for an alternative model of licensure, reimbursement, and quality assurance for services to individuals with developmental disabilities consistent with the Continuum of Care Services for the Developmentally Disabled Act.

(c) A waiver or a State plan amendment requested pursuant to this authorization must involve the licensure of a continuum of care facility pursuant to and consistent with all requirements of the Continuum of Care Services for the Developmentally Disabled Act and a proposal for a reimbursement methodology developed under paragraph (2) of Section 40 of the Continuum of Care Services for the Developmentally Disabled Act.".

Under the rules, the foregoing **Senate Bill No. 2610**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by

Mr. Mapes, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 2746

A bill for AN ACT concerning revenue.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 2746

Passed the House, as amended, May 26, 2016.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 2746

AMENDMENT NO. 1. Amend Senate Bill 2746 on page 18, by replacing lines 2 and 3 with the following: "and menstrual cups."; and

on page 32, by replacing lines 13 and 14 with the following:
"and menstrual cups."; and

on page 45, by replacing lines 13 and 14 with the following:
"and menstrual cups."; and

on page 65, by replacing lines 3 and 4 with the following:
"and menstrual cups.".

Under the rules, the foregoing **Senate Bill No. 2746**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by

Mr. Mapes, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 2797

A bill for AN ACT concerning liquor.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 2797

Passed the House, as amended, May 26, 2016.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 2797

AMENDMENT NO. 1. Amend Senate Bill 2797 by replacing everything after the enacting clause with the following:

"Section 5. The Liquor Control Act of 1934 is amended by changing Sections 5-1, 5-3, 6-4, and 6-31 as follows:

(235 ILCS 5/5-1) (from Ch. 43, par. 115)

Sec. 5-1. Licenses issued by the Illinois Liquor Control Commission shall be of the following classes:

(a) Manufacturer's license - Class 1. Distiller, Class 2. Rectifier, Class 3. Brewer, Class 4. First Class Wine Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6. First Class Winemaker, Class 7. Second Class Winemaker, Class 8. Limited Wine Manufacturer, Class 9. Craft Distiller, Class 10. Class 1 Brewer, Class 11. Class 2 Brewer,

(b) Distributor's license,

(c) Importing Distributor's license,

(d) Retailer's license,

(e) Special Event Retailer's license (not-for-profit),

(f) Railroad license,

(g) Boat license,

(h) Non-Beverage User's license,
(i) Wine-maker's premises license,
(j) Airplane license,
(k) Foreign importer's license,
(l) Broker's license,
(m) Non-resident dealer's license,
(n) Brew Pub license,
(o) Auction liquor license,
(p) Caterer retailer license,
(q) Special use permit license,
(r) Winery shipper's license, ~~.~~
(s) Craft distiller tasting permit.

No person, firm, partnership, corporation, or other legal business entity that is engaged in the manufacturing of wine may concurrently obtain and hold a wine-maker's license and a wine manufacturer's license.

(a) A manufacturer's license shall allow the manufacture, importation in bulk, storage, distribution and sale of alcoholic liquor to persons without the State, as may be permitted by law and to licensees in this State as follows:

Class 1. A Distiller may make sales and deliveries of alcoholic liquor to distillers, rectifiers, importing distributors, distributors and non-beverage users and to no other licensees.

Class 2. A Rectifier, who is not a distiller, as defined herein, may make sales and deliveries of alcoholic liquor to rectifiers, importing distributors, distributors, retailers and non-beverage users and to no other licensees.

Class 3. A Brewer may make sales and deliveries of beer to importing distributors and distributors and may make sales as authorized under subsection (e) of Section 6-4 of this Act.

Class 4. A first class wine-manufacturer may make sales and deliveries of up to 50,000 gallons of wine to manufacturers, importing distributors and distributors, and to no other licensees.

Class 5. A second class Wine manufacturer may make sales and deliveries of more than 50,000 gallons of wine to manufacturers, importing distributors and distributors and to no other licensees.

Class 6. A first-class wine-maker's license shall allow the manufacture of up to 50,000 gallons of wine per year, and the storage and sale of such wine to distributors in the State and to persons without the State, as may be permitted by law. A person who, prior to June 1, 2008 (the effective date of Public Act 95-634) ~~this amendatory Act of the 95th General Assembly~~, is a holder of a first-class wine-maker's license and annually produces more than 25,000 gallons of its own wine and who distributes its wine to licensed retailers shall cease this practice on or before July 1, 2008 in compliance with Public Act 95-634 ~~this amendatory Act of the 95th General Assembly~~.

Class 7. A second-class wine-maker's license shall allow the manufacture of between 50,000 and 150,000 gallons of wine per year, and the storage and sale of such wine to distributors in this State and to persons without the State, as may be permitted by law. A person who, prior to June 1, 2008 (the effective date of Public Act 95-634) ~~this amendatory Act of the 95th General Assembly~~, is a holder of a second-class wine-maker's license and annually produces more than 25,000 gallons of its own wine and who distributes its wine to licensed retailers shall cease this practice on or before July 1, 2008 in compliance with Public Act 95-634 ~~this amendatory Act of the 95th General Assembly~~.

Class 8. A limited wine-manufacturer may make sales and deliveries not to exceed 40,000 gallons of wine per year to distributors, and to non-licensees in accordance with the provisions of this Act.

Class 9. A craft distiller license shall allow the manufacture of up to 100,000 ~~30,000 gallons of spirits by distillation for one year after the effective date of this amendatory Act of the 97th General Assembly and up to 35,000~~ gallons of spirits by distillation per year ~~thereafter~~ and the storage of such spirits. If a craft distiller licensee , including a craft distiller licensee who holds more than one craft distiller license, is not affiliated with any other manufacturer of spirits, then the craft distiller licensee may sell such spirits to distributors in this State and up to 2,500 gallons of such spirits to non-licensees to the extent permitted by any exemption approved by the Commission pursuant to Section 6-4 of this Act. A craft distiller license holder may store such spirits at a non-contiguous licensed location, but at no time shall a craft distiller license holder directly or indirectly produce in the aggregate more than 100,000 gallons of spirits per year.

A craft distiller licensee may hold more than one craft distiller's license. However, a craft distiller that holds more than one craft distiller license shall not manufacture, in the aggregate, more than 100,000 gallons of spirits by distillation per year and shall not sell, in the aggregate, more than 2,500 gallons of such spirits to non-licensees in accordance with an exemption approved by the State Commission pursuant to Section 6-4 of this Act.

Any craft distiller licensed under this Act who on July 28, 2010 (the effective date of Public Act 96-1367) ~~this amendatory Act of the 96th General Assembly~~ was licensed as a distiller and manufactured no more spirits than permitted by this Section shall not be required to pay the initial licensing fee.

Class 10. A class 1 brewer license, which may only be issued to a licensed brewer or licensed non-resident dealer, shall allow the manufacture of up to 930,000 gallons of beer per year provided that the class 1 brewer licensee does not manufacture more than a combined 930,000 gallons of beer per year and is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 930,000 gallons of beer per year or any other alcoholic liquor. A class 1 brewer licensee may make sales and deliveries to importing distributors and distributors and to retail licensees in accordance with the conditions set forth in paragraph (18) of subsection (a) of Section 3-12 of this Act.

Class 11. A class 2 brewer license, which may only be issued to a licensed brewer or licensed non-resident dealer, shall allow the manufacture of up to 3,720,000 gallons of beer per year provided that the class 2 brewer licensee does not manufacture more than a combined 3,720,000 gallons of beer per year and is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 3,720,000 gallons of beer per year or any other alcoholic liquor. A class 2 brewer licensee may make sales and deliveries to importing distributors and distributors, but shall not make sales or deliveries to any other licensee. If the State Commission provides prior approval, a class 2 brewer licensee may annually transfer up to 3,720,000 gallons of beer manufactured by that class 2 brewer licensee to the premises of a licensed class 2 brewer wholly owned and operated by the same licensee.

(a-1) A manufacturer which is licensed in this State to make sales or deliveries of alcoholic liquor to licensed distributors or importing distributors and which enlists agents, representatives, or individuals acting on its behalf who contact licensed retailers on a regular and continual basis in this State must register those agents, representatives, or persons acting on its behalf with the State Commission.

Registration of agents, representatives, or persons acting on behalf of a manufacturer is fulfilled by submitting a form to the Commission. The form shall be developed by the Commission and shall include the name and address of the applicant, the name and address of the manufacturer he or she represents, the territory or areas assigned to sell to or discuss pricing terms of alcoholic liquor, and any other questions deemed appropriate and necessary. All statements in the forms required to be made by law or by rule shall be deemed material, and any person who knowingly misstates any material fact under oath in an application is guilty of a Class B misdemeanor. Fraud, misrepresentation, false statements, misleading statements, evasions, or suppression of material facts in the securing of a registration are grounds for suspension or revocation of the registration. The State Commission shall post a list of registered agents on the Commission's website.

(b) A distributor's license shall allow the wholesale purchase and storage of alcoholic liquors and sale of alcoholic liquors to licensees in this State and to persons without the State, as may be permitted by law.

(c) An importing distributor's license may be issued to and held by those only who are duly licensed distributors, upon the filing of an application by a duly licensed distributor, with the Commission and the Commission shall, without the payment of any fee, immediately issue such importing distributor's license to the applicant, which shall allow the importation of alcoholic liquor by the licensee into this State from any point in the United States outside this State, and the purchase of alcoholic liquor in barrels, casks or other bulk containers and the bottling of such alcoholic liquors before resale thereof, but all bottles or containers so filled shall be sealed, labeled, stamped and otherwise made to comply with all provisions, rules and regulations governing manufacturers in the preparation and bottling of alcoholic liquors. The importing distributor's license shall permit such licensee to purchase alcoholic liquor from Illinois licensed non-resident dealers and foreign importers only.

(d) A retailer's license shall allow the licensee to sell and offer for sale at retail, only in the premises specified in the license, alcoholic liquor for use or consumption, but not for resale in any form. Nothing in Public Act 95-634 ~~this amendatory Act of the 95th General Assembly~~ shall deny, limit, remove, or restrict the ability of a holder of a retailer's license to transfer, deliver, or ship alcoholic liquor to the purchaser for use or consumption subject to any applicable local law or ordinance. Any retail license issued to a manufacturer shall only permit the manufacturer to sell beer at retail on the premises actually occupied by the manufacturer. For the purpose of further describing the type of business conducted at a retail licensed premises, a retailer's licensee may be designated by the State Commission as (i) an on premise consumption retailer, (ii) an off premise sale retailer, or (iii) a combined on premise consumption and off premise sale retailer.

Notwithstanding any other provision of this subsection (d), a retail licensee may sell alcoholic liquors to a special event retailer licensee for resale to the extent permitted under subsection (e).

(e) A special event retailer's license (not-for-profit) shall permit the licensee to purchase alcoholic liquors from an Illinois licensed distributor (unless the licensee purchases less than $500 of alcoholic

liquors for the special event, in which case the licensee may purchase the alcoholic liquors from a licensed retailer) and shall allow the licensee to sell and offer for sale, at retail, alcoholic liquors for use or consumption, but not for resale in any form and only at the location and on the specific dates designated for the special event in the license. An applicant for a special event retailer license must (i) furnish with the application: (A) a resale number issued under Section 2c of the Retailers' Occupation Tax Act or evidence that the applicant is registered under Section 2a of the Retailers' Occupation Tax Act, (B) a current, valid exemption identification number issued under Section 1g of the Retailers' Occupation Tax Act, and a certification to the Commission that the purchase of alcoholic liquors will be a tax-exempt purchase, or (C) a statement that the applicant is not registered under Section 2a of the Retailers' Occupation Tax Act, does not hold a resale number under Section 2c of the Retailers' Occupation Tax Act, and does not hold an exemption number under Section 1g of the Retailers' Occupation Tax Act, in which event the Commission shall set forth on the special event retailer's license a statement to that effect; (ii) submit with the application proof satisfactory to the State Commission that the applicant will provide dram shop liability insurance in the maximum limits; and (iii) show proof satisfactory to the State Commission that the applicant has obtained local authority approval.

(f) A railroad license shall permit the licensee to import alcoholic liquors into this State from any point in the United States outside this State and to store such alcoholic liquors in this State; to make wholesale purchases of alcoholic liquors directly from manufacturers, foreign importers, distributors and importing distributors from within or outside this State; and to store such alcoholic liquors in this State; provided that the above powers may be exercised only in connection with the importation, purchase or storage of alcoholic liquors to be sold or dispensed on a club, buffet, lounge or dining car operated on an electric, gas or steam railway in this State; and provided further, that railroad licensees exercising the above powers shall be subject to all provisions of Article VIII of this Act as applied to importing distributors. A railroad license shall also permit the licensee to sell or dispense alcoholic liquors on any club, buffet, lounge or dining car operated on an electric, gas or steam railway regularly operated by a common carrier in this State, but shall not permit the sale for resale of any alcoholic liquors to any licensee within this State. A license shall be obtained for each car in which such sales are made.

(g) A boat license shall allow the sale of alcoholic liquor in individual drinks, on any passenger boat regularly operated as a common carrier on navigable waters in this State or on any riverboat operated under the Riverboat Gambling Act, which boat or riverboat maintains a public dining room or restaurant thereon.

(h) A non-beverage user's license shall allow the licensee to purchase alcoholic liquor from a licensed manufacturer or importing distributor, without the imposition of any tax upon the business of such licensed manufacturer or importing distributor as to such alcoholic liquor to be used by such licensee solely for the non-beverage purposes set forth in subsection (a) of Section 8-1 of this Act, and such licenses shall be divided and classified and shall permit the purchase, possession and use of limited and stated quantities of alcoholic liquor as follows:

Class 1, not to exceed ..... 500 gallons
Class 2, not to exceed ..... 1,000 gallons
Class 3, not to exceed ..... 5,000 gallons
Class 4, not to exceed ..... 10,000 gallons
Class 5, not to exceed ..... 50,000 gallons

(i) A wine-maker's premises license shall allow a licensee that concurrently holds a first-class wine-maker's license to sell and offer for sale at retail in the premises specified in such license not more than 50,000 gallons of the first-class wine-maker's wine that is made at the first-class wine-maker's licensed premises per year for use or consumption, but not for resale in any form. A wine-maker's premises license shall allow a licensee who concurrently holds a second-class wine-maker's license to sell and offer for sale at retail in the premises specified in such license up to 100,000 gallons of the second-class wine-maker's wine that is made at the second-class wine-maker's licensed premises per year for use or consumption but not for resale in any form. A wine-maker's premises license shall allow a licensee that concurrently holds a first-class wine-maker's license or a second-class wine-maker's license to sell and offer for sale at retail at the premises specified in the wine-maker's premises license, for use or consumption but not for resale in any form, any beer, wine, and spirits purchased from a licensed distributor. Upon approval from the State Commission, a wine-maker's premises license shall allow the licensee to sell and offer for sale at (i) the wine-maker's licensed premises and (ii) at up to 2 additional locations for use and consumption and not for resale. Each location shall require additional licensing per location as specified in Section 5-3 of this Act. A wine-maker's premises licensee shall secure liquor liability insurance coverage in an amount at least equal to the maximum liability amounts set forth in subsection (a) of Section 6-21 of this Act.

(j) An airplane license shall permit the licensee to import alcoholic liquors into this State from any point in the United States outside this State and to store such alcoholic liquors in this State; to make wholesale purchases of alcoholic liquors directly from manufacturers, foreign importers, distributors and importing distributors from within or outside this State; and to store such alcoholic liquors in this State; provided that the above powers may be exercised only in connection with the importation, purchase or storage of alcoholic liquors to be sold or dispensed on an airplane; and provided further, that airplane licensees exercising the above powers shall be subject to all provisions of Article VIII of this Act as applied to importing distributors. An airplane licensee shall also permit the sale or dispensing of alcoholic liquors on any passenger airplane regularly operated by a common carrier in this State, but shall not permit the sale for resale of any alcoholic liquors to any licensee within this State. A single airplane license shall be required of an airline company if liquor service is provided on board aircraft in this State. The annual fee for such license shall be as determined in Section 5-3.

(k) A foreign importer's license shall permit such licensee to purchase alcoholic liquor from Illinois licensed non-resident dealers only, and to import alcoholic liquor other than in bulk from any point outside the United States and to sell such alcoholic liquor to Illinois licensed importing distributors and to no one else in Illinois; provided that (i) the foreign importer registers with the State Commission every brand of alcoholic liquor that it proposes to sell to Illinois licensees during the license period, (ii) the foreign importer complies with all of the provisions of Section 6-9 of this Act with respect to registration of such Illinois licensees as may be granted the right to sell such brands at wholesale, and (iii) the foreign importer complies with the provisions of Sections 6-5 and 6-6 of this Act to the same extent that these provisions apply to manufacturers.

(l) (i) A broker's license shall be required of all persons who solicit orders for, offer to sell or offer to supply alcoholic liquor to retailers in the State of Illinois, or who offer to retailers to ship or cause to be shipped or to make contact with distillers, rectifiers, brewers or manufacturers or any other party within or without the State of Illinois in order that alcoholic liquors be shipped to a distributor, importing distributor or foreign importer, whether such solicitation or offer is consummated within or without the State of Illinois.

No holder of a retailer's license issued by the Illinois Liquor Control Commission shall purchase or receive any alcoholic liquor, the order for which was solicited or offered for sale to such retailer by a broker unless the broker is the holder of a valid broker's license.

The broker shall, upon the acceptance by a retailer of the broker's solicitation of an order or offer to sell or supply or deliver or have delivered alcoholic liquors, promptly forward to the Illinois Liquor Control Commission a notification of said transaction in such form as the Commission may by regulations prescribe.

(ii) A broker's license shall be required of a person within this State, other than a retail licensee, who, for a fee or commission, promotes, solicits, or accepts orders for alcoholic liquor, for use or consumption and not for resale, to be shipped from this State and delivered to residents outside of this State by an express company, common carrier, or contract carrier. This Section does not apply to any person who promotes, solicits, or accepts orders for wine as specifically authorized in Section 6-29 of this Act.

A broker's license under this subsection (l) shall not entitle the holder to buy or sell any alcoholic liquors for his own account or to take or deliver title to such alcoholic liquors.

This subsection (l) shall not apply to distributors, employees of distributors, or employees of a manufacturer who has registered the trademark, brand or name of the alcoholic liquor pursuant to Section 6-9 of this Act, and who regularly sells such alcoholic liquor in the State of Illinois only to its registrants thereunder.

Any agent, representative, or person subject to registration pursuant to subsection (a-1) of this Section shall not be eligible to receive a broker's license.

(m) A non-resident dealer's license shall permit such licensee to ship into and warehouse alcoholic liquor into this State from any point outside of this State, and to sell such alcoholic liquor to Illinois licensed foreign importers and importing distributors and to no one else in this State; provided that (i) said non-resident dealer shall register with the Illinois Liquor Control Commission each and every brand of alcoholic liquor which it proposes to sell to Illinois licensees during the license period, (ii) it shall comply with all of the provisions of Section 6-9 hereof with respect to registration of such Illinois licensees as may be granted the right to sell such brands at wholesale, and (iii) the non-resident dealer shall comply with the provisions of Sections 6-5 and 6-6 of this Act to the same extent that these provisions apply to manufacturers.

(n) A brew pub license shall allow the licensee to only (i) manufacture up to 155,000 gallons of beer per year only on the premises specified in the license, (ii) make sales of the beer manufactured on the premises or, with the approval of the Commission, beer manufactured on another brew pub licensed

premises that is wholly owned and operated by the same licensee to importing distributors, distributors, and to non-licensees for use and consumption, (iii) store the beer upon the premises, (iv) sell and offer for sale at retail from the licensed premises for off-premises consumption no more than 155,000 gallons per year so long as such sales are only made in-person, (v) sell and offer for sale at retail for use and consumption on the premises specified in the license any form of alcoholic liquor purchased from a licensed distributor or importing distributor, and (vi) with the prior approval of the Commission, annually transfer no more than 155,000 gallons of beer manufactured on the premises to a licensed brew pub wholly owned and operated by the same licensee.

A brew pub licensee shall not under any circumstance sell or offer for sale beer manufactured by the brew pub licensee to retail licensees.

A person who holds a class 2 brewer license may simultaneously hold a brew pub license if the class 2 brewer (i) does not, under any circumstance, sell or offer for sale beer manufactured by the class 2 brewer to retail licensees; (ii) does not hold more than 3 brew pub licenses in this State; (iii) does not manufacture more than a combined 3,720,000 gallons of beer per year, including the beer manufactured at the brew pub; and (iv) is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 3,720,000 gallons of beer per year or any other alcoholic liquor.

Notwithstanding any other provision of this Act, a licensed brewer, class 2 brewer, or non-resident dealer who before July 1, 2015 manufactured less than ~~than~~ 3,720,000 gallons of beer per year and held a brew pub license on or before July 1, 2015 may (i) continue to qualify for and hold that brew pub license for the licensed premises and (ii) manufacture more than 3,720,000 gallons of beer per year and continue to qualify for and hold that brew pub license if that brewer, class 2 brewer, or non-resident dealer does not simultaneously hold a class 1 brewer license and is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 3,720,000 gallons of beer per year or that produces any other alcoholic liquor.

(o) A caterer retailer license shall allow the holder to serve alcoholic liquors as an incidental part of a food service that serves prepared meals which excludes the serving of snacks as the primary meal, either on or off-site whether licensed or unlicensed.

(p) An auction liquor license shall allow the licensee to sell and offer for sale at auction wine and spirits for use or consumption, or for resale by an Illinois liquor licensee in accordance with provisions of this Act. An auction liquor license will be issued to a person and it will permit the auction liquor licensee to hold the auction anywhere in the State. An auction liquor license must be obtained for each auction at least 14 days in advance of the auction date.

(q) A special use permit license shall allow an Illinois licensed retailer to transfer a portion of its alcoholic liquor inventory from its retail licensed premises to the premises specified in the license hereby created, and to sell or offer for sale at retail, only in the premises specified in the license hereby created, the transferred alcoholic liquor for use or consumption, but not for resale in any form. A special use permit license may be granted for the following time periods: one day or less; 2 or more days to a maximum of 15 days per location in any 12 month period. An applicant for the special use permit license must also submit with the application proof satisfactory to the State Commission that the applicant will provide dram shop liability insurance to the maximum limits and have local authority approval.

(r) A winery shipper's license shall allow a person with a first-class or second-class wine manufacturer's license, a first-class or second-class wine-maker's license, or a limited wine manufacturer's license or who is licensed to make wine under the laws of another state to ship wine made by that licensee directly to a resident of this State who is 21 years of age or older for that resident's personal use and not for resale. Prior to receiving a winery shipper's license, an applicant for the license must provide the Commission with a true copy of its current license in any state in which it is licensed as a manufacturer of wine. An applicant for a winery shipper's license must also complete an application form that provides any other information the Commission deems necessary. The application form shall include an acknowledgement consenting to the jurisdiction of the Commission, the Illinois Department of Revenue, and the courts of this State concerning the enforcement of this Act and any related laws, rules, and regulations, including authorizing the Department of Revenue and the Commission to conduct audits for the purpose of ensuring compliance with Public Act 95-634 ~~this amendatory Act~~.

A winery shipper licensee must pay to the Department of Revenue the State liquor gallonage tax under Section 8-1 for all wine that is sold by the licensee and shipped to a person in this State. For the purposes of Section 8-1, a winery shipper licensee shall be taxed in the same manner as a manufacturer of wine. A licensee who is not otherwise required to register under the Retailers' Occupation Tax Act must register under the Use Tax Act to collect and remit use tax to the Department of Revenue for all gallons of wine that are sold by the licensee and shipped to persons in this State. If a licensee fails to remit the tax imposed under this Act in accordance with the provisions of Article VIII of this Act, the winery shipper's license

shall be revoked in accordance with the provisions of Article VII of this Act. If a licensee fails to properly register and remit tax under the Use Tax Act or the Retailers' Occupation Tax Act for all wine that is sold by the winery shipper and shipped to persons in this State, the winery shipper's license shall be revoked in accordance with the provisions of Article VII of this Act.

A winery shipper licensee must collect, maintain, and submit to the Commission on a semi-annual basis the total number of cases per resident of wine shipped to residents of this State. A winery shipper licensed under this subsection (r) must comply with the requirements of Section 6-29 of this ~~amendatory~~ Act.

Pursuant to paragraph (5.1) or (5.3) of subsection (a) of Section 3-12, the State Commission may receive, respond to, and investigate any complaint and impose any of the remedies specified in paragraph (1) of subsection (a) of Section 3-12.

(s) A craft distiller tasting permit license shall allow an Illinois licensed craft distiller to transfer a portion of its alcoholic liquor inventory from its craft distiller licensed premises to the premises specified in the license hereby created and to conduct a sampling, only in the premises specified in the license hereby created, of the transferred alcoholic liquor in accordance with subsection (c) of Section 6-31 of this Act. The transferred alcoholic liquor may not be sold or resold in any form. An applicant for the craft distiller tasting permit license must also submit with the application proof satisfactory to the State Commission that the applicant will provide dram shop liability insurance to the maximum limits and have local authority approval.

(Source: P.A. 98-394, eff. 8-16-13; 98-401, eff. 8-16-13; 98-756, eff. 7-16-14; 99-448, eff. 8-24-15; revised 10-27-15.)

(235 ILCS 5/5-3) (from Ch. 43, par. 118)

Sec. 5-3. License fees. Except as otherwise provided herein, at the time application is made to the State Commission for a license of any class, the applicant shall pay to the State Commission the fee hereinafter provided for the kind of license applied for.

The fee for licenses issued by the State Commission shall be as follows:

For a manufacturer's license:	
Class 1. Distiller	$3,600
Class 2. Rectifier	3,600
Class 3. Brewer	900
Class 4. First-class Wine Manufacturer	600
Class 5. Second-class Wine Manufacturer	1,200
Class 6. First-class wine-maker	600
Class 7. Second-class wine-maker	1200
Class 8. Limited Wine Manufacturer	120
Class 9. Craft Distiller	1,800
Class 10. Class 1 Brewer	25
Class 11. Class 2 Brewer	25
For a Brew Pub License	1,050
For a caterer retailer's license	200
For a foreign importer's license	25
For an importing distributor's license	25
For a distributor's license	270
For a non-resident dealer's license (500,000 gallons or over)	270
For a non-resident dealer's license (under 500,000 gallons)	90
For a wine-maker's premises license	100
For a winery shipper's license (under 250,000 gallons)	150
For a winery shipper's license (250,000 or over, but under 500,000 gallons)	500
For a winery shipper's license (500,000 gallons or over)	1,000
For a wine-maker's premises license, second location	350
For a wine-maker's premises license, third location	350
For a retailer's license	500

For a special event retailer's license, (not-for-profit)	25
For a special use permit license, one day only	50
2 days or more	100
For a railroad license	60
For a boat license	180
For an airplane license, times the licensee's maximum number of aircraft in flight, serving liquor over the State at any given time, which either originate, terminate, or make an intermediate stop in the State	60
For a non-beverage user's license:	
Class 1	24
Class 2	60
Class 3	120
Class 4	240
Class 5	600
For a broker's license	600
For an auction liquor license	50
For a homebrewer special event permit	25
For a craft distiller tasting permit	25

Fees collected under this Section shall be paid into the Dram Shop Fund. On and after July 1, 2003, of the funds received for a retailer's license, in addition to the first $175, an additional $75 shall be paid into the Dram Shop Fund, and $250 shall be paid into the General Revenue Fund. Beginning June 30, 1990 and on June 30 of each subsequent year through June 29, 2003, any balance over $5,000,000 remaining in the Dram Shop Fund shall be credited to State liquor licensees and applied against their fees for State liquor licenses for the following year. The amount credited to each licensee shall be a proportion of the balance in the Dram Fund that is the same as the proportion of the license fee paid by the licensee under this Section for the period in which the balance was accumulated to the aggregate fees paid by all licensees during that period.

No fee shall be paid for licenses issued by the State Commission to the following non-beverage users:

(a) Hospitals, sanitariums, or clinics when their use of alcoholic liquor is exclusively medicinal, mechanical or scientific.

(b) Universities, colleges of learning or schools when their use of alcoholic liquor is exclusively medicinal, mechanical or scientific.

(c) Laboratories when their use is exclusively for the purpose of scientific research.

(Source: P.A. 98-55, eff. 7-5-13; 99-448, eff. 8-24-15.)

(235 ILCS 5/6-4) (from Ch. 43, par. 121)

Sec. 6-4. (a) No person licensed by any licensing authority as a distiller, or a wine manufacturer, or any subsidiary or affiliate thereof, or any officer, associate, member, partner, representative, employee, agent or shareholder owning more than 5% of the outstanding shares of such person shall be issued an importing distributor's or distributor's license, nor shall any person licensed by any licensing authority as an importing distributor, distributor or retailer, or any subsidiary or affiliate thereof, or any officer or associate, member, partner, representative, employee, agent or shareholder owning more than 5% of the outstanding shares of such person be issued a distiller's license, craft distiller's license, or a wine manufacturer's license; and no person or persons licensed as a distiller or craft distiller by any licensing authority shall have any interest, directly or indirectly, with such distributor or importing distributor.

However, an importing distributor or distributor, which on January 1, 1985 is owned by a brewer, or any subsidiary or affiliate thereof or any officer, associate, member, partner, representative, employee, agent or shareholder owning more than 5% of the outstanding shares of the importing distributor or distributor referred to in this paragraph, may own or acquire an ownership interest of more than 5% of the outstanding shares of a wine manufacturer and be issued a wine manufacturer's license by any licensing authority.

(b) The foregoing provisions shall not apply to any person licensed by any licensing authority as a distiller or wine manufacturer, or to any subsidiary or affiliate of any distiller or wine manufacturer who shall have been heretofore licensed by the State Commission as either an importing distributor or

distributor during the annual licensing period expiring June 30, 1947, and shall actually have made sales regularly to retailers.

(c) Provided, however, that in such instances where a distributor's or importing distributor's license has been issued to any distiller or wine manufacturer or to any subsidiary or affiliate of any distiller or wine manufacturer who has, during the licensing period ending June 30, 1947, sold or distributed as such licensed distributor or importing distributor alcoholic liquors and wines to retailers, such distiller or wine manufacturer or any subsidiary or affiliate of any distiller or wine manufacturer holding such distributor's or importing distributor's license may continue to sell or distribute to retailers such alcoholic liquors and wines which are manufactured, distilled, processed or marketed by distillers and wine manufacturers whose products it sold or distributed to retailers during the whole or any part of its licensing periods; and such additional brands and additional products may be added to the line of such distributor or importing distributor, provided, that such brands and such products were not sold or distributed by any distributor or importing distributor licensed by the State Commission during the licensing period ending June 30, 1947, but can not sell or distribute to retailers any other alcoholic liquors or wines.

(d) It shall be unlawful for any distiller licensed anywhere to have any stock ownership or interest in any distributor's or importing distributor's license wherein any other person has an interest therein who is not a distiller and does not own more than 5% of any stock in any distillery. Nothing herein contained shall apply to such distillers or their subsidiaries or affiliates, who had a distributor's or importing distributor's license during the licensing period ending June 30, 1947, which license was owned in whole by such distiller, or subsidiaries or affiliates of such distiller.

(e) Any person licensed as a brewer, class 1 brewer, or class 2 brewer shall be permitted to sell on the licensed premises to non-licensees for on or off-premises consumption for the premises in which he or she actually conducts such business beer manufactured by the brewer, class 1 brewer, or class 2 brewer. Such sales shall be limited to on-premises, in-person sales only, for lawful consumption on or off premises. Such authorization shall be considered a privilege granted by the brewer license and, other than a manufacturer of beer as stated above, no manufacturer or distributor or importing distributor, excluding airplane licensees exercising powers provided in paragraph (i) of Section 5-1 of this Act, or any subsidiary or affiliate thereof, or any officer, associate, member, partner, representative, employee or agent, or shareholder shall be issued a retailer's license, nor shall any person having a retailer's license, excluding airplane licensees exercising powers provided in paragraph (i) of Section 5-1 of this Act, or any subsidiary or affiliate thereof, or any officer, associate, member, partner, representative or agent, or shareholder be issued a manufacturer's license or importing distributor's license.

A person who holds a class 1 or class 2 brewer license and is authorized by this Section to sell beer to non-licensees shall not sell beer to non-licensees from more than 3 total brewer or commonly owned brew pub licensed locations in this State. The class 1 or class 2 brewer shall designate to the State Commission the brewer or brew pub locations from which it will sell beer to non-licensees.

A person licensed as a craft distiller, including a person who holds more than one craft distiller license, not affiliated with any other person manufacturing spirits may be authorized by the Commission to sell up to 2,500 gallons of spirits produced by the person to non-licensees for on or off-premises consumption for the premises in which he or she actually conducts business permitting only the retail sale of spirits manufactured at such premises. Such sales shall be limited to on-premises, in-person sales only, for lawful consumption on or off premises, and such authorization shall be considered a privilege granted by the craft distiller license. A craft distiller licensed for retail sale shall secure liquor liability insurance coverage in an amount at least equal to the maximum liability amounts set forth in subsection (a) of Section 6-21 of this Act.

A craft distiller license holder shall not deliver any alcoholic liquor to any non-licensee off the licensed premises. A craft distiller shall affirm in its annual craft distiller's license application that it does not produce more than 100,000 gallons of distilled spirits annually and that the craft distiller does not sell more than 2,500 gallons of spirits to non-licensees for on or off-premises consumption. In the application, which shall be sworn under penalty of perjury, the craft distiller shall state the volume of production and sales for each year since the craft distiller's establishment.

(f) (Blank).

(g) Notwithstanding any of the foregoing prohibitions, a limited wine manufacturer may sell at retail at its manufacturing site for on or off premises consumption and may sell to distributors. A limited wine manufacturer licensee shall secure liquor liability insurance coverage in an amount at least equal to the maximum liability amounts set forth in subsection (a) of Section 6-21 of this Act.

(h) The changes made to this Section by Public Act 99-47 ~~this amendatory Act of the 99th General Assembly~~ shall not diminish or impair the rights of any person, whether a distiller, wine manufacturer, agent, or affiliate thereof, who requested in writing and submitted documentation to the State Commission

on or before February 18, 2015 to be approved for a retail license pursuant to what has heretofore been subsection (f); provided that, on or before that date, the State Commission considered the intent of that person to apply for the retail license under that subsection and, by recorded vote, the State Commission approved a resolution indicating that such a license application could be lawfully approved upon that person duly filing a formal application for a retail license and if that person, within 90 days of the State Commission appearance and recorded vote, first filed an application with the appropriate local commission, which application was subsequently approved by the appropriate local commission prior to consideration by the State Commission of that person's application for a retail license. It is further provided that the State Commission may approve the person's application for a retail license or renewals of such license if such person continues to diligently adhere to all representations made in writing to the State Commission on or before February 18, 2015, or thereafter, or in the affidavit filed by that person with the State Commission to support the issuance of a retail license and to abide by all applicable laws and duly adopted rules.

(Source: P.A. 99-47, eff. 7-15-15; 99-448, eff. 8-24-15; revised 10-30-15.)

(235 ILCS 5/6-31)

Sec. 6-31. Product sampling.

(a) Retailer, distributor, importing distributor, manufacturer and nonresident dealer licensees may conduct product sampling for consumption at a licensed retail location. Up to 3 samples, consisting of no more than (i) 1/4 ounce of distilled spirits, (ii) one ounce of wine, or (iii) 2 ounces of beer may be served to a consumer in one day.

(b) Notwithstanding the provisions of subsection (a), an on-premises retail licensee may offer for sale and serve more than one drink per person for sampling purposes. In any event, all provisions of Section 6-28 shall apply to an on-premises retail licensee that conducts product sampling.

(c) A craft distiller tasting permit licensee may conduct product sampling of distilled spirits for consumption at the location specified in the craft distiller tasting permit license. Up to 3 samples, consisting of no more than 1/4 ounce of distilled spirits, may be served to a consumer in one day.

(Source: P.A. 99-46, eff. 7-15-15.)

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

Under the rules, the foregoing **Senate Bill No. 2797**, with House Amendment No. 1, was referred to the Secretary's Desk.

VOTE RECORDED

Senator McGuire asked and obtained unanimous consent for the Journal to reflect his intention to have voted in the affirmative on **Senate Bill No. 389** on April 21, 2016.

Senator Silverstein asked and obtained unanimous consent to recess for the purpose of a Democrat caucus.

Senator Rose asked and obtained unanimous consent to recess for the purpose of a Republican caucus.

At the hour of 10:15 o'clock a.m., the Chair announced that the Senate stand at recess subject to the call of the Chair.

AFTER RECESS

At the hour of 11:58 o'clock a.m., the Senate resumed consideration of business.
Senator Sullivan, presiding.

PRESENTATION OF RESOLUTIONS

SENATE RESOLUTION NO. 1939

[May 27, 2016]

Offered by Senator McGuire and all Senators:
Mourns the death of Virginia R. Garvey of Joliet.

SENATE RESOLUTION NO. 1940

Offered by Senator McGuire and all Senators:
Mourns the death of Peter Ferro, Sr., of Joliet

By unanimous consent, the foregoing resolutions were referred to the Resolutions Consent Calendar.

MESSAGES FROM THE HOUSE

A message from the House by
Mr. Mapes, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 2300

A bill for AN ACT concerning health.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 2300
Passed the House, as amended, May 27, 2016.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 2300

AMENDMENT NO. 1. Amend Senate Bill 2300 by replacing everything after the enacting clause with the following:

"Section 5. The Lead Poisoning Prevention Act is amended by changing Section 9.1 as follows:
(410 ILCS 45/9.1) (from Ch. 111 1/2, par. 1309.1)

Sec. 9.1. Owner's obligation to give notice. An owner of a regulated facility who has received a mitigation notice under Section 9 of this Act shall, before the renewal of an existing lease agreement or before entering into a new ~~lease agreement or~~ sales contract for the dwelling unit for which the mitigation notice was issued : ~~,~~

(1) provide the current lessee or lessees, if the lease is to be renewed, and prospective ~~lessees or~~ purchasers of that unit with written notice that a lead hazard has previously been identified in the dwelling unit, unless the owner has obtained a certificate of compliance for the unit under Section 9. An owner shall ~~may~~ satisfy this notice requirement by providing the prospective lessee or purchaser with a copy of the mitigation notice and inspection report prepared pursuant to Section 9; and ~~.~~

(2) provide the Department with written notice of the sale of the dwelling unit for which the mitigation notice was issued, including the date of the sale, and the name, address, telephone number, and email address of the prospective purchaser of the unit.

An owner of a regulated facility who has received a mitigation notice under Section 9 of this Act or an owner of a regulated facility who has purchased the facility from an owner who has received a mitigation notice under Section 9 of this Act and who also receives notice as provided in paragraph (1) of this Section shall, before entering into a new lease agreement for the dwelling unit for which the mitigation notice was issued, mitigate the lead hazard previously identified in the regulated facility and obtain a certificate of compliance under Section 9. For purposes of determining compliance with this Act, the date of the mitigation notice for an owner of a regulated facility who has purchased the facility from an owner subject to this Section and who also receives notice as provided for in paragraph (1) of this Section shall be deemed to be the date of the sale as provided for in paragraph (2) of this Section.

Before entering into a residential lease agreement or sales contract, all owners of regulated facilities containing dwelling units built before 1978 shall give prospective lessees or purchasers information on the potential health hazards posed by lead in regulated facilities by providing prospective lessees or purchasers with a copy of an informational brochure prepared by the Department and shall be consistent with the requirements set forth in 40 CFR Part 745, Subpart F.

(Source: P.A. 98-690, eff. 1-1-15.)

Section 99. Effective date. This Act takes effect January 1, 2017.".

Under the rules, the foregoing **Senate Bill No. 2300**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by
Mr. Mapes, Clerk:
Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:
SENATE BILL NO. 2585
A bill for AN ACT concerning State government.
Together with the following amendments which are attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:
House Amendment No. 1 to SENATE BILL NO. 2585
House Amendment No. 2 to SENATE BILL NO. 2585
Passed the House, as amended, May 27, 2016.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 2585

AMENDMENT NO. 1. Amend Senate Bill 2585 on page 1, by replacing line 8 with the following: "later than the 3rd business day in January of each".

AMENDMENT NO. 2 TO SENATE BILL 2585

AMENDMENT NO. 2. Amend Senate Bill 2585, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. The Governor's Office of Management and Budget Act is amended by changing Section 7.3 as follows:

(20 ILCS 3005/7.3)

Sec. 7.3. Annual economic and fiscal policy report. No later than November 15 ~~the 3rd business day in January~~ of each year, the Governor's Office of Management and Budget shall submit an economic and fiscal policy report to the General Assembly. The report must outline the long-term economic and fiscal policy objectives of the State, the economic and fiscal policy intentions for the upcoming fiscal year, and the economic and fiscal policy intentions for the following 4 ~~2~~ fiscal years. The report must highlight the total level of revenue, expenditure, deficit or surplus, and debt with respect to each of the reporting categories. The report must include any assumptions concerning tax rates and fees used to determine revenue and expenditures for future fiscal years. The report must include a comparison of the enacted current fiscal year budget to the current fiscal year outlook, and, if applicable, must outline any budgetary shortfalls and fiscal and policy options that the Office will pursue to remedy those budgetary shortfalls. If the projected expenditures for any of the following 4 fiscal years exceeds the corresponding fiscal year projected revenues, then the report must outline fiscal and policy options that the Office will pursue to remedy the budgetary shortfall. The report must include an agency categorization key for the reporting categories. The report must be posted on the Office's Internet website and allow members of the public to post comments concerning the report.

(Source: P.A. 98-692, eff. 7-1-14.)

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

Under the rules, the foregoing **Senate Bill No. 2585**, with House Amendments numbered 1 and 2, was referred to the Secretary's Desk.

A message from the House by
Mr. Mapes, Clerk:
Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:
SENATE BILL NO. 2820

A bill for AN ACT concerning public employee benefits.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 2820

Passed the House, as amended, May 27, 2016.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 2820

AMENDMENT NO. 1. Amend Senate Bill 2820 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Pension Code is amended by changing Section 6-179 and by adding Sections 6-183.1 and 6-191.1 as follows:

(40 ILCS 5/6-179) (from Ch. 108 1/2, par. 6-179)

Sec. 6-179. Board's powers and duties. The board shall have the powers and duties stated in Section 6-180 to 6-191.1 ~~6-191~~, inclusive, in addition to the other powers and duties provided in this Article.
(Source: Laws 1963, p. 161.)

(40 ILCS 5/6-183.1 new)

Sec. 6-183.1. To lend securities. The board may lend securities owned by the Fund to a borrower upon such terms and conditions as may be mutually agreed in writing. Such agreement shall provide that during the period of such loan the Fund shall retain the right to receive, or collect from the borrower, all dividends, interest rights, or any distributions to which the Fund would have otherwise been entitled. The borrower shall deposit with the Fund, as collateral for such loan, cash equal to the market value of the securities at the time the loan is made and shall increase the amount of collateral if and when the Fund requests an additional amount because of subsequent increased market value of the securities.

The period for which the securities may be loaned shall not exceed one year, and the loan agreement may specify earlier termination by either party upon mutually agreed conditions.

(40 ILCS 5/6-191.1 new)

Sec. 6-191.1. To reproduce records. To have any records kept by the board photographed, microfilmed, or digitally or electronically reproduced in accordance with the Local Records Act. The photographs, microfilm, and digital and electronic reproductions shall be deemed original records and documents for all purposes, including introduction in evidence before all courts and administrative agencies.

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

Under the rules, the foregoing **Senate Bill No. 2820**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by

Mr. Mapes, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 2861

A bill for AN ACT concerning military justice.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 2 to SENATE BILL NO. 2861

Passed the House, as amended, May 27, 2016.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 2 TO SENATE BILL 2861

AMENDMENT NO. 2. Amend Senate Bill 2861 by replacing everything after the enacting clause with the following:

"Section 0.01. Short title. This Act may be cited as the Illinois Code of Military Justice.

Section 0.02. Purpose. This Code is an exercise of the General Assembly's authority in the Constitution of the State of Illinois to provide for "discipline of the militia in conformity with the laws governing the armed forces of the United States" (Illinois Constitution, Article XII, Section 3). This Code is in conformity with the Uniform Code of Military Justice, at 10 U.S.C. Chapter 47, and the military justice provisions of Title 32 of the United States Code, as modified based on the American Bar Association-drafted "Model State Code for Military Justice" for National Guard forces not subject to the Uniform Code of Military Justice, adopted February 14, 2011 with appropriate further modifications specifically tailored for the Illinois National Guard. The purpose of this Act is to permit discipline of the Illinois National Guard by providing a military justice system that includes court-martial authorities meeting current legal standards of due process.

Section 0.03. References. Sections 1 through 149 of this Code are also designated as Articles to conform to the federal Uniform Code of Military Justice to the extent possible.

PART I. GENERAL PROVISIONS

Section 1. Article 1. Definitions; gender neutrality.

(a) In this Code, unless the context otherwise requires:

(1) "Accuser" means a person who signs and swears to charges, any person who directs that charges nominally be signed and sworn to by another, and any other person who has an interest other than an official interest in the prosecution of the accused.

(2) "Cadet" or "candidate" means a person who is enrolled in or attending a State military academy, a regional training institute, or any other formal education program for the purpose of becoming a commissioned officer in the State military forces.

(3) "Classified information" means:

(A) any information or material that has been determined by an official of the United States or any state pursuant to law, an Executive order, or regulation to require protection against unauthorized disclosure for reasons of national or state security, and

(B) any restricted data, as defined in Section 11(y) of the Atomic Energy Act of 1954 (42 U.S.C. 2014(y)).

(4) "Code" means this Code.

(5) "Commanding officer" includes only commissioned or warrant officers of the State military forces and shall include officers in charge only when administering nonjudicial punishment under Article 15 of this Code. The term "commander" has the same meaning as "commanding officer" unless the context otherwise requires.

(6) "Convening authority" includes, in addition to the person who convened the court, a commissioned officer commanding for the time being or a successor in command to the convening authority.

(7) "Day" for all purposes means calendar day beginning at 0000 hours (12:00 a.m.) and ending at 2359 hours, 59 seconds (12:59, 59 seconds p.m.), and is not synonymous with the term "unit training assembly". Any punishment authorized by this Article which is measured in terms of days shall, when served in a status other than annual field training, be construed to mean succeeding duty days.

(8) "Duty status other than State active duty" means any other type of military duty or training pursuant to a written order issued by authority of law under Title 32 of the United States Code or traditional Inactive Duty Training periods pursuant to 32 U.S.C. 502(a).

(9) "Enlisted member" means a person in an enlisted grade.

(10) "Judge advocate" means a commissioned officer of the organized State military forces who is a member in good standing of the bar of the highest court of a state, and is:

(A) certified or designated as a judge advocate in the Judge Advocate General's Corps of the Army, Air Force, Navy, or the Marine Corps or designated as a law specialist as an officer of the Coast Guard, or a reserve or National Guard component of one of these; or

(B) certified as a non-federally recognized judge advocate, under regulations adopted pursuant to this paragraph, by the senior judge advocate of the commander of the force in the State military forces of which the accused is a member, as competent to perform such military justice duties required by this Code. If there is no such judge advocate available, then such certification may be made by such senior judge advocate of the commander of another force in the State military forces, as the convening authority directs.

(11) "May" is used in a permissive sense. The phrase "no person may . . ." means that no person is required, authorized, or permitted to do the act prescribed.

(12) "Military court" means a court-martial or a court of inquiry.

(13) "Military judge" means an official of a general or special court-martial detailed in accordance with Article 26 of this Code.

(14) "Military offenses" means those offenses proscribed under Articles 77 (Principals), 78 (Accessory after the fact), 80 (Attempts), 81 (Conspiracy), 82 (Solicitation), 83 (Fraudulent enlistment, appointment, or separation), 84 (Unlawful enlistment, appointment, or separation), 85 (Desertion), 86 (Absence without leave), 87 (Missing movement), 88 (Contempt toward officials), 89 (Disrespect towards superior commissioned officer), 90 (Assaulting or willfully disobeying superior commissioned officer), 91 (Insubordinate conduct toward warrant officer, noncommissioned officer, or petty officer), 92 (Failure to obey order or regulation), 93 (Cruelty and maltreatment), 94 (Mutiny or sedition), 95 (Resistance, flight, breach of arrest, and escape), 96 (Releasing prisoner without proper authority), 97 (Unlawful detention), 98 (Noncompliance with procedural rules), 99 (Misbehavior before the enemy), 100 (Subordinate compelling surrender), 101 (Improper use of countersign), 102 (Forcing a safeguard), 103 (Captured or abandoned property), 104 (Aiding the enemy), 105 (Misconduct as prisoner), 107 (False official statements), 108 (Military property: loss, damage, destruction, or wrongful disposition), 109 (Property other than military property: waste, spoilage, or destruction), 110 (Improper hazarding of vessel), 112 (Drunk on duty), 112a (Wrongful use, possession, etc., of controlled substances), 113 (Misbehavior of sentinel), 114 (Dueling), 115 (Malingering), 116 (Riot or breach of peace), 117 (Provoking speeches or gestures), 132 (Frauds against the government), 133 (Conduct unbecoming an officer and a gentleman), and 134 (General Article) of this Code.

(15) "National security" means the national defense and foreign relations of the United States.

(16) "Officer" means a commissioned or warrant officer.

(17) "Officer in charge" means a member of the Navy, the Marine Corps, or the Coast Guard designated as such by appropriate authority.

(18) "Record", when used in connection with the proceedings of a court-martial, means:

(A) an official written transcript, written summary, or other writing relating to the proceedings; or

(B) an official audiotape, videotape, digital image or file, or similar material from which sound, or sound and visual images, depicting the proceedings may be reproduced.

(19) "Shall" is used in an imperative sense.

(20) "State" means one of the several states, the District of Columbia, the Commonwealth of Puerto Rico, Guam, or the U.S. Virgin Islands.

(21) "State active duty" means active duty in the State military forces under an order of the Governor or the Adjutant General, or otherwise issued by authority of State law, and paid by State funds.

(22) "Senior force judge advocate" means the senior judge advocate of the commander of the same force of the State military forces as the accused and who is that commander's chief legal advisor.

(23) "State military forces" means the Illinois National Guard, as defined in Title 32, United States Code and the Military Code of Illinois and any other military force organized under the Constitution and laws of this State, to include the Illinois State Guard when organized by the Governor as Commander-in-Chief under the Military Code of Illinois and the Illinois State Guard Act, and when not in a status subjecting them to exclusive jurisdiction under Chapter 47 of Title 10, United States Code, and travel to and from such duty.

(24) "Superior commissioned officer" means a commissioned officer superior in rank or command.

(25) "Senior force commander" means the commander of the same force of the State military forces as the accused.

(b) The use of the masculine gender throughout this Code also includes the feminine gender.

Section 2. Article 2. Persons subject to this Code; jurisdiction.

(a) This Code applies to all members of the State military forces during any day or portion of a day when in State active duty or in a duty status other than State active duty and at no other times.

(b) Subject matter jurisdiction is established if personal jurisdiction is established in subsection (a). However, courts-martial have primary jurisdiction of military offenses as defined in paragraph (14) of subsection (a) of Article 1 of this Code. A proper civilian court has primary jurisdiction of a non-military

offense. When an act or omission violates both this Code and a state or local criminal law, foreign or domestic, a court-martial may be initiated only after the civilian authority has declined to prosecute or dismissed the charge, provided jeopardy has not attached. Jurisdiction over attempted crimes, conspiracy crimes, solicitation, and accessory crimes must be determined by the underlying offense.

Section 3. Article 3. Jurisdiction to try certain personnel.

(a) Each person discharged from the State military forces who is later charged with having fraudulently obtained a discharge is, subject to Article 43 of this Code, subject to trial by court-martial on that charge and is, after apprehension, subject to this Code while in custody under the direction of the State military forces for that trial. Upon conviction of that charge that person is subject to trial by court-martial for all offenses under this Code committed before the fraudulent discharge.

(b) No person who has deserted from the State military forces may be relieved from amenability to the jurisdiction of this Code by virtue of a separation from any later period of service.

Section 4. Article 4. (Reserved).

Section 5. Article 5. Territorial applicability of this Code.

(a) This Code has applicability at all times and in all places, provided that there is jurisdiction over the person pursuant to subsection (a) of Article 2; however, this grant of military jurisdiction shall neither preclude nor limit civilian jurisdiction over an offense, which is limited only by subsection (b) of Article 2 and the prohibition of double jeopardy.

(b) Courts-martial and courts of inquiry may be convened and held in units of the State military forces while those units are serving outside this State with the same jurisdiction and powers as to persons subject to this Code as if the proceedings were held inside this State, and offenses committed outside this State may be tried and punished either inside or outside this State.

Section 6. Article 6. Judge Advocates.

(a) The senior force judge advocates in each of the State's military forces or that judge advocate's delegates shall make frequent inspections in the field in supervision of the administration of military justice in that force.

(b) Convening authorities shall at all times communicate directly with their judge advocates in matters relating to the administration of military justice. The judge advocate of any command is entitled to communicate directly with the judge advocate of a superior or subordinate command, or with the State Judge Advocate.

(c) No person who has acted as member, military judge, trial counsel, defense counsel, or investigating officer, or who has been a witness, in any case may later act as a judge advocate to any reviewing authority upon the same case.

Section 6a. Article 6a. Military judges. The Governor or the Adjutant General shall appoint at least one judge advocate officer from the active rolls of the Illinois National Guard who has been previously certified and qualified for duty as a military judge by the Judge Advocate General of the judge advocate officer's respective armed force under Article 26(b) of the federal Uniform Code of Military Justice to serve as a military judge under this Code. The military judge shall hold the rank of Major or above.

PART II. APPREHENSION AND RESTRAINT

Section 7. Article 7. Apprehension.

(a) Apprehension is the taking of a person into custody.

(b) Any person authorized by this Code or by Chapter 47 of Title 10, United States Code, or by regulations issued under either, to apprehend persons subject to this Code, any marshal of a court-martial appointed pursuant to the provisions of this Code, and any peace officer or civil officer having authority to apprehend offenders under the laws of the United States or of a state, may do so upon probable cause that an offense has been committed and that the person apprehended committed it.

(c) Commissioned officers, warrant officers, petty officers, and noncommissioned officers have authority to quell quarrels, frays, and disorders among persons subject to this Code and to apprehend persons subject to this Code who take part therein.

(d) If an offender is apprehended outside this State, the offender's return to the area must be in accordance with normal extradition procedures or by reciprocal agreement.

(e) No person authorized by this Article to apprehend persons subject to this Code or the place where such offender is confined, restrained, held, or otherwise housed may require payment of any fee or charge for so receiving, apprehending, confining, restraining, holding, or otherwise housing a person except as otherwise provided by law.

Section 8. Article 8. (Reserved).

Section 9. Article 9. Imposition of restraint.

(a) Arrest is the restraint of a person by an order, not imposed as a punishment for an offense, directing him to remain within certain specified limits. Confinement is the physical restraint of a person.

(b) An enlisted member may be ordered into arrest or confinement by any commissioned officer by an order, oral or written, delivered in person or through other persons subject to this Code. A commanding officer may authorize warrant officers, petty officers, or noncommissioned officers to order enlisted members of the commanding officer's command or subject to the commanding officer's authority into arrest or confinement.

(c) A commissioned officer, a warrant officer, or a civilian subject to this Code or to trial thereunder may be ordered into arrest or confinement only by a commanding officer to whose authority the person is subject, by an order, oral or written, delivered in person or by another commissioned officer. The authority to order such persons into arrest or confinement may not be delegated.

(d) No person subject to this Code may be ordered into arrest or confinement except for probable cause after coordination with a judge advocate officer unless impractical or not possible.

(e) This Article does not limit the authority of persons authorized to apprehend offenders to secure the custody of an alleged offender until proper authority may be notified.

Section 10. Article 10. Restraint of persons charged with offenses. Any person subject to this Code charged with an offense under this Code may be ordered into arrest or confinement, as circumstances may require. When any person subject to this Code is placed in arrest or confinement prior to trial, immediate steps shall be taken to inform the person of the specific wrong of which the person is accused and diligent steps shall be taken to try the person or to dismiss the charges and release the person.

Section 11. Article 11. Place of confinement; reports and receiving of prisoners.

(a) If a person subject to this Code is confined before, during, or after trial, confinement shall be in a civilian county jail, a Department of Corrections facility, or a military confinement facility.

(b) No person, Sheriff, or individual in a Department of Corrections facility authorized to receive prisoners pursuant to subsection (a) may refuse to receive or keep any prisoner committed to the person's charge by a commissioned officer of the State military forces, when the committing officer furnishes a statement, signed by such officer, of the offense charged or conviction obtained against the prisoner, unless otherwise authorized by law.

(c) Every person authorized to receive prisoners pursuant to subsection (a) to whose charge a prisoner is committed shall, within 24 hours after that commitment or as soon as the person is relieved from guard, report to the commanding officer of the prisoner the name of the prisoner, the offense charged against the prisoner, and the name of the person who ordered or authorized the commitment.

Section 12. Article 12. Confinement with enemy prisoners prohibited. No member of the State military forces may be placed in confinement in immediate association with enemy prisoners or other foreign nationals not members of the armed forces.

Section 13. Article 13. Punishment prohibited before trial. No person, while being held for trial or awaiting a verdict, may be subjected to punishment or penalty other than arrest or confinement upon the charges pending against the person, nor shall the arrest or confinement imposed upon such person be any more rigorous than the circumstances required to ensure the person's presence, but the person may be subjected to minor punishment during that period for infractions of discipline.

Section 14. Article 14. Delivery of offenders to civil authorities.

(a) A person subject to this Code accused of an offense against civil authority may be delivered, upon request, to the civil authority for trial or confinement.

(b) When delivery under this Article is made to any civil authority of a person undergoing sentence of a court-martial, the delivery, if followed by conviction in a civil tribunal, interrupts the execution of the sentence of the court-martial, and the offender after having answered to the civil authorities for the offense

shall, upon the request of competent military authority, be returned to the place of original custody for the completion of the person's sentence.

PART III. NON-JUDICIAL PUNISHMENT

Section 15. Article 15. Non-judicial punishment proceedings. The Adjutant General may adopt rules to effectuate non-judicial punishment proceedings in accordance with the Illinois Administrative Procedure Act which may impose disciplinary punishments for minor offenses without the intervention of a court-martial pursuant to this Article.

PART IV. COURT-MARTIAL JURISDICTION

Section 16. Article 16. Courts-martial classified. The 3 kinds of courts-martial in the State military forces are:

(1) general courts-martial, consisting of:

(A) a military judge and not less than 5 members; or

(B) only a military judge, if before the court is assembled the accused, knowing the identity of the military judge and after consultation with defense counsel, requests orally on the record or in writing a court composed only of a military judge and the military judge approves;

(2) special courts-martial, consisting of:

(A) a military judge and not less than 3 members; or

(B) only a military judge, if one has been detailed to the court, and the accused under the same conditions as those prescribed in subparagraph (B) of paragraph (1) so requests; and

(3) summary courts-martial consisting of one commissioned officer.

Section 17. Article 17. Jurisdiction of courts-martial in general. Each component of the State military forces has court-martial jurisdiction over all members of the particular component who are subject to this Code. Additionally, the Army and Air National Guard State military forces have court-martial jurisdiction over all members subject to this Code.

Section 18. Article 18. Jurisdiction of general courts-martial. Subject to Article 17 of this Code, general courts-martial have jurisdiction to try persons subject to this Code for any offense made punishable by this Code, and may, under such limitations as the Governor may prescribe, adjudge any punishment not forbidden by this Code.

Section 19. Article 19. Jurisdiction of special courts-martial. Subject to Article 17, special courts-martial have jurisdiction to try persons subject to this Code for any offense made punishable by this Code, and may, under such limitations as the Governor may prescribe, adjudge any punishment not forbidden by this Code except dishonorable discharge, dismissal, confinement for more than one year, forfeiture of pay exceeding two-thirds pay per month, or forfeiture of pay for more than one year.

Section 20. Article 20. Jurisdiction of summary courts-martial.

(a) Subject to Article 17 of this Code, summary courts-martial have jurisdiction to try persons subject to this Code, except officers, cadets, and candidates for any offense made punishable by this Code under such limitations as the Governor may prescribe.

(b) No person with respect to whom summary courts-martial have jurisdiction may be brought to trial before a summary court-martial if that person objects thereto. If objection to trial by summary court-martial is made by an accused, trial by special or general court-martial may be ordered, as may be appropriate. Summary courts-martial may, under such limitations as the Governor may prescribe, adjudge any punishment not forbidden by this Code except dismissal, dishonorable or bad-conduct discharge, confinement for more than one month, restriction to specified limits for more than 2 months, or forfeiture of more than two-thirds of one month's pay.

Section 21. Article 21. (Reserved).

PART V. APPOINTMENT AND COMPOSITION OF COURTS-MARTIAL

Section 22. Article 22. Who may convene general courts-martial.

(a) General courts-martial may be convened by:

(1) the Governor, or;

(2) the Adjutant General.

(b) (Reserved).

Section 23. Article 23. Who may convene special courts-martial.

(a) Special courts-martial may be convened by:

(1) any person who may convene a general court-martial;

(2) the Commander of the Illinois Army National of members of the Illinois Army National Guard when empowered by the Adjutant General; or

(3) the Commander of the Illinois Air National Guard of members of the Illinois Air National Guard when empowered by the Adjutant General.

(b) If any such officer is an accuser, the court shall be convened by superior competent authority and may in any case be convened by such superior authority if considered desirable by such authority.

Section 24. Article 24. Who may convene summary courts-martial.

(a) Summary courts-martial may be convened by:

(1) any person who may convene a general or special court-martial;

(2) the commanding officer or officer in charge of any other command when empowered by the Adjutant General.

(b) When only one commissioned officer is present with a command or detachment that officer shall be the summary court-martial of that command or detachment and shall hear and determine all summary court-martial cases. Summary courts-martial may, however, be convened in any case by superior competent authority if considered desirable by such authority.

Section 25. Article 25. Who may serve on courts-martial.

(a) Any commissioned officer of the State military forces is eligible to serve on all courts-martial for the trial of any person subject to this Code.

(b) Any warrant officer of the State military forces is eligible to serve on general and special courts-martial for the trial of any person subject to this Code, other than a commissioned officer.

(c) Any enlisted member of the State military forces who is not a member of the same unit as the accused is eligible to serve on general and special courts-martial for the trial of any enlisted member subject to this Code, but that member shall serve as a member of a court only if, before the conclusion of a session called by the military judge under subsection (a) of Article 39 of this Code prior to trial or, in the absence of such a session, before the court is assembled for the trial of the accused, the accused personally has requested orally on the record or in writing that enlisted members serve on it. After such a request, the accused may not be tried by a general or special court-martial the membership of which does not include enlisted members in a number comprising at least one-third of the total membership of the court, unless eligible enlisted members cannot be obtained on account of physical conditions or military exigencies. If such members cannot be obtained, the court may be assembled and the trial held without them, but the convening authority shall make a detailed written statement, to be appended to the record, stating why they could not be obtained. In this Article, "unit" means any regularly organized body of the State military forces not larger than a company, a squadron, a division of the naval militia, or a body corresponding to one of them.

(d) When it can be avoided, no person subject to this Code may be tried by a court-martial any member of which is junior to the accused in rank or grade.

(e) When convening a court-martial, the convening authority shall detail as members thereof such members of the State military forces as, in the convening authority's opinion, are best qualified for the duty by reason of age, education, training, experience, length of service, and judicial temperament. No member of the State military forces is eligible to serve as a member of a general or special court-martial when that member is the accuser, a witness, or has acted as investigating officer or as counsel in the same case.

(f) Before a court-martial is assembled for the trial of a case, the convening authority may excuse a member of the court from participating in the case. The convening authority may delegate the authority under this subsection to a judge advocate or to any other principal assistant.

Section 25a. Article 25a. (Reserved).

Section 26. Article 26. Military judge of a general or special court-martial.

(a) A military judge shall be detailed to each general and special court-martial. The military judge shall preside over each open session of the court-martial to which the military judge has been detailed.

(b) In addition to the requirements noted in Article 6a, a military judge shall be:

(1) an active commissioned officer of an organized state military force;

(2) a member in good standing of the bar of the highest court of a state or a member of the bar of a federal court for at least 5 years; and

(3) certified as qualified for duty as a military judge by the senior force judge advocate which is the same force as the accused.

(c) In the instance when a military judge is not a member of the bar of the highest court of this State, the military judge shall be deemed admitted pro hac vice, subject to filing a certificate with the senior force judge advocate which is the same force as the accused setting forth such qualifications provided in subsection (b).

(d) The military judge of a general or special court-martial shall be designated by the senior force judge advocate which is the same force as the accused, or a designee, for detail by the convening authority. Neither the convening authority nor any staff member of the convening authority shall prepare or review any report concerning the effectiveness, fitness, or efficiency of the military judge so detailed, which relates to performance of duty as a military judge.

(e) No person is eligible to act as military judge in a case if that person is the accuser or a witness, or has acted as investigating officer or a counsel in the same case.

(f) The military judge of a court-martial may not consult with the members of the court except in the presence of the accused, trial counsel, and defense counsel nor vote with the members of the court.

Section 27. Article 27. Detail of trial counsel and defense counsel.

(a)(1) For each general and special court-martial the authority convening the court shall detail trial counsel, defense counsel, and such assistants as are appropriate.

(2) No person who has acted as investigating officer, military judge, witness, or court member in any case may act later as trial counsel, assistant trial counsel, or, unless expressly requested by the accused, as defense counsel or assistant or associate defense counsel in the same case. No person who has acted for the prosecution may act later in the same case for the defense nor may any person who has acted for the defense act later in the same case for the prosecution.

(b) Except as provided in subsection (c), trial counsel or defense counsel detailed for a general or special court-martial must be:

(1) a judge advocate as defined in paragraph (10) of Article 1 of this Code; and

(2) in the case of trial counsel, a member in good standing of the bar of the highest court of the state where the court-martial is held.

(c) In the instance when a defense counsel is not a member of the bar of the highest court of this State, the defense counsel shall be deemed admitted pro hac vice, subject to filing a certificate with the military judge setting forth the qualifications that counsel is:

(1) a commissioned officer of the armed forces of the United States or a component thereof; and

(2) a member in good standing of the bar of the highest court of a state; and

(3) certified as a judge advocate in the Judge Advocate General's Corps of the Army, Air Force, Navy, or the Marine Corps; or

(4) a judge advocate as defined in paragraph (10) of Article 1 of this Code.

Section 28. Article 28. Detail or employment of reporters and interpreters. Under such regulations as may be prescribed, the convening authority of a general or special court-martial or court of inquiry shall detail or employ qualified court reporters, who shall record the proceedings of and testimony taken before that court and may detail or employ interpreters who shall interpret for the court.

Section 29. Article 29. Absent and additional members.

(a) No member of a general or special court-martial may be absent or excused after the court has been assembled for the trial of the accused unless excused as a result of a challenge, excused by the military judge for physical disability or other good cause, or excused by order of the convening authority for good cause.

(b) Whenever a general court-martial, other than a general court-martial composed of a military judge only, is reduced below 5 members, the trial may not proceed unless the convening authority details new members sufficient in number to provide not less than the applicable minimum number of 5 members. The trial may proceed with the new members present after the recorded evidence previously introduced before

the members of the court has been read to the court in the presence of the military judge, the accused, and counsel for both sides.

(c) Whenever a special court-martial, other than a special court-martial composed of a military judge only, is reduced below 3 members, the trial may not proceed unless the convening authority details new members sufficient in number to provide not less than 3 members. The trial shall proceed with the new members present as if no evidence had been introduced previously at the trial, unless a verbatim record of the evidence previously introduced before the members of the court or a stipulation thereof is read to the court in the presence of the military judge, the accused, and counsel for both sides.

(d) If the military judge of a court-martial composed of a military judge only is unable to proceed with the trial because of physical disability, as a result of a challenge, or for other good cause, the trial shall proceed, subject to any applicable conditions of subparagraph (B) of paragraph (1) of Article 16 or subparagraph (B) of paragraph (2) of Article 16 of this Code, after the detail of a new military judge as if no evidence had previously been introduced, unless a verbatim record of the evidence previously introduced or a stipulation thereof is read in court in the presence of the new military judge, the accused, and counsel for both sides.

PART VI. PRE-TRIAL PROCEDURE

Section 30. Article 30. Charges and specifications.

(a) Charges and specifications shall be signed by a person subject to this Code under oath before a commissioned officer authorized by subsection (a) of Article 136 of this Code to administer oaths and shall state:

(1) that the signer has personal knowledge of, or has investigated, the matters set forth therein; and

(2) that they are true in fact to the best of the signer's knowledge and belief.

(b) Upon the preferring of charges, the proper authority shall take immediate steps to determine what disposition should be made thereof in the interest of justice and discipline, and the person accused shall be informed of the charges as soon as practicable.

Section 31. Article 31. Compulsory self-incrimination prohibited.

(a) No person subject to this Code may compel any person to incriminate himself or to answer any question the answer to which may tend to incriminate him.

(b) No person subject to this Code may interrogate or request any statement from an accused or a person suspected of an offense without first informing that person of the nature of the accusation and advising that person that the person does not have to make any statement regarding the offense of which the person is accused or suspected and that any statement made by the person may be used as evidence against the person in a trial by court-martial.

(c) No person subject to this Code may compel any person to make a statement or produce evidence before any military court if the statement or evidence is not material to the issue and may tend to degrade the person.

(d) No statement obtained from any person in violation of this Article or through the use of coercion, unlawful influence, or unlawful inducement may be received in evidence against the person in a trial by court-martial.

Section 32. Article 32. Investigation.

(a) No charge or specification may be referred to a general or special court-martial for trial until a thorough and impartial investigation of all the matters set forth therein has been made. This investigation shall include inquiry as to the truth of the matter set forth in the charges, consideration of the form of charges, and a recommendation as to the disposition which should be made of the case in the interest of justice and discipline.

(b) The accused shall be advised of the charges against the accused and of the right to be represented at that investigation by counsel. The accused has the right to be represented at that investigation as provided in Article 38 of this Code and in regulations prescribed under that Article. At that investigation, full opportunity shall be given to the accused to cross-examine witnesses against the accused, if they are available, and to present anything the accused may desire in the accused's own behalf, either in defense or mitigation, and the investigating officer shall examine available witnesses requested by the accused. If the charges are forwarded after the investigation, they shall be accompanied by a statement of the substance of the testimony taken on both sides and a copy thereof shall be given to the accused.

(c) If an investigation of the subject matter of an offense has been conducted before the accused is charged with the offense, and if the accused was present at the investigation and afforded the opportunities for representation, cross-examination, and presentation prescribed in subsection (b), no further investigation of that charge is necessary under this Article unless it is demanded by the accused after the accused is informed of the charge. A demand for further investigation entitles the accused to recall witnesses for further cross-examination and to offer any new evidence in the accused's own behalf.

(d) If evidence adduced in an investigation under this Article indicates that the accused committed an uncharged offense, the investigating officer may investigate the subject matter of that offense without the accused having first been charged with the offense if the accused:

(1) is present at the investigation;

(2) is informed of the nature of each uncharged offense investigated; and

(3) is afforded the opportunities for representation, cross-examination, and presentation prescribed in subsection (b).

(e) The requirements of this Article are binding on all persons administering this Code but failure to follow them does not constitute jurisdictional error.

Section 33. Article 33. Forwarding of charges. When a person is held for trial by general court-martial, the commanding officer shall within 15 days after the accused is ordered into arrest or confinement, if practicable, forward the charges, together with the investigation and allied papers, to the person exercising general court-martial jurisdiction. If that is not practicable, the commanding officer shall report in writing to that person the reasons for delay.

Section 34. Article 34. Advice of judge advocate and reference for trial.

(a) Before directing the trial of any charge by general or special court-martial, the convening authority shall refer it to a judge advocate for consideration and advice. The convening authority may not refer a specification under a charge to a general or special court-martial for trial unless the convening authority has been advised in writing by a judge advocate that:

(1) the specification alleges an offense under this Code;

(2) the specification is warranted by the evidence indicated in the report of investigation under Article 32 of this Code, if there is such a report; and

(3) a court-martial would have jurisdiction over the accused and the offense.

(b) The advice of the judge advocate under subsection (a) with respect to a specification under a charge shall include a written and signed statement by the judge advocate:

(1) expressing conclusions with respect to each matter set forth in subsection (a); and

(2) recommending action that the convening authority take regarding the specification.

If the specification is referred for trial, the recommendation of the judge advocate shall accompany the specification.

(c) If the charges or specifications are not correct formally or do not conform to the substance of the evidence contained in the report of the investigating officer, formal corrections, and such changes in the charges and specifications as are needed to make them conform to the evidence, may be made.

Section 35. Article 35. Service of charges. The trial counsel shall serve or caused to be served upon the accused a copy of the charges. No person may, against the person's objection, be brought to trial before a general court-martial case within a period of 60 days after the service of charges upon the accused, or in a special court-martial, within a period of 45 days after the service of charges upon the accused.

PART VII. TRIAL PROCEDURE

Section 36. Article 36. Trial procedure. The Adjutant General may adopt rules in accordance with the Illinois Administrative Procedure Act which establish pretrial, trial, and post-trial procedures, including modes of proof, for courts-martial cases arising under this Code and for courts of inquiry, and which shall apply the principles of law and the rules of evidence generally recognized in military criminal cases in the courts of the Armed Forces of the United States but which may not be contrary to or inconsistent with this Code. The Governor or the Adjutant General may prescribe courts of inquiry by regulations, or as otherwise provided by law, which shall apply the principles of law and the rules of evidence generally recognized in military cases.

Section 37. Article 37. Unlawfully influencing action of court.

(a) No authority convening a general, special, or summary court-martial, nor any other commanding officer, or officer serving on the staff thereof, may censure, reprimand, or admonish the court or any member, the military judge, or counsel thereof, with respect to the findings or sentence adjudged by the court or with respect to any other exercise of its or their functions in the conduct of the proceedings. No person subject to this Code may attempt to coerce or, by any unauthorized means, influence the action of a court-martial or court of inquiry or any member thereof, in reaching the findings or sentence in any case, or the action of any convening, approving, or reviewing authority with respect to their judicial acts. The foregoing provisions of this subsection shall not apply with respect to (1) general instructional or informational courses in military justice if such courses are designed solely for the purpose of instructing members of a command in the substantive and procedural aspects of courts-martial or (2) statements and instructions given in open court by the military judge, summary court-martial officer, or counsel.

(b) In the preparation of an effectiveness, fitness, or efficiency report, or any other report or document used in whole or in part for the purpose of determining whether a member of the State military forces is qualified to be advanced in grade, or in determining the assignment or transfer of a member of the State military forces, or in determining whether a member of the State military forces should be retained on active status, no person subject to this Code may, in preparing any such report, (1) consider or evaluate the performance of duty of any such member as a member of a court-martial or witness therein or (2) give a less favorable rating or evaluation of any counsel of the accused because of zealous representation before a court-martial.

Section 38. Article 38. Duties of trial counsel and defense counsel.

(a) The trial counsel of a general or special court-martial shall be a member in good standing of the State bar and shall prosecute in the name of the State of Illinois, and shall, under the direction of the court, prepare the record of the proceedings.

(b)(1) The accused has the right to be represented in defense before a general or special court-martial or at an investigation under Article 32 of this Code as provided in this subsection.

(2) The accused may be represented by civilian counsel at the provision and expense of the accused.

(3) The accused may be represented:

(A) by military counsel detailed under Article 27 of this Code; or

(B) by military counsel of the accused's own selection if that counsel is reasonably available as determined under paragraph (7).

(4) If the accused is represented by civilian counsel, military counsel detailed or selected under paragraph (3) shall act as associate counsel unless excused at the request of the accused.

(5) Except as provided under paragraph (6), if the accused is represented by military counsel of his own selection under subparagraph (B) of paragraph (3), any military counsel detailed under subparagraph (A) of paragraph (3) shall be excused.

(6) The accused is not entitled to be represented by more than one military counsel. However, the person authorized under regulations prescribed under Article 27 of this Code to detail counsel, in that person's sole discretion:

(A) may detail additional military counsel as assistant defense counsel; and

(B) if the accused is represented by military counsel of the accused's own selection under subparagraph (B) of paragraph (3), may approve a request from the accused that military counsel detailed under subparagraph (A) of paragraph (3) act as associate defense counsel.

(7) The senior State Judge Advocate of the same state of which the accused is a member shall determine whether the military counsel selected by an accused is reasonably available.

(c) In any court-martial proceeding resulting in a conviction, the defense counsel:

(1) may forward for attachment to the record of proceedings a brief of such matters as counsel determines should be considered in behalf of the accused on review, including any objection to the contents of the record which counsel considers appropriate;

(2) may assist the accused in the submission of any matter under Article 60 of this Code; and

(3) may take other action authorized by this Code.

Section 39. Article 39. Sessions.

(a) At any time after the service of charges which have been referred for trial to a court-martial composed of a military judge and members, the military judge may, subject to Article 35 of this Code, call the court into session without the presence of the members for the purpose of:

(1) hearing and determining motions raising defenses or objections which are capable of determination without trial of the issues raised by a plea of not guilty;

(2) hearing and ruling upon any matter which may be ruled upon by the military judge under this Code, whether or not the matter is appropriate for later consideration or decision by the members of the court;

(3) holding the arraignment and receiving the pleas of the accused; and

(4) performing any other procedural function which does not require the presence of the members of the court under this Code.

These proceedings shall be conducted in the presence of the accused, the defense counsel, and the trial counsel and shall be made a part of the record. These proceedings may be conducted notwithstanding the number of court members and without regard to Article 29.

(b) When the members of a court-martial deliberate or vote, only the members may be present. All other proceedings, including any other consultation of the members of the court with counsel or the military judge, shall be made a part of the record and shall be in the presence of the accused, the defense counsel, the trial counsel, and the military judge.

Section 40. Article 40. Continuances. The military judge of a court-martial may, for reasonable cause, grant a continuance to any party for such time, and as often, as may appear to be just.

Section 41. Article 41. Challenges.

(a)(1) The military judge and members of a general or special court-martial may be challenged by the accused or the trial counsel for cause stated to the court. The military judge or the court shall determine the relevancy and validity of challenges for cause and may not receive a challenge to more than one person at a time. Challenges by the trial counsel shall ordinarily be presented and decided before those by the accused are offered.

(2) If exercise of a challenge for cause reduces the court below the minimum number of members required by Article 16 of this Code, all parties shall, notwithstanding Article 29 of this Code, either exercise or waive any challenge for cause then apparent against the remaining members of the court before additional members are detailed to the court. However, peremptory challenges shall not be exercised at that time.

(b)(1) Each accused and the trial counsel are entitled initially to one peremptory challenge of members of the court. The military judge may not be challenged except for cause.

(2) If exercise of a peremptory challenge reduces the court below the minimum number of members required by Article 16 of this Code, the parties shall, notwithstanding Article 29 of this Code, either exercise or waive any remaining peremptory challenge, not previously waived, against the remaining members of the court before additional members are detailed to the court.

(3) Whenever additional members are detailed to the court, and after any challenges for cause against such additional members are presented and decided, each accused and the trial counsel are entitled to one peremptory challenge against members not previously subject to peremptory challenge.

Section 42. Article 42. Oaths or affirmations.

(a) Before performing their respective duties, military judges, general and special courts-martial members, trial counsel, defense counsel, reporters, and interpreters shall take an oath or affirmation in the presence of the accused to perform their duties faithfully. The form of the oath or affirmation, the time and place of the taking thereof, the manner of recording the same, and whether the oath or affirmation shall be taken for all cases in which these duties are to be performed or for a particular case, shall be as prescribed in regulation or as provided by law. These regulations may provide that an oath or affirmation to perform faithfully the duties as a military judge, trial counsel, or defense counsel may be taken at any time by any judge advocate or other person certified or designated to be qualified or competent for the duty, and if such an oath or affirmation is taken, it need not again be taken at the time the judge advocate or other person is detailed to that duty.

(b) Each witness before a court-martial shall be examined under oath or affirmation.

Section 43. Article 43. Statute of limitations.

(a) Except as otherwise provided in this Article, a person charged with any offense is not liable to be tried by court-martial or punished under Article 15 of this Code if the offense was committed more than 3 years before the receipt of sworn charges and specifications by an officer exercising court-martial jurisdiction over the command or before the imposition of punishment under Article 15 of this Code.

(b) Periods in which the accused is absent without authority or fleeing from justice shall be excluded in computing the period of limitation prescribed in this Article.

(c) Periods in which the accused was absent from territory in which this State has the authority to apprehend him, or in the custody of civil authorities, or in the hands of the enemy, shall be excluded in computing the period of limitation prescribed in this Article.

(d) When the United States is at war or armed conflict authorized by law, the running of any statute of limitations applicable to any offense under this Code:

(1) involving fraud or attempted fraud against the United States, any state, or any agency of either in any manner, whether by conspiracy or not;

(2) committed in connection with the acquisition, care, handling, custody, control, or disposition of any real or personal property of the United States or any state; or

(3) committed in connection with the negotiation, procurement, award, performance, payment, interim financing, cancellation, or other termination or settlement, of any contract, subcontract, or purchase order which is connected with or related to the prosecution of the war, or with any disposition of termination inventory by any war contractor or Government agency;

is suspended until 2 years after the termination of hostilities or armed conflict as proclaimed by the President or by a joint resolution of Congress.

(e)(1) If charges or specifications are dismissed as defective or insufficient for any cause and the period prescribed by the applicable statute of limitations:

(A) has expired; or

(B) will expire within 180 days after the date of dismissal of the charges and specifications;

trial and punishment under new charges and specifications are not barred by the statute of limitations if the conditions specified in paragraph (2) are met.

(2) The conditions referred to in paragraph (1) are that the new charges and specifications must:

(A) be received by an officer exercising special court-martial jurisdiction over the command within 180 days after the dismissal of the charges or specifications; and

(B) allege the same acts or omissions that were alleged in the dismissed charges or specifications (or allege acts or omissions that were included in the dismissed charges or specifications).

Section 44. Article 44. Former jeopardy.

(a) No person may, without his consent, be tried a second time for the same offense.

(b) No proceeding in which an accused has been found guilty by a court-martial upon any charge or specification is a trial in the sense of this Article until the finding of guilty has become final after review of the case has been fully completed.

(c) A proceeding which, after the introduction of evidence but before a finding, is dismissed or terminated by the convening authority or on motion of the prosecution for failure of available evidence or witnesses without any fault of the accused is a trial in the sense of this Article.

Section 45. Article 45. Pleas of the accused.

(a) If an accused after arraignment makes an irregular pleading, or after a plea of guilty sets up matter inconsistent with the plea, or if it appears that the accused has entered the plea of guilty improvidently or through lack of understanding of its meaning and effect, or if the accused fails or refuses to plead, a plea of not guilty shall be entered in the record, and the court shall proceed as though the accused had pleaded not guilty.

(b) With respect to any charge or specification to which a plea of guilty has been made by the accused and accepted by the military judge or by a court-martial without a military judge, a finding of guilty of the charge or specification may be entered immediately without vote. This finding shall constitute the finding of the court unless the plea of guilty is withdrawn prior to announcement of the sentence, in which event, the proceedings shall continue as though the accused had pleaded not guilty.

Section 46. Article 46. Opportunity to obtain witnesses and other evidence. The trial counsel, the defense counsel, and the court-martial shall have equal opportunity to obtain witnesses and other evidence as prescribed by regulations and provided by law. Process issued in court-martial cases to compel witnesses to appear and testify and to compel the production of other evidence shall apply the principles of law and the rules of courts-martial generally recognized in military criminal cases in the courts of the armed forces of the United States, but which may not be contrary to or inconsistent with this Code. Process shall run to any part of the United States, or the Territories, Commonwealths, and possessions, and may be executed by civil officers as prescribed by the laws of the place where the witness or evidence is located or of the United States.

Section 47. Article 47. Refusal to appear or testify.

(a) Any person not subject to this Code who:

(1) has been duly subpoenaed to appear as a witness or to produce books and records before a court-martial or court of inquiry, or before any military or civil officer designated to take a deposition to be read in evidence before such a court;

(2) has been duly paid or tendered the fees and mileage of a witness at the rates allowed to witnesses attending a criminal court of this State; and

(3) willfully neglects or refuses to appear, or refuses to qualify as a witness or to testify or to produce any evidence which that person may have been legally subpoenaed to produce; may be punished by the military court in the same manner as a criminal court of this State.

(b) The fees and mileage of witnesses shall be advanced or paid out of the appropriations for the compensation of witnesses.

Section 48. Article 48. Contempts. A military judge may punish for contempt any person who refuses a court order, is disrespectful to the court, or who uses any menacing word, sign, or gesture in its presence, or who disturbs its proceedings by any riot or disorder.

(a) A person subject to this Code may be punished for contempt by confinement not to exceed 30 days or a fine up to $500, or both.

(b) A person not subject to this Code may be punished for contempt by a military court in the same manner as a criminal court of this State.

Section 49. Article 49. Depositions.

(a) At any time after charges have been signed as provided in Article 30 of this Code, any party may take oral or written depositions unless the military judge hearing the case or, if the case is not being heard, an authority competent to convene a court-martial for the trial of those charges forbids it for good cause.

(b) The party at whose instance a deposition is to be taken shall give to every other party reasonable written notice of the time and place for taking the deposition.

(c) Depositions may be taken before and authenticated by any military or civil officer authorized by the laws of this State or by the laws of the place where the deposition is taken to administer oaths.

(d) A duly authenticated deposition taken upon reasonable notice to the other parties, so far as otherwise admissible under the rules of evidence, may be read in evidence or, in the case of audiotape, videotape, digital image or file, or similar material, may be played in evidence before any military court, if it appears:

(1) that the witness resides or is beyond the state in which the court is ordered to sit, or beyond 100 miles from the place of trial or hearing;

(2) that the witness by reason of death, age, sickness, bodily infirmity, imprisonment, military necessity, non-amenability to process, or other reasonable cause, is unable or refuses to appear and testify in person at the place of trial or hearing; or

(3) that the present whereabouts of the witness is unknown.

Section 50. Article 50. Admissibility of records of courts of inquiry.

(a) In any case not extending to the dismissal of a commissioned officer, the sworn testimony, contained in the duly authenticated record of proceedings of a court of inquiry, of a person whose oral testimony cannot be obtained, may, if otherwise admissible under the rules of evidence, be read in evidence by any party before a court-martial if the accused was a party before the court of inquiry and if the same issue was involved or if the accused consents to the introduction of such evidence.

(b) Such testimony may be read in evidence only by the defense in cases extending to the dismissal of a commissioned officer.

(c) Such testimony may also be read in evidence before a court of inquiry.

Section 50a. Article 50a. Defense of lack of mental responsibility.

(a) It is an affirmative defense in a trial by court-martial that, at the time of the commission of the acts constituting the offense, the accused, as a result of a severe mental disease or defect, was unable to appreciate the nature and quality or the wrongfulness of the acts. Mental disease or defect does not otherwise constitute a defense.

(b) The accused has the burden of proving the defense of lack of mental responsibility by clear and convincing evidence.

(c) Whenever lack of mental responsibility of the accused with respect to an offense is properly at issue, the military judge shall instruct the members of the court as to the defense of lack of mental responsibility under this Article and charge them to find the accused:

(1) guilty;
(2) not guilty; or
(3) not guilty only by reason of lack of mental responsibility.

(d) Subsection (c) does not apply to a court-martial composed of a military judge only. In the case of a court-martial composed of a military judge only, whenever lack of mental responsibility of the accused with respect to an offense is properly at issue, the military judge shall find the accused:
(1) guilty;
(2) not guilty; or
(3) not guilty only by reason of lack of mental responsibility.

(e) Notwithstanding the provisions of Article 52 of this Code, the accused shall be found not guilty only by reason of lack of mental responsibility if:
(1) a majority of the members of the court-martial present at the time the vote is taken determines that the defense of lack of mental responsibility has been established; or
(2) in the case of a court-martial composed of a military judge only, the military judge determines that the defense of lack of mental responsibility has been established.

Section 51. Article 51. Voting and rulings.

(a) Voting by members of a general or special court-martial on the findings and on the sentence shall be by secret written ballot. The junior member of the court shall count the votes. The count shall be checked by the president, who shall forthwith announce the result of the ballot to the members of the court.

(b) The military judge shall rule upon all questions of law and all interlocutory questions arising during the proceedings. Any such ruling made by the military judge upon any question of law or any interlocutory question other than the factual issue of mental responsibility of the accused is final and constitutes the ruling of the court. However, the military judge may change the ruling at any time during the trial. Unless the ruling is final, if any member objects thereto, the court shall be cleared and closed and the question decided by a voice vote as provided in Article 52 of this Code, beginning with the junior in rank.

(c) Before a vote is taken on the findings, the military judge shall, in the presence of the accused and counsel, instruct the members of the court as to the elements of the offense and charge them:
(1) that the accused must be presumed to be innocent until his guilt is established by legal and competent evidence beyond reasonable doubt;
(2) that in the case being considered, if there is a reasonable doubt as to the guilt of the accused, the doubt must be resolved in favor of the accused and the accused must be acquitted;
(3) that, if there is a reasonable doubt as to the degree of guilt, the finding must be in a lower degree as to which there is no reasonable doubt; and
(4) that the burden of proof to establish the guilt of the accused beyond reasonable doubt is upon the State.

(d) Subsections (a), (b), and (c) do not apply to a court-martial composed of a military judge only. The military judge of such a court-martial shall determine all questions of law and fact arising during the proceedings and, if the accused is convicted, adjudge an appropriate sentence. The military judge of such a court-martial shall make a general finding and shall in addition, on request, find the facts specially. If an opinion or memorandum of decision is filed, it will be sufficient if the findings of fact appear therein.

Section 52. Article 52. Number of votes required.

(a) No person may be convicted of an offense except as provided in subsection (b) of Article 45 of this Code or by the concurrence of two-thirds of the members present at the time the vote is taken.

(b) All other questions to be decided by the members of a general or special court-martial shall be determined by a majority vote, but a determination to reconsider a finding of guilty or to reconsider a sentence, with a view toward decreasing it, may be made by any lesser vote which indicates that the reconsideration is not opposed by the number of votes required for that finding or sentence. A tie vote on a challenge disqualifies the member challenged. A tie vote on a motion relating to the question of the accused's sanity is a determination against the accused. A tie vote on any other question is a determination in favor of the accused.

Section 53. Article 53. Court to announce action. A court-martial shall announce its findings and sentence to the parties as soon as determined.

Section 54. Article 54. Record of trial.

(a) Each general and special court-martial shall keep a separate record of the proceedings in each case brought before it, and the record shall be authenticated by the signature of the military judge. If the record cannot be authenticated by the military judge by reason of his death, disability, or absence, it shall be authenticated by the signature of the trial counsel or by that of a member, if the trial counsel is unable to authenticate it by reason of his death, disability, or absence. In a court-martial consisting of only a military judge, the record shall be authenticated by the court reporter under the same conditions which would impose such a duty on a member under this subsection.

(b)(1) A complete verbatim record of the proceedings and testimony shall be prepared in each general and special court-martial case resulting in a conviction.

(2) In all other court-martial cases, the record shall contain such matters as may be prescribed by regulations.

(c) A copy of the record of the proceedings of each general and special court-martial shall be given to the accused as soon as it is authenticated.

PART VIII. SENTENCES

Section 55. Article 55. Cruel and unusual punishments prohibited. Punishment by flogging, or by branding, marking, or tattooing on the body, or any other cruel or unusual punishment may not be adjudged by a court-martial or inflicted upon any person subject to this Code. The use of irons, single or double, except for the purpose of safe custody, is prohibited.

Section 56. Article 56. Maximum limits.

(a) The punishment which a court-martial may direct for an offense may not exceed such limits as prescribed by this Code, but in no instance may a sentence exceed more than 10 years for a military offense, nor shall a sentence of death be adjudged. A conviction by general court-martial of any military offense for which an accused may receive a sentence of confinement for more than one year is a felony offense. All other military offenses are misdemeanors.

(b) The limits of punishment for violations of the punitive Articles prescribed herein shall be equal to or lesser of the sentences prescribed by the Manual for Courts-Martial of the United States in effect on the effective date of this Code, and in no instance shall any punishment exceed that authorized by this Code.

Section 56a. Article 56a. (Reserved).

Section 57. Article 57. Effective date of sentences.

(a) Whenever a sentence of a court-martial as lawfully adjudged and approved includes a forfeiture of pay or allowances in addition to confinement not suspended, the forfeiture may apply to pay or allowances becoming due on or after the date the sentence is approved by the convening authority. No forfeiture may extend to any pay or allowances accrued before that date.

(b) Any period of confinement included in a sentence of a court-martial begins to run from the date the sentence is adjudged by the court-martial, but periods during which the sentence to confinement is suspended or deferred shall be excluded in computing the service of the term of confinement.

(c) All other sentences of courts-martial are effective on the date ordered executed.

Section 57a. Article 57a. Deferment of sentences.

(a) On application by an accused who is under sentence to confinement that has not been ordered executed, the convening authority or, if the accused is no longer under that person's jurisdiction, the person exercising general court-martial jurisdiction over the command to which the accused is currently assigned, may in that person's sole discretion defer service of the sentence to confinement. The deferment shall terminate when the sentence is ordered executed. The deferment may be rescinded at any time by the person who granted it or, if the accused is no longer under that person's jurisdiction, by the person exercising general court-martial jurisdiction over the command to which the accused is currently assigned.

(b)(1) In any case in which a court-martial sentences an accused referred to in paragraph (2) to confinement, the convening authority may defer the service of the sentence to confinement, without the consent of the accused, until after the accused has been permanently released to the State military forces by a state, the United States, or a foreign country referred to in that paragraph.

(2) Paragraph (1) applies to a person subject to this Code who:

(A) while in the custody of a state, the United States, or a foreign country is temporarily returned by that state, the United States, or a foreign country to the State military forces for trial by court-martial; and

(B) after the court-martial, is returned to that state, the United States, or a foreign country under the authority of a mutual agreement or treaty, as the case may be.

(3) In this subsection, the term "state" includes the District of Columbia and any Commonwealth, Territory, or possession of the United States.

(c) In any case in which a court-martial sentences an accused to confinement and the sentence to confinement has been ordered executed, but in which review of the case under Article 67a of this Code is pending, the Adjutant General may defer further service of the sentence to confinement while that review is pending.

Section 58. Article 58. Execution of confinement.

(a) A sentence of confinement adjudged by a court-martial, whether or not the sentence includes discharge or dismissal, and whether or not the discharge or dismissal has been executed, may be carried into execution by confinement in any place authorized by this Code. Persons so confined are subject to the same discipline and treatment as persons regularly confined or committed to that place of confinement.

(b) The omission of hard labor as a sentence authorized under this Code does not deprive the State confinement facility from employing it, if it otherwise is within the authority of that facility to do so.

(c) No place of confinement may require payment of any fee or charge for so receiving or confining a person except as otherwise provided by law.

Section 58a. Article 58a. Sentences: reduction in enlisted grade upon approval.

(a) A court-martial sentence of an enlisted member in a pay grade above E-1, as approved by the convening authority, that includes:

(1) a dishonorable or bad-conduct discharge; or

(2) confinement;

reduces that member to pay grade E-1, effective on the date of that approval.

(b) If the sentence of a member who is reduced in pay grade under subsection (a) is set aside or disapproved, or, as finally approved, does not include any punishment named in paragraphs (1) or (2) of subsection (a), the rights and privileges of which the person was deprived because of that reduction shall be restored, including pay and allowances.

Section 58b. Article 58b. Sentences: forfeiture of pay and allowances during confinement.

(a)(1) A court-martial sentence described in paragraph (2) shall result in the forfeiture of pay, or of pay and allowances, due that member during any period of confinement or parole. The forfeiture pursuant to this Article shall take effect on the date determined under subsection (a) of Article 57 of this Code and may be deferred as provided by that Article. The pay and allowances forfeited, in the case of a general court-martial, shall be all pay and allowances due that member during such period and, in the case of a special court-martial, shall be two-thirds of all pay due that member during such period.

(2) A sentence covered by this Article is any sentence that includes:

(A) confinement for more than 6 months; or

(B) confinement for 6 months or less and a dishonorable or bad-conduct discharge or dismissal.

(b) In a case involving an accused who has dependents, the convening authority or other person acting under Article 60 of this Code may waive any or all of the forfeitures of pay and allowances required by subsection (a) for a period not to exceed 6 months. Any amount of pay or allowances that, except for a waiver under this subsection, would be forfeited shall be paid, as the convening authority or other person taking action directs, to the dependents of the accused.

(c) If the sentence of a member who forfeits pay and allowances under subsection (a) is set aside or disapproved or, as finally approved, does not provide for a punishment referred to in paragraph (2) of subsection (a), the member shall be paid the pay and allowances which the member would have been paid, except for the forfeiture, for the period during which the forfeiture was in effect.

PART IX. POST-TRIAL PROCEDURE AND REVIEW OF COURTS-MARTIAL

Section 59. Article 59. Error of law; lesser included offense.

(a) A finding or sentence of a court-martial may not be held incorrect on the ground of an error of law unless the error materially prejudices the substantial rights of the accused.

(b) Any reviewing authority with the power to approve or affirm a finding of guilty may approve or affirm, instead, so much of the finding as includes a lesser included offense.

Section 60. Article 60. Action by the convening authority.

(a) The findings and sentence of a court-martial shall be reported promptly to the convening authority after the announcement of the sentence.

(b)(1) The accused may submit to the convening authority matters for consideration by the convening authority with respect to the findings and the sentence. Any such submission shall be in writing. Such a submission shall be made within 30 days after the accused has been given an authenticated record of trial and, if applicable, the recommendation of a judge advocate under subsection (d).

(2) If the accused shows that additional time is required for the accused to submit such matters, the convening authority or other person taking action under this Article, for good cause, may extend the applicable period under paragraph (1) for not more than an additional 20 days.

(3) The accused may waive the right to make a submission to the convening authority under paragraph (1). Such a waiver must be made in writing and may not be revoked. For the purposes of paragraph (2) of subsection (c), the time within which the accused may make a submission under this subsection (b) shall be deemed to have expired upon the submission of such a waiver to the convening authority.

(c)(1) The authority under this Article to modify the findings and sentence of a court-martial is a matter of command prerogative involving the sole discretion of the convening authority. If it is impractical for the convening authority to act, the convening authority shall forward the case to a person exercising general court-martial jurisdiction who may take action under this Article.

(2) Action on the sentence of a court-martial shall be taken by the convening authority or by another person authorized to act under this Article. Such action may be taken only after consideration of any matters submitted by the accused under subsection (b) or after the time for submitting such matters expires, whichever is earlier. The convening authority or other person taking such action, in that person's sole discretion may approve, disapprove, commute, or suspend the sentence in whole or in part.

(3) Action on the findings of a court-martial by the convening authority or other person acting on the sentence is not required. However, such person, in the person's sole discretion may:

(A) dismiss any charge or specification by setting aside a finding of guilty thereto; or

(B) change a finding of guilty to a charge or specification to a finding of guilty to an offense that is a lesser included offense of the offense stated in the charge or specification.

(d) Before acting under this Article on any general or special court-martial case in which there is a finding of guilt, the convening authority or other person taking action under this Article must obtain the written concurrence of the State Judge Advocate by means of legal review. The convening authority or other person taking action under this Article shall refer the record of trial to the judge advocate, and the judge advocate shall use such record in the preparation of the review. The review of the judge advocate shall include such matters as may be prescribed by regulation and shall be served on the accused, who may submit any matter in response under subsection (b). Failure to object in the response to the legal review or to any matter attached to the recommendation waives the right to object thereto.

(e)(1) The convening authority or other person taking action under this Article, in the person's sole discretion, may order a proceeding in revision or a rehearing.

(2) A proceeding in revision may be ordered if there is an apparent error or omission in the record or if the record shows improper or inconsistent action by a court-martial with respect to the findings or sentence that can be rectified without material prejudice to the substantial rights of the accused. In no case, however, may a proceeding in revision:

(A) reconsider a finding of not guilty of any specification or a ruling which amounts to a finding of not guilty;

(B) reconsider a finding of not guilty of any charge, unless there has been a finding of guilty under a specification laid under that charge, which sufficiently alleges a violation of some Article of this Code; or

(C) increase the severity of the sentence.

(3) A rehearing may be ordered by the convening authority or other person taking action under this Article if that person disapproves the findings and sentence and states the reasons for disapproval of the findings. If such person disapproves the findings and sentence and does not order a rehearing, that person shall dismiss the charges. A rehearing as to the findings may not be ordered where there is a lack of sufficient evidence in the record to support the findings. A rehearing as to the sentence may be ordered if the convening authority or other person taking action under this subsection disapproves the sentence.

Section 61. Article 61. Withdrawal of appeal.

(a) In each case subject to appellate review under this Code, the accused may file with the convening authority a statement expressly withdrawing the right of the accused to such appeal. Such a withdrawal

shall be signed by both the accused and his defense counsel and must be filed in accordance with appellate procedures as provided by law.

(b) The accused may withdraw an appeal at any time in accordance with appellate procedures as provided by law.

Section 62. Article 62. Appeal by the State.

(a)(1) In a trial by court-martial in which a punitive discharge may be adjudged, the State may appeal the following, other than a finding of not guilty with respect to the charge or specification by the members of the court-martial, or by a judge in a bench trial so long as it is not made in reconsideration:

(A) An order or ruling of the military judge which terminates the proceedings with respect to a charge or specification.

(B) An order or ruling which excludes evidence that is substantial proof of a fact material in the proceeding.

(C) An order or ruling which directs the disclosure of classified information.

(D) An order or ruling which imposes sanctions for nondisclosure of classified information.

(E) A refusal of the military judge to issue a protective order sought by the State to prevent the disclosure of classified information.

(F) A refusal by the military judge to enforce an order described in subparagraph (E) that has previously been issued by appropriate authority.

(2) An appeal of an order or ruling may not be taken unless the trial counsel provides the military judge with written notice of appeal from the order or ruling within 72 hours of the order or ruling. Such notice shall include a certification by the trial counsel that the appeal is not taken for the purpose of delay and, if the order or ruling appealed is one which excludes evidence, that the evidence excluded is substantial proof of a fact material in the proceeding.

(3) An appeal under this Article shall be diligently prosecuted as provided by law.

(b) An appeal under this Article shall be forwarded to the court prescribed in Article 67a of this Code. In ruling on an appeal under this Article, that court may act only with respect to matters of law.

(c) Any period of delay resulting from an appeal under this Article shall be excluded in deciding any issue regarding denial of a speedy trial unless an appropriate authority determines that the appeal was filed solely for the purpose of delay with the knowledge that it was totally frivolous and without merit.

Section 63. Article 63. Rehearings. Each rehearing under this Code shall take place before a court-martial composed of members not members of the court-martial which first heard the case. Upon a rehearing the accused may not be tried for any offense of which he was found not guilty by the first court-martial, and no sentence in excess of or more severe than the original sentence may be approved, unless the sentence is based upon a finding of guilty of an offense not considered upon the merits in the original proceedings, or unless the sentence prescribed for the offense is mandatory. If the sentence approved after the first court-martial was in accordance with a pretrial agreement and the accused at the rehearing changes a plea with respect to the charges or specifications upon which the pretrial agreement was based, or otherwise does not comply with the pretrial agreement, the approved sentence as to those charges or specifications may include any punishment not in excess of that lawfully adjudged at the first court-martial.

Section 64. Article 64. Review by the senior force judge advocate.

(a) Each general and special court-martial case in which there has been a finding of guilty shall be reviewed by the senior force judge advocate, or a designee. The senior force judge advocate, or designee, may not review a case under this subsection if that person has acted in the same case as an accuser, investigating officer, member of the court, military judge, or counsel or has otherwise acted on behalf of the prosecution or defense. The senior force judge advocate's review shall be in writing and shall contain the following:

(1) Conclusions as to whether:

(A) the court had jurisdiction over the accused and the offense;

(B) the charge and specification stated an offense; and

(C) the sentence was within the limits prescribed as a matter of law.

(2) A response to each allegation of error made in writing by the accused.

(3) If the case is sent for action under subsection (b), a recommendation as to the appropriate action to be taken and an opinion as to whether corrective action is required as a matter of law.

(b) The record of trial and related documents in each case reviewed under subsection (a) shall be sent for action to the Adjutant General if:

(1) the judge advocate who reviewed the case recommends corrective action;

(2) the sentence approved under subsection (c) of Article 60 of this Code extends to dismissal, a bad-conduct or dishonorable discharge, or confinement for more than 6 months; or

(3) such action is otherwise required by regulations of the Adjutant General.

(c)(1) The Adjutant General may:

(A) disapprove or approve the findings or sentence, in whole or in part;

(B) remit, commute, or suspend the sentence in whole or in part;

(C) except where the evidence was insufficient at the trial to support the findings, order a rehearing on the findings, on the sentence, or on both; or

(D) dismiss the charges.

(2) If a rehearing is ordered but the convening authority finds a rehearing impracticable, the convening authority shall dismiss the charges.

(3) If the opinion of the senior force judge advocate, or designee, in the senior force judge advocate's review under subsection (a) is that corrective action is required as a matter of law and if the Adjutant General does not take action that is at least as favorable to the accused as that recommended by the judge advocate, the record of trial and action thereon shall be sent to the Governor for review and action as deemed appropriate.

(d) The senior force judge advocate, or a designee, may review any case in which there has been a finding of not guilty of all charges and specifications. The senior force judge advocate, or designee, may not review a case under this subsection if that person has acted in the same case as an accuser, investigating officer, member of the court, military judge, or counsel or has otherwise acted on behalf of the prosecution or defense. The senior force judge advocate's review shall be limited to questions of subject matter jurisdiction.

(e) The record of trial and related documents in each case reviewed under subsection (d) shall be sent for action to the Adjutant General. The Adjutant General may:

(1) when subject matter jurisdiction is found to be lacking, void the court-martial ab initio, with or without prejudice to the Government, as the Adjutant General deems appropriate; or

(2) return the record of trial and related documents to the senior force judge advocate for appeal by the Government as provided by law.

Section 65. Article 65. Disposition of records after review by the convening authority. Except as otherwise required by this Code, all records of trial and related documents shall be transmitted and disposed of as prescribed by regulation and provided by law.

Section 66. Article 66. (Reserved).

Section 67. Article 67. (Reserved).

Section 67a. Article 67a. Review by State Appellate Authority. Decisions of a court-martial are from a court with jurisdiction to issue misdemeanor and felony convictions. All appeals from final decisions of a court-martial shall be to the Illinois Appellate Court in the same manner as are final decisions of a circuit court in accordance with the Appellate Court Act. All such appeals shall be to the Illinois Appellate Court for the Fourth District. No appeal from a judgment entered upon a plea of guilty shall be taken except in accordance with applicable law and Supreme Court Rules. Unless waived, an accused may appeal as a matter of right a finding of guilt resulting in an approved sentence of one-year confinement or more, or in a dismissal for a commissioned officer or warrant officer, a dishonorable discharge, or a bad-conduct discharge. The appellate rights and procedures to be followed shall be those provided by applicable law and Supreme Court Rules for criminal appeals.

Section 68. Article 68. (Reserved).

Section 69. Article 69. (Reserved).

Section 70. Article 70. Appellate counsel.

(a) The Attorney General shall act as appellate government counsel to represent the State in the review or appeal of cases specified in Article 67a of this Code and before any federal court. The Attorney General

may appoint a judge advocate nominated by the senior force judge advocate as a Special Assistant Attorney General to act as appellate government counsel to represent the State. Such appointment as a Special Assistant Attorney General shall be at the discretion of the Attorney General.

(b) Upon an appeal by this State, an accused has the right to be represented by detailed military counsel before any reviewing authority and before any appellate court.

(c) Upon the appeal by an accused, the accused has the right to be represented by military counsel before any reviewing authority.

(d) Upon the request of an accused entitled to be so represented, the senior force judge advocate shall appoint a judge advocate to represent the accused in the review or appeal of cases specified in subsections (b) and (c) of this Article.

(e) An accused may be represented by civilian appellate counsel at no expense to this State.

Section 71. Article 71. Execution of sentence; suspension of sentence.

(a) If the sentence of the court-martial extends to dismissal or a dishonorable or bad-conduct discharge and if the right of the accused to appellate review is not waived, and an appeal is not withdrawn under Article 61 of this Code, that part of the sentence extending to dismissal or a dishonorable or bad-conduct discharge may not be executed until there is a final judgment as to the legality of the proceedings. A judgment as to the legality of the proceedings is final in such cases when review is completed by the Illinois Appellate Court for the Fourth District as prescribed in Article 67a of this Code, and is deemed final by the law of this State.

(b) If the sentence of the court-martial extends to dismissal or a dishonorable or bad conduct discharge and if the right of the accused to appellate review is waived, or an appeal is withdrawn under Article 61 of this Code, that part of the sentence extending to dismissal or a dishonorable or bad-conduct discharge may not be executed until review of the case by the senior force judge advocate and any action on that review under Article 64 of this Code is completed. Any other part of a court-martial sentence may be ordered executed by the convening authority or other person acting on the case under Article 60 of this Code when so approved under that Article.

Section 72. Article 72. Vacation of suspension.

(a) Before the vacation of the suspension of a special court-martial sentence, which as approved includes a bad-conduct discharge, or of any general court-martial sentence, the officer having special court-martial jurisdiction over the probationer shall hold a hearing on an alleged violation of probation. The probationer shall be represented at the hearing by military counsel if the probationer so desires.

(b) The record of the hearing and the recommendation of the officer having special court-martial jurisdiction shall be sent for action to the officer exercising general court-martial jurisdiction over the probationer. If the officer vacates the suspension, any unexecuted part of the sentence, except a dismissal, shall be executed, subject to applicable restrictions in this Code.

(c) The suspension of any other sentence may be vacated by any authority competent to convene, for the command in which the accused is serving or assigned, a court of the kind that imposed the sentence.

Section 73. Article 73. Petition for a new trial. At any time within 2 years after approval by the convening authority of a court-martial sentence the accused may petition the Adjutant General for a new trial on the grounds of newly discovered evidence or fraud on the court-martial.

Section 74. Article 74. Remission and suspension.

(a) Any authority competent to convene, for the command in which the accused is serving or assigned, a court of the kind that imposed the sentence may remit or suspend any part or amount of the unexecuted part of any sentence, including all uncollected forfeitures other than a sentence approved by the Governor.

(b) The Governor may, for good cause, substitute an administrative form of discharge for a discharge or dismissal executed in accordance with the sentence of a court-martial.

Section 75. Article 75. Restoration.

(a) Under such regulations as may be prescribed, all rights, privileges, and property affected by an executed part of a court-martial sentence which has been set aside or disapproved, except an executed dismissal or discharge, shall be restored unless a new trial or rehearing is ordered and such executed part is included in a sentence imposed upon the new trial or rehearing.

(b) If a previously executed sentence of dishonorable or bad-conduct discharge is not imposed on a new trial, the Governor may substitute therefor a form of discharge authorized for administrative issuance unless the accused is to serve out the remainder of the accused's enlistment.

(c) If a previously executed sentence of dismissal is not imposed on a new trial, the Governor may substitute therefor a form of discharge authorized for administrative issue, and the commissioned officer dismissed by that sentence may be reappointed by the Governor alone to such commissioned grade and with such rank as in the opinion of the Governor that former officer would have attained had he not been dismissed. The reappointment of such a former officer shall be without regard to the existence of a vacancy and shall affect the promotion status of other officers only insofar as the Governor may direct. All time between the dismissal and the reappointment shall be considered as actual service for all purposes, including the right to pay and allowances, as permitted by applicable financial management regulations.

Section 76. Article 76. Finality of proceedings, findings, and sentences. The appellate review of records of trial provided by this Code, the proceedings, findings, and sentences of courts-martial as approved, reviewed, or affirmed as required by this Code, and all dismissals and discharges carried into execution under sentences by courts-martial following approval, review, or affirmation as required by this Code, are final and conclusive. Orders publishing the proceedings of courts-martial and all action taken pursuant to those proceedings are binding upon all departments, courts, agencies, and officers of the United States and the several states, subject only to action upon a petition for a new trial as provided in Article 73 of this Code and to action under Article 74 of this Code.

Section 76a. Article 76a. Leave required to be taken pending review of certain court-martial convictions. Under regulations prescribed, an accused who has been sentenced by a court-martial may be required to take leave pending completion of action under this Article if the sentence, as approved under Article 60 of this Code, includes an unsuspended dismissal or an unsuspended dishonorable or bad-conduct discharge. The accused may be required to begin such leave on the date on which the sentence is approved under Article 60 of this Code or at any time after such date, and such leave may be continued until the date on which action under this Article is completed or may be terminated at any earlier time.

PART X. PUNITIVE ARTICLES

Section 77. Article 77. Principals. Any person subject to this Code who:

(1) commits an offense punishable by this Code, or aids, abets, counsels, commands, or procures its commission; or

(2) causes an act to be done which if directly performed by him would be punishable by this Code;

is a principal.

Section 78. Article 78. Accessory after the fact. Any person subject to this Code who, knowing that an offense punishable by this Code has been committed, receives, comforts, or assists the offender in order to hinder or prevent his apprehension, trial, or punishment shall be punished as a court-martial may direct.

Section 79. Article 79. Conviction of lesser included offense. An accused may be found guilty of an offense necessarily included in the offense charged or of an attempt to commit either the offense charged or an offense necessarily included therein.

Section 80. Article 80. Attempts.

(a) An act, done with specific intent to commit an offense under this Code, amounting to more than mere preparation and tending, even though failing, to effect its commission, is an attempt to commit that offense.

(b) Any person subject to this Code who attempts to commit any offense punishable by this Code shall be punished as a court-martial may direct, unless otherwise specifically prescribed.

(c) Any person subject to this Code may be convicted of an attempt to commit an offense although it appears on the trial that the offense was consummated.

Section 81. Article 81. Conspiracy. Any person subject to this Code who conspires with any other person to commit an offense under this Code shall, if one or more of the conspirators does an act to effect the object of the conspiracy, be punished as a court-martial may direct.

Section 82. Article 82. Solicitation.

(a) Any person subject to this Code who solicits or advises another or others to desert in violation of Article 85 of this Code or mutiny in violation of Article 94 of this Code shall, if the offense solicited or

advised is attempted or committed, be punished with the punishment provided for the commission of the offense, but, if the offense solicited or advised is not committed or attempted, the person shall be punished as a court-martial may direct.

(b) Any person subject to this Code who solicits or advises another or others to commit an act of misbehavior before the enemy in violation of Article 99 of this Code or sedition in violation of Article 94 of this Code shall, if the offense solicited or advised is committed, be punished with the punishment provided for the commission of the offense, but, if the offense solicited or advised is not committed, the person shall be punished as a court-martial may direct.

Section 83. Article 83. Fraudulent enlistment, appointment, or separation. Any person who:

(1) procures his own enlistment or appointment in the State military forces by knowingly false representation or deliberate concealment as to his qualifications for that enlistment or appointment and receives pay or allowances thereunder; or

(2) procures his own separation from the State military forces by knowingly false representation or deliberate concealment as to his eligibility for that separation;

shall be punished as a court-martial may direct.

Section 84. Article 84. Unlawful enlistment, appointment, or separation. Any person subject to this Code who effects an enlistment or appointment in or a separation from the State military forces of any person who is known to him to be ineligible for that enlistment, appointment, or separation because it is prohibited by law, regulation, or order shall be punished as a court-martial may direct.

Section 85. Article 85. Desertion.

(a) Any member of the State military forces who:

(1) without authority goes or remains absent from his unit, organization, or place of duty with intent to remain away therefrom permanently;

(2) quits his unit, organization, or place of duty with intent to avoid hazardous duty or to shirk important service; or

(3) without being regularly separated from one of the State military forces enlists or accepts an appointment in the same or another one of the State military forces, or in one of the armed forces of the United States, without fully disclosing the fact that he has not been regularly separated, or enters any foreign armed service except when authorized by the United States;

is guilty of desertion.

(b) Any commissioned officer of the State military forces who, after tender of his resignation and before notice of its acceptance, quits his post or proper duties without leave and with intent to remain away therefrom permanently is guilty of desertion.

(c) Any person found guilty of desertion or attempt to desert shall be punished, if the offense is committed in time of war, by confinement of not more than 10 years or such other punishment as a court-martial may direct, but if the desertion or attempt to desert occurs at any other time, by such punishment as a court-martial may direct.

Section 86. Article 86. Absence without leave. Any person subject to this Code who, without authority:

(1) fails to go to his appointed place of duty at the time prescribed;

(2) goes from that place; or

(3) absents himself or remains absent from his unit, organization, or place of duty at which he is required to be at the time prescribed;

shall be punished as a court-martial may direct.

Section 87. Article 87. Missing movement. Any person subject to this Code who through neglect or design misses the movement of a ship, aircraft, or unit with which he is required in the course of duty to move shall be punished as a court-martial may direct.

Section 88. Article 88. Contempt toward officials. Any commissioned officer who uses contemptuous words against the President, the Vice President, Congress, the Secretary of Defense, the Secretary of a military department, the Secretary of Homeland Security, or the Governor or General Assembly shall be punished as a court-martial may direct.

Section 89. Article 89. Disrespect toward superior commissioned officer. Any person subject to this Code who behaves with disrespect toward his superior commissioned officer shall be punished as a court-martial may direct.

Section 90. Article 90. Assaulting or willfully disobeying superior commissioned officer. Any person subject to this Code who:

(1) strikes his superior commissioned officer or draws or lifts up any weapon or offers any violence against him while he is in the execution of his office; or

(2) willfully disobeys a lawful command of his superior commissioned officer;

shall be punished, if the offense is committed in time of war, by confinement of not more than 10 years or such other punishment as a court-martial may direct, and if the offense is committed at any other time, by such punishment as a court-martial may direct.

Section 91. Article 91. Insubordinate conduct toward warrant officer, noncommissioned officer, or petty officer. Any warrant officer or enlisted member who:

(1) strikes or assaults a warrant officer, noncommissioned officer, or petty officer, while that officer is in the execution of his office;

(2) willfully disobeys the lawful order of a warrant officer, noncommissioned officer, or petty officer; or

(3) treats with contempt or is disrespectful in language or deportment toward a warrant officer, noncommissioned officer, or petty officer, while that officer is in the execution of his office;

shall be punished as a court-martial may direct.

Section 92. Article 92. Failure to obey order or regulation. Any person subject to this Code who:

(1) violates or fails to obey any lawful general order or regulation;

(2) having knowledge of any other lawful order issued by a member of the State military forces, which it is his duty to obey, fails to obey the order; or

(3) is derelict in the performance of his duties;

shall be punished as a court-martial may direct.

Section 93. Article 93. Cruelty and maltreatment. Any person subject to this Code who is guilty of cruelty toward, or oppression or maltreatment of, any person subject to his orders shall be punished as a court-martial may direct.

Section 94. Article 94. Mutiny or sedition.

(a) Any person subject to this Code who:

(1) with intent to usurp or override lawful military authority, refuses, in concert with any other person, to obey orders or otherwise do his duty or creates any violence or disturbance is guilty of mutiny;

(2) with intent to cause the overthrow or destruction of lawful civil authority, creates, in concert with any other person, revolt, violence, or other disturbance against that authority is guilty of sedition; or

(3) fails to do his utmost to prevent and suppress a mutiny or sedition being committed in his presence, or fails to take all reasonable means to inform his superior commissioned officer or commanding officer of a mutiny or sedition which he knows or has reason to believe is taking place, is guilty of a failure to suppress or report a mutiny or sedition.

(b) A person who is found guilty of attempted mutiny, mutiny, sedition, or failure to suppress or report a mutiny or sedition shall be punished as a court-martial may direct.

Section 95. Article 95. Resistance, flight, breach of arrest, and escape. Any person subject to this Code who:

(1) resists apprehension;

(2) flees from apprehension;

(3) breaks arrest; or

(4) escapes from custody or confinement;

shall be punished as a court-martial may direct.

Section 96. Article 96. Releasing prisoner without proper authority. Any person subject to this Code who, without proper authority, releases any prisoner committed to his charge, or who through neglect or design suffers any such prisoner to escape, shall be punished as a court-martial may direct, whether or not the prisoner was committed in strict compliance with law.

Section 97. Article 97. Unlawful detention. Any person subject to this Code who, except as provided by law or regulation, apprehends, arrests, or confines any person shall be punished as a court-martial may direct.

Section 98. Article 98. Noncompliance with procedural rules. Any person subject to this Code who:
(1) is responsible for unnecessary delay in the disposition of any case of a person accused of an offense under this Code; or
(2) knowingly and intentionally fails to enforce or comply with any provision of this Code regulating the proceedings before, during, or after trial of an accused;
shall be punished as a court-martial may direct.

Section 99. Article 99. Misbehavior before the enemy. Any person subject to this Code who before or in the presence of the enemy:
(1) runs away;
(2) shamefully abandons, surrenders, or delivers up any command, unit, place, or military property which it is his duty to defend;
(3) through disobedience, neglect, or intentional misconduct endangers the safety of any such command, unit, place, or military property;
(4) casts away his arms or ammunition;
(5) is guilty of cowardly conduct;
(6) quits his place of duty to plunder or pillage;
(7) causes false alarms in any command, unit, or place under control of the armed forces of the United States or the State military forces;
(8) willfully fails to do his utmost to encounter, engage, capture, or destroy any enemy troops, combatants, vessels, aircraft, or any other thing, which it is his duty so to encounter, engage, capture, or destroy; or
(9) does not afford all practicable relief and assistance to any troops, combatants, vessels, or aircraft of the armed forces belonging to the United States or their allies, to the State, or to any other state, when engaged in battle;
shall be punished as a court-martial may direct.

Section 100. Article 100. Subordinate compelling surrender. Any person subject to this Code who compels or attempts to compel the commander of any of the State military forces of this State, or of any other state, place, vessel, aircraft, or other military property, or of any body of members of the armed forces, to give it up to an enemy or to abandon it, or who strikes the colors or flag to an enemy without proper authority, shall be punished as a court-martial may direct.

Section 101. Article 101. Improper use of countersign. Any person subject to this Code who in time of war discloses the parole or countersign to any person not entitled to receive it or who gives to another, who is entitled to receive and use the parole or countersign, a different parole or countersign from that which, to his knowledge, he was authorized and required to give, shall be punished as a court-martial may direct.

Section 102. Article 102. Forcing a safeguard. Any person subject to this Code who forces a safeguard shall be punished as a court-martial may direct.

Section 103. Article 103. Captured or abandoned property.
(a) All persons subject to this Code shall secure all public property taken for the service of the United States or this State, and shall give notice and turn over to the proper authority without delay all captured or abandoned property in their possession, custody, or control.
(b) Any person subject to this Code who:
(1) fails to carry out the duties prescribed in subsection (a);
(2) buys, sells, trades, or in any way deals in or disposes of taken,

captured, or abandoned property, whereby he receives or expects any profit, benefit, or advantage to himself or another directly or indirectly connected with himself; or

(3) engages in looting or pillaging;

shall be punished as a court-martial may direct.

Section 104. Article 104. Aiding the enemy. Any person subject to this Code who:

(1) aids, or attempts to aid, the enemy with arms, ammunition, supplies, money, or other things; or

(2) without proper authority, knowingly harbors or protects or gives intelligence to, or communicates or corresponds with or holds any intercourse with the enemy, either directly or indirectly;

shall be punished as a court-martial may direct.

Section 105. Article 105. Misconduct as prisoner. Any person subject to this Code who, while in the hands of the enemy in time of war:

(1) for the purpose of securing favorable treatment by his captors acts without proper authority in a manner contrary to law, custom, or regulation, to the detriment of others of whatever nationality held by the enemy as civilian or military prisoners; or

(2) while in a position of authority over such persons maltreats them without justifiable cause;

shall be punished as a court-martial may direct.

Section 106. Article 106. (Reserved).

Section 106a. Article 106a. (Reserved).

Section 107. Article 107. False official statements. Any person subject to this Code who, with intent to deceive, signs any false record, return, regulation, order, or other official document made in the line of duty, knowing it to be false, or makes any other false official statement made in the line of duty, knowing it to be false, shall be punished as a court-martial may direct.

Section 108. Article 108. Military property: loss, damage, destruction, or wrongful disposition. Any person subject to this Code who, without proper authority:

(1) sells or otherwise disposes of;

(2) willfully or through neglect damages, destroys, or loses; or

(3) willfully or through neglect suffers to be lost, damaged, destroyed, sold, or wrongfully disposed of;

any military property of the United States or of any state, shall be punished as a court-martial may direct.

Section 109. Article 109. Property other than military property: waste, spoilage, or destruction. Any person subject to this Code who willfully or recklessly wastes, spoils, or otherwise willfully and wrongfully destroys or damages any property other than military property of the United States or of any state shall be punished as a court-martial may direct.

Section 110. Article 110. Improper hazarding of vessel.

(a) Any person subject to this Code who willfully and wrongfully hazards or suffers to be hazarded any vessel of the armed forces of the United States or any state military forces shall suffer such punishment as a court-martial may direct.

(b) Any person subject to this Code who negligently hazards or suffers to be hazarded any vessel of the armed forces of the United States or any state military forces shall be punished as a court-martial may direct.

Section 111. Article 111. (Reserved).

Section 112. Article 112. Drunk on duty. Any person subject to this Code other than a sentinel or look-out, who is found drunk on duty, shall be punished as a court-martial may direct.

Section 112a. Article 112a. Wrongful use, possession, etc., of controlled substances.

(a) Any person subject to this Code who wrongfully uses, possesses, manufactures, distributes, imports into the customs territory of the United States, exports from the United States, or introduces into an installation, vessel, vehicle, or aircraft used by or under the control of the armed forces of the United States or of any state military forces a substance described in subsection (b) shall be punished as a court-martial may direct.

(b) The substances referred to in subsection (a) are the following:

(1) Opium, heroin, cocaine, amphetamine, lysergic acid diethylamide, methamphetamine, phencyclidine, barbituric acid, and marijuana and any compound or derivative of any such substance.

(2) Any substance not specified in paragraph (1) that is listed on a schedule of controlled substances prescribed by the President for the purposes of the Uniform Code of Military Justice of the armed forces of the United States (10 U.S.C. 801 et seq.).

(3) Any other substance not specified in paragraph (1) or contained on a list prescribed by the President under paragraph (2) that is listed in schedules I through V of Article 202 of the Controlled Substances Act (21 U.S.C. 812).

Section 113. Article 113. Misbehavior of sentinel. Any sentinel or look-out who is found drunk or sleeping upon his post or leaves it before being regularly relieved shall be punished, if the offense is committed in time of war, by confinement of not more than 10 years or other punishment as a court-martial may direct, but if the offense is committed at any other time, by such punishment as a court-martial may direct.

Section 114. Article 114. Dueling. Any person subject to this Code who fights or promotes, or is concerned in or connives at fighting a duel, or who, having knowledge of a challenge sent or about to be sent, fails to report the fact promptly to the proper authority, shall be punished as a court-martial may direct.

Section 115. Article 115. Malingering. Any person subject to this Code who for the purpose of avoiding work, duty, or service:

(1) feigns illness, physical disablement, mental lapse, or derangement; or

(2) intentionally inflicts self-injury;

shall be punished as a court-martial may direct.

Section 116. Article 116. Riot or breach of peace. Any person subject to this Code who causes or participates in any riot or breach of the peace shall be punished as a court-martial may direct.

Section 117. Article 117. Provoking speeches or gestures. Any person subject to this Code who uses provoking or reproachful words or gestures towards any other person subject to this Code shall be punished as a court-martial may direct.

Section 118. Article 118. (Reserved).

Section 119. Article 119. (Reserved).

Section 120. Article 120. (Reserved).

Section 121. Article 121. (Reserved).

Section 122. Article 122. (Reserved).

Section 123. Article 123. (Reserved).

Section 123a. Article 123a. (Reserved).

Section 124. Article 124. (Reserved).

Section 125. Article 125. (Reserved).

Section 126. Article 126. (Reserved).

Section 127. Article 127. (Reserved).

Section 128. Article 128. (Reserved).

Section 129. Article 129. (Reserved).

Section 130. Article 130. (Reserved).

Section 131. Article 131. (Reserved).

Section 132. Article 132. Frauds against the government. Any person subject to this Code:

(1) who, knowing it to be false or fraudulent:

(A) makes any claim against the United States, this State, or any officer thereof; or

(B) presents to any person in the civil or military service thereof, for approval or payment, any claim against the United States, this State, or any officer thereof;

(2) who, for the purpose of obtaining the approval, allowance, or payment of any claim against the United States, this State, or any officer thereof:

(A) makes or uses any writing or other paper knowing it to contain any false or fraudulent statements;

(B) makes any oath, affirmation, or certification to any fact or to any writing or other paper knowing the oath, affirmation, or certification to be false; or

(C) forges or counterfeits any signature upon any writing or other paper, or uses any such signature knowing it to be forged or counterfeited;

(3) who, having charge, possession, custody, or control of any money, or other property of the United States or this State, furnished or intended for the armed forces of the United States or the State military forces, knowingly delivers to any person having authority to receive it, any amount thereof less than that for which he receives a certificate or receipt; or

(4) who, being authorized to make or deliver any paper certifying the receipt of any property of the United States or this State, furnished or intended for the armed forces of the United States or the State military forces, makes or delivers to any person such writing without having full knowledge of the truth of the statements therein contained and with intent to defraud the United States or this State;

shall, upon conviction, be punished as a court-martial may direct.

Section 133. Article 133. Conduct unbecoming an officer and a gentleman. Any commissioned officer, cadet, candidate, or midshipman who is convicted of conduct unbecoming an officer and a gentleman shall be punished as a court-martial may direct.

Section 134. Article 134. General Article. Though not specifically mentioned in this Code, all disorders and neglects to the prejudice of good order and discipline in the State military forces and all conduct of a nature to bring discredit upon the State military forces shall be taken cognizance of by a court-martial and punished at the discretion of a military court. However, where a crime constitutes an offense that violates both this Code and the criminal laws of the state where the offense occurs or criminal laws of the United States, jurisdiction of the military court must be determined in accordance with subsection (b) of Article 2 of this Code.

PART XI. MISCELLANEOUS

Section 135. Article 135. Courts of inquiry.

(a) Courts of inquiry to investigate any matter of concern to the State military forces may be convened by any person authorized to convene a general court-martial, whether or not the persons involved have requested such an inquiry.

(b) A court of inquiry consists of 3 or more commissioned officers. For each court of inquiry, the convening authority shall also appoint counsel for the court.

(c) Any person subject to this Code whose conduct is subject to inquiry shall be designated as a party. Any person subject to this Code who has a direct interest in the subject of inquiry has the right to be designated as a party upon request to the court. Any person designated as a party shall be given due notice

and has the right to be present, to be represented by counsel, to cross-examine witnesses, and to introduce evidence.

(d) Members of a court of inquiry may be challenged by a party, but only for cause stated to the court.

(e) The members, counsel, the reporter, and interpreters of courts of inquiry shall take an oath to faithfully perform their duties.

(f) Witnesses may be summoned to appear and testify and be examined before courts of inquiry, as provided for courts-martial.

(g) Courts of inquiry shall make findings of fact but may not express opinions or make recommendations unless required to do so by the convening authority.

(h) Each court of inquiry shall keep a record of its proceedings, which shall be authenticated by the signatures of the president and counsel for the court and forwarded to the convening authority. If the record cannot be authenticated by the president, it shall be signed by a member in lieu of the president. If the record cannot be authenticated by the counsel for the court, it shall be signed by a member in lieu of the counsel.

Section 136. Article 136. Authority to administer oaths and to act as notary.

(a) The following persons may administer oaths for the purposes of military administration, including military justice:

(1) All judge advocates.

(2) All summary courts-martial.

(3) All adjutants, assistant adjutants, acting adjutants, and personnel adjutants.

(4) All commanding officers of the naval militia.

(5) All other persons designated by regulations of the armed forces of the United States or by State statute.

(b) The following persons may administer oaths necessary in the performance of their duties:

(1) The president, military judge, and trial counsel for all general and special courts-martial.

(2) The president and the counsel for the court of any court of inquiry.

(3) All officers designated to take a deposition.

(4) All persons detailed to conduct an investigation.

(5) All recruiting officers.

(6) All other persons designated by regulations of the armed forces of the United States or by State statute.

(c) The signature without seal of any such person, together with the title of his office, is prima facie evidence of the person's authority.

Section 137. Article 137. Articles to be explained.

(a)(1) The Articles of this Code specified in paragraph (3) shall be carefully explained to each enlisted member at the time of, or within 30 days after, the member's initial entrance into a duty status with the State military forces.

(2) Such Articles shall be explained again:

(A) after the member has completed basic or recruit training; and

(B) at the time when the member reenlists.

(3) This subsection applies with respect to Articles 2, 3, 7 through 15, 25, 27, 31, 37, 38, 55, 77 through 134, and 137 through 139 of this Code.

(b) The text of this Code and of the regulations or orders prescribed under this Code shall be made available to a member of the State military forces, upon request by the member, for the member's personal examination, but this Code is effective and binding upon the State military forces upon the effective date noted in Article 999, and said regulations or orders are effective upon proper publishing of same, pursuant to other law or regulation.

Section 138. Article 138. Complaints of wrongs. Any member of the State military forces who believes himself wronged by a commanding officer, and who, upon due application to that commanding officer, is refused redress, may complain to any superior commissioned officer, who shall forward the complaint to the officer exercising general court-martial jurisdiction over the officer against whom it is made. The officer exercising general court-martial jurisdiction shall examine into the complaint and take proper measures for redressing the wrong complained of; and shall, as soon as possible, send to the Adjutant General a true statement of that complaint, with the proceedings had thereon.

Section 139. Article 139. Redress of injuries to property.

(a) Whenever complaint is made to any commanding officer that willful damage has been done to the property of any person or that the person's property has been wrongfully taken by members of the State military forces, that person may, under such regulations prescribed, convene a board to investigate the complaint. The board shall consist of from one to 3 commissioned officers and, for the purpose of that investigation, it has power to summon witnesses and examine them upon oath, to receive depositions or other documentary evidence, and to assess the damages sustained against the responsible parties. The assessment of damages made by the board is subject to the approval of the commanding officer, and in the amount approved by that officer shall be charged against the pay of the offenders. The order of the commanding officer directing charges herein authorized is conclusive on any disbursing officer for payment to the injured parties of the damages so assessed and approved.

(b) If the offenders cannot be ascertained, but the organization or detachment to which they belong is known, charges totaling the amount of damages assessed and approved may be made in such proportion as may be considered just upon the individual members thereof who are shown to have been present at the scene at the time the damages complained of were inflicted, as determined by the approved findings of the board.

Section 140. Article 140. Delegation by the Governor. The Governor may delegate any authority vested in the Governor under this Code, and provide for the subdelegation of any such authority, except the power given the Governor by Article 22 of this Code.

Section 141. Article 141. Payment of fees, costs, and expenses.

(a) The fees and authorized travel expenses of all witnesses, experts, victims, court reporters, and interpreters, fees for the service of process, the costs of collection, apprehension, detention and confinement, and all other necessary expenses of prosecution and the administration of military justice, not otherwise payable by any other source, shall be paid out of the State Military Justice Fund.

(b) For the foregoing purposes, the State Military Justice Fund is created as a special fund in the State treasury. The Fund shall be administered by the Adjutant General, from which expenses of military justice shall be paid in the amounts and manner as prescribed by law. The General Assembly may appropriate and have deposited into the Fund such moneys as it deems necessary to carry out the purposes of this Code.

Section 142. Article 142. Payment of fines and disposition thereof.

(a) Fines imposed by a military court or through imposition of non-judicial punishment may be paid to this State and delivered to the court or imposing officer, or to a person executing their process. Fines may be collected in the following manner:

(1) by cash or money order;

(2) by retention of any pay or allowances due or to become due the person fined from any state or the United States; or

(3) by garnishment or levy, together with costs, on the wages, goods, and chattels of a person delinquent in paying a fine, as provided by law.

(b) Any sum so received or retained shall be deposited into the State Military Justice Fund or to whomever the court so directs.

Section 143. Article 143. Uniformity of interpretation. This Code shall be so construed as to effectuate its general purpose to make it in conformity, so far as practical, with the Uniform Code of Military Justice, Chapter 47 of Title 10, United States Code.

Section 144. Article 144. Immunity for action of military courts. All persons acting under the provisions of this Code, whether as a member of the military or as a civilian, shall be immune from any personal liability for any of the acts or omissions which they did or failed to do as part of their duties under this Code.

Section 145. Article 145. Severability. The provisions of this Code are hereby declared to be severable and if any provision of this Code or the application of such provision to any person or circumstance is declared invalid for any reason, such declaration shall not affect the validity of the remaining portions of this Code.

Section 146. Article 146. (Reserved).

Section 147. Article 147. Time of taking effect. (See Section 999 for effective date.)

Section 148. Article 148. Supersedes existing State military justice codes. On the effective date of this Code, this law supersedes all existing statutes, ordinances, directives, rules, regulations, orders and other laws in this State covered by the subject matter of this Code.

Section 149. Article 149. Civilian crimes assimilated. Any person subject to this Code who commits an offense not enumerated in this Code, but which is an offense under the laws of the United States, the laws of this State, or the laws of another state, U.S. Commonwealth, Territory, Possession, or District, while said person is subject to the jurisdiction of this Code under Article 2, is guilty of any act or omission which, although not made punishable by any enactment of this State, is punishable if committed or omitted within the jurisdiction of the laws of the United States, the laws of this State, or the laws of another state, Territory, Possession, or District, and said offense may be charged as an offense under Article 134 of this Code pursuant to the substantive law of the jurisdiction where the offense was committed, in force at the time of said offense, and shall be punished pursuant to said other law, subject only to the maximum punishment prescribed by this Code.

Section 150. The Illinois Administrative Procedure Act is amended by changing Section 5-45 as follows:

(5 ILCS 100/5-45) (from Ch. 127, par. 1005-45)

Sec. 5-45. Emergency rulemaking.

(a) "Emergency" means the existence of any situation that any agency finds reasonably constitutes a threat to the public interest, safety, or welfare.

(b) If any agency finds that an emergency exists that requires adoption of a rule upon fewer days than is required by Section 5-40 and states in writing its reasons for that finding, the agency may adopt an emergency rule without prior notice or hearing upon filing a notice of emergency rulemaking with the Secretary of State under Section 5-70. The notice shall include the text of the emergency rule and shall be published in the Illinois Register. Consent orders or other court orders adopting settlements negotiated by an agency may be adopted under this Section. Subject to applicable constitutional or statutory provisions, an emergency rule becomes effective immediately upon filing under Section 5-65 or at a stated date less than 10 days thereafter. The agency's finding and a statement of the specific reasons for the finding shall be filed with the rule. The agency shall take reasonable and appropriate measures to make emergency rules known to the persons who may be affected by them.

(c) An emergency rule may be effective for a period of not longer than 150 days, but the agency's authority to adopt an identical rule under Section 5-40 is not precluded. No emergency rule may be adopted more than once in any 24 month period, except that this limitation on the number of emergency rules that may be adopted in a 24 month period does not apply to (i) emergency rules that make additions to and deletions from the Drug Manual under Section 5-5.16 of the Illinois Public Aid Code or the generic drug formulary under Section 3.14 of the Illinois Food, Drug and Cosmetic Act, (ii) emergency rules adopted by the Pollution Control Board before July 1, 1997 to implement portions of the Livestock Management Facilities Act, (iii) emergency rules adopted by the Illinois Department of Public Health under subsections (a) through (i) of Section 2 of the Department of Public Health Act when necessary to protect the public's health, (iv) emergency rules adopted pursuant to subsection (n) of this Section, (v) emergency rules adopted pursuant to subsection (o) of this Section, or (vi) emergency rules adopted pursuant to subsection (c-5) of this Section. Two or more emergency rules having substantially the same purpose and effect shall be deemed to be a single rule for purposes of this Section.

(c-5) To facilitate the maintenance of the program of group health benefits provided to annuitants, survivors, and retired employees under the State Employees Group Insurance Act of 1971, rules to alter the contributions to be paid by the State, annuitants, survivors, retired employees, or any combination of those entities, for that program of group health benefits, shall be adopted as emergency rules. The adoption of those rules shall be considered an emergency and necessary for the public interest, safety, and welfare.

(d) In order to provide for the expeditious and timely implementation of the State's fiscal year 1999 budget, emergency rules to implement any provision of Public Act 90-587 or 90-588 or any other budget initiative for fiscal year 1999 may be adopted in accordance with this Section by the agency charged with administering that provision or initiative, except that the 24-month limitation on the adoption of emergency rules and the provisions of Sections 5-115 and 5-125 do not apply to rules adopted under this subsection (d). The adoption of emergency rules authorized by this subsection (d) shall be deemed to be necessary for the public interest, safety, and welfare.

(e) In order to provide for the expeditious and timely implementation of the State's fiscal year 2000 budget, emergency rules to implement any provision of Public Act 91-24 ~~this amendatory Act of the 91st General Assembly~~ or any other budget initiative for fiscal year 2000 may be adopted in accordance with this Section by the agency charged with administering that provision or initiative, except that the 24-month limitation on the adoption of emergency rules and the provisions of Sections 5-115 and 5-125 do not apply to rules adopted under this subsection (e). The adoption of emergency rules authorized by this subsection (e) shall be deemed to be necessary for the public interest, safety, and welfare.

(f) In order to provide for the expeditious and timely implementation of the State's fiscal year 2001 budget, emergency rules to implement any provision of Public Act 91-712 ~~this amendatory Act of the 91st General Assembly~~ or any other budget initiative for fiscal year 2001 may be adopted in accordance with this Section by the agency charged with administering that provision or initiative, except that the 24-month limitation on the adoption of emergency rules and the provisions of Sections 5-115 and 5-125 do not apply to rules adopted under this subsection (f). The adoption of emergency rules authorized by this subsection (f) shall be deemed to be necessary for the public interest, safety, and welfare.

(g) In order to provide for the expeditious and timely implementation of the State's fiscal year 2002 budget, emergency rules to implement any provision of Public Act 92-10 ~~this amendatory Act of the 92nd General Assembly~~ or any other budget initiative for fiscal year 2002 may be adopted in accordance with this Section by the agency charged with administering that provision or initiative, except that the 24-month limitation on the adoption of emergency rules and the provisions of Sections 5-115 and 5-125 do not apply to rules adopted under this subsection (g). The adoption of emergency rules authorized by this subsection (g) shall be deemed to be necessary for the public interest, safety, and welfare.

(h) In order to provide for the expeditious and timely implementation of the State's fiscal year 2003 budget, emergency rules to implement any provision of Public Act 92-597 ~~this amendatory Act of the 92nd General Assembly~~ or any other budget initiative for fiscal year 2003 may be adopted in accordance with this Section by the agency charged with administering that provision or initiative, except that the 24-month limitation on the adoption of emergency rules and the provisions of Sections 5-115 and 5-125 do not apply to rules adopted under this subsection (h). The adoption of emergency rules authorized by this subsection (h) shall be deemed to be necessary for the public interest, safety, and welfare.

(i) In order to provide for the expeditious and timely implementation of the State's fiscal year 2004 budget, emergency rules to implement any provision of Public Act 93-20 ~~this amendatory Act of the 93rd General Assembly~~ or any other budget initiative for fiscal year 2004 may be adopted in accordance with this Section by the agency charged with administering that provision or initiative, except that the 24-month limitation on the adoption of emergency rules and the provisions of Sections 5-115 and 5-125 do not apply to rules adopted under this subsection (i). The adoption of emergency rules authorized by this subsection (i) shall be deemed to be necessary for the public interest, safety, and welfare.

(j) In order to provide for the expeditious and timely implementation of the provisions of the State's fiscal year 2005 budget as provided under the Fiscal Year 2005 Budget Implementation (Human Services) Act, emergency rules to implement any provision of the Fiscal Year 2005 Budget Implementation (Human Services) Act may be adopted in accordance with this Section by the agency charged with administering that provision, except that the 24-month limitation on the adoption of emergency rules and the provisions of Sections 5-115 and 5-125 do not apply to rules adopted under this subsection (j). The Department of Public Aid may also adopt rules under this subsection (j) necessary to administer the Illinois Public Aid Code and the Children's Health Insurance Program Act. The adoption of emergency rules authorized by this subsection (j) shall be deemed to be necessary for the public interest, safety, and welfare.

(k) In order to provide for the expeditious and timely implementation of the provisions of the State's fiscal year 2006 budget, emergency rules to implement any provision of Public Act 94-48 ~~this amendatory Act of the 94th General Assembly~~ or any other budget initiative for fiscal year 2006 may be adopted in accordance with this Section by the agency charged with administering that provision or initiative, except that the 24-month limitation on the adoption of emergency rules and the provisions of Sections 5-115 and 5-125 do not apply to rules adopted under this subsection (k). The Department of Healthcare and Family Services may also adopt rules under this subsection (k) necessary to administer the Illinois Public Aid Code, the Senior Citizens and Persons with Disabilities Property Tax Relief Act, the Senior Citizens and Disabled Persons Prescription Drug Discount Program Act (now the Illinois Prescription Drug Discount Program Act), and the Children's Health Insurance Program Act. The adoption of emergency rules authorized by this subsection (k) shall be deemed to be necessary for the public interest, safety, and welfare.

(l) In order to provide for the expeditious and timely implementation of the provisions of the State's fiscal year 2007 budget, the Department of Healthcare and Family Services may adopt emergency rules during fiscal year 2007, including rules effective July 1, 2007, in accordance with this subsection to the

extent necessary to administer the Department's responsibilities with respect to amendments to the State plans and Illinois waivers approved by the federal Centers for Medicare and Medicaid Services necessitated by the requirements of Title XIX and Title XXI of the federal Social Security Act. The adoption of emergency rules authorized by this subsection (l) shall be deemed to be necessary for the public interest, safety, and welfare.

(m) In order to provide for the expeditious and timely implementation of the provisions of the State's fiscal year 2008 budget, the Department of Healthcare and Family Services may adopt emergency rules during fiscal year 2008, including rules effective July 1, 2008, in accordance with this subsection to the extent necessary to administer the Department's responsibilities with respect to amendments to the State plans and Illinois waivers approved by the federal Centers for Medicare and Medicaid Services necessitated by the requirements of Title XIX and Title XXI of the federal Social Security Act. The adoption of emergency rules authorized by this subsection (m) shall be deemed to be necessary for the public interest, safety, and welfare.

(n) In order to provide for the expeditious and timely implementation of the provisions of the State's fiscal year 2010 budget, emergency rules to implement any provision of Public Act 96-45 ~~this amendatory Act of the 96th General Assembly~~ or any other budget initiative authorized by the 96th General Assembly for fiscal year 2010 may be adopted in accordance with this Section by the agency charged with administering that provision or initiative. The adoption of emergency rules authorized by this subsection (n) shall be deemed to be necessary for the public interest, safety, and welfare. The rulemaking authority granted in this subsection (n) shall apply only to rules promulgated during Fiscal Year 2010.

(o) In order to provide for the expeditious and timely implementation of the provisions of the State's fiscal year 2011 budget, emergency rules to implement any provision of Public Act 96-958 ~~this amendatory Act of the 96th General Assembly~~ or any other budget initiative authorized by the 96th General Assembly for fiscal year 2011 may be adopted in accordance with this Section by the agency charged with administering that provision or initiative. The adoption of emergency rules authorized by this subsection (o) is deemed to be necessary for the public interest, safety, and welfare. The rulemaking authority granted in this subsection (o) applies only to rules promulgated on or after the effective date of Public Act 96-958 ~~this amendatory Act of the 96th General Assembly~~ through June 30, 2011.

(p) In order to provide for the expeditious and timely implementation of the provisions of Public Act 97-689, emergency rules to implement any provision of Public Act 97-689 may be adopted in accordance with this subsection (p) by the agency charged with administering that provision or initiative. The 150-day limitation of the effective period of emergency rules does not apply to rules adopted under this subsection (p), and the effective period may continue through June 30, 2013. The 24-month limitation on the adoption of emergency rules does not apply to rules adopted under this subsection (p). The adoption of emergency rules authorized by this subsection (p) is deemed to be necessary for the public interest, safety, and welfare.

(q) In order to provide for the expeditious and timely implementation of the provisions of Articles 7, 8, 9, 11, and 12 of Public Act 98-104 ~~this amendatory Act of the 98th General Assembly~~, emergency rules to implement any provision of Articles 7, 8, 9, 11, and 12 of Public Act 98-104 ~~this amendatory Act of the 98th General Assembly~~ may be adopted in accordance with this subsection (q) by the agency charged with administering that provision or initiative. The 24-month limitation on the adoption of emergency rules does not apply to rules adopted under this subsection (q). The adoption of emergency rules authorized by this subsection (q) is deemed to be necessary for the public interest, safety, and welfare.

(r) In order to provide for the expeditious and timely implementation of the provisions of Public Act 98-651 ~~this amendatory Act of the 98th General Assembly~~, emergency rules to implement Public Act 98-651 ~~this amendatory Act of the 98th General Assembly~~ may be adopted in accordance with this subsection (r) by the Department of Healthcare and Family Services. The 24-month limitation on the adoption of emergency rules does not apply to rules adopted under this subsection (r). The adoption of emergency rules authorized by this subsection (r) is deemed to be necessary for the public interest, safety, and welfare.

(s) In order to provide for the expeditious and timely implementation of the provisions of Sections 5-5b.1 and 5A-2 of the Illinois Public Aid Code, emergency rules to implement any provision of Section 5-5b.1 or Section 5A-2 of the Illinois Public Aid Code may be adopted in accordance with this subsection (s) by the Department of Healthcare and Family Services. The rulemaking authority granted in this subsection (s) shall apply only to those rules adopted prior to July 1, 2015. Notwithstanding any other provision of this Section, any emergency rule adopted under this subsection (s) shall only apply to payments made for State fiscal year 2015. The adoption of emergency rules authorized by this subsection (s) is deemed to be necessary for the public interest, safety, and welfare.

(t) In order to provide for the expeditious and timely implementation of the provisions of Article II of Public Act 99-6 ~~this amendatory Act of the 99th General Assembly~~, emergency rules to implement the

changes made by Article II of Public Act 99-6 ~~this amendatory Act of the 99th General Assembly~~ to the Emergency Telephone System Act may be adopted in accordance with this subsection (t) by the Department of State Police. The rulemaking authority granted in this subsection (t) shall apply only to those rules adopted prior to July 1, 2016. The 24-month limitation on the adoption of emergency rules does not apply to rules adopted under this subsection (t). The adoption of emergency rules authorized by this subsection (t) is deemed to be necessary for the public interest, safety, and welfare.

(u) ~~(t)~~ In order to provide for the expeditious and timely implementation of the provisions of the Burn Victims Relief Act, emergency rules to implement any provision of the Act may be adopted in accordance with this subsection (u) ~~(t)~~ by the Department of Insurance. The rulemaking authority granted in this subsection (u) ~~(t)~~ shall apply only to those rules adopted prior to December 31, 2015. The adoption of emergency rules authorized by this subsection (u) ~~(t)~~ is deemed to be necessary for the public interest, safety, and welfare.

(v) In order to provide for the expeditious and timely implementation of the provisions of this amendatory Act of the 99th General Assembly, emergency rules to implement the changes made by this amendatory Act of the 99th General Assembly may be adopted in accordance with this subsection (v) by the Adjutant General. The adoption of emergency rules authorized by this subsection (v) is deemed to be necessary for the public interest, safety, and welfare.

(Source: P.A. 98-104, eff. 7-22-13; 98-463, eff. 8-16-13; 98-651, eff. 6-16-14; 99-2, eff. 3-26-15; 99-6, eff. 1-1-16; 99-143, eff. 7-27-15; 99-455, eff. 1-1-16; revised 10-15-15.)"; and

Section 153. The Military Code of Illinois is amended by changing Section 90 and by adding Section 34.1 as follows:

(20 ILCS 1805/34.1 new)

Sec. 34.1. Separation; discharge; Illinois National Guard.

(a) Members of the Illinois National Guard shall be separated from the active service in accordance with federal laws and regulations as made applicable to the National Guard, except as otherwise provided herein or in the Illinois Code of Military Justice.

(b) Members of the Illinois National Guard who are discharged from the Illinois National Guard, in the case of officers with a dismissal or in the case of enlisted personnel with a dishonorable discharge, shall be ineligible to hold any elective or appointive office, position, or employment in the service of this State, any county, or any municipality thereof, for a period of 5 years unless such disability shall be removed by the Governor.

(20 ILCS 1805/90) (from Ch. 129, par. 220.90)

Sec. 90. (a) If any member of the Illinois National Guard is criminally prosecuted by civil authorities of the United States or any state, commonwealth, or territory of the United States, ~~or criminal action~~ for any act or omission determined by the Attorney General to have been within the scope of the member's military duties, ~~performed or committed by such member,~~ or for any ~~an~~ act or omission caused, ordered, or directed by such member to be done or performed within the scope of military duty, the member shall be entitled to defense representation by the Attorney General or, if the Attorney General determines it appropriate, by a qualified private defense attorney of the member's choice subject to the approval of the Attorney General at State expense. In that case all costs ~~in furtherance of and while in the performance of military duty, all the expense~~ of the defense , ~~of such action or actions civil or criminal,~~ including attorney's fees, witnesses' fees for the defense, defendant's court costs and all costs for transcripts of records and abstracts thereof on appeal by the defense, shall be paid by the State~~; provided, that the Attorney General of the State shall be first consulted in regard to, and approve of, the selection of the attorney for the defense: And, provided, further, that the Attorney General of the State may, if he see fit, assume the responsibility for the defense of such member and conduct the same personally or by any one or more of his assistants~~.

(b) Representation and indemnification of Illinois National Guard members in civil cases arising out of their military training or duty shall be in accordance with the State Employee Indemnification Act. The fees and expenses in criminal cases, as provided for in this Section, shall be paid by the Adjutant General out of appropriated funds, upon vouchers and bills approved by the Attorney General.

(Source: P.A. 85-1241.)

(20 ILCS 1805/34 rep.) (20 ILCS 1805/47 rep.) (20 ILCS 1805/Art. XIV rep.) (20 ILCS 1805/Art. XV rep.) (20 ILCS 1805/89 rep.)

Section 155. The Military Code of Illinois is amended by repealing Sections 34, 47, and 89 and Articles XIV and XV.

Section 156. The State Finance Act is amended by adding Section 5.875 as follows:

(30 ILCS 105/5.875 new)

Sec. 5.875. The State Military Justice Fund.

Section 999. Effective date. This Act takes effect January 1, 2017.".

Under the rules, the foregoing **Senate Bill No. 2861**, with House Amendment No. 2, was referred to the Secretary's Desk.

A message from the House by
Mr. Mapes, Clerk:
Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of bills of the following titles, to-wit:

SENATE BILL NO. 2567
A bill for AN ACT concerning transportation.

SENATE BILL NO. 2833
A bill for AN ACT concerning local government.

SENATE BILL NO. 2835
A bill for AN ACT concerning transportation.

SENATE BILL NO. 2839
A bill for AN ACT concerning education.

SENATE BILL NO. 2840
A bill for AN ACT concerning education.

Passed the House, May 27, 2016.

TIMOTHY D. MAPES, Clerk of the House

A message from the House by
Mr. Mapes, Clerk:
Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of bills of the following titles, to-wit:

SENATE BILL NO. 2842
A bill for AN ACT concerning civil law.

SENATE BILL NO. 2845
A bill for AN ACT concerning civil law.

SENATE BILL NO. 2870
A bill for AN ACT concerning criminal law.

SENATE BILL NO. 2875
A bill for AN ACT concerning criminal law.

SENATE BILL NO. 2885
A bill for AN ACT concerning criminal law.

Passed the House, May 27, 2016.

TIMOTHY D. MAPES, Clerk of the House

JOINT ACTION MOTIONS FILED

The following Joint Action Motions to the Senate Bills listed below have been filed with the Secretary and referred to the Committee on Assignments:

Motion to Concur in House Amendment 3 to Senate Bill 420
Motion to Concur in House Amendment 2 to Senate Bill 2306
Motion to Concur in House Amendment 1 to Senate Bill 2797

LEGISLATIVE MEASURES FILED

The following Floor amendments to the Senate Resolutions listed below have been filed with the Secretary and referred to the Committee on Assignments:

Floor Amendment No. 1 to Senate Resolution 1753
Floor Amendment No. 1 to Senate Resolution 1840

The following Floor amendments to the Senate Bills listed below have been filed with the Secretary and referred to the Committee on Assignments:

Floor Amendment No. 1 to Senate Bill 325
Floor Amendment No. 2 to Senate Bill 1051

The following Floor amendment to the House Bill listed below has been filed with the Secretary and referred to the Committee on Assignments:

Floor Amendment No. 2 to House Bill 813

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A SECOND TIME

On motion of Senator Holmes, **House Bill No. 4257** was taken up, read by title a second time.
Floor Amendment No. 1 was held in the Committee on Human Services.
There being no further amendments, the bill was ordered to a third reading.

On motion of Senator Cunningham, **House Bill No. 6332** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Link, **House Bill No. 5603** was taken up, read by title a second time and ordered to a third reading.

At the hour of 12:11 o'clock p.m., the Chair announced the Senate stand at ease.

AT EASE

At the hour of 12:19 o'clock p.m., the Senate resumed consideration of business.
Senator Sullivan, presiding.

REPORT FROM COMMITTEE ON ASSIGNMENTS

Senator Clayborne, Chairperson of the Committee on Assignments, during its May 27, 2016 meeting, reported the following Legislative Measure has been assigned to the indicated Standing Committee of the Senate:

Executive: **Floor Amendment No. 2 to House Bill 813**.

COMMITTEE MEETING ANNOUNCEMENT

The Chair announced the following committee to meet at 1:20 o'clock p.m.:

Executive in Room 212

HOUSE BILL RECALLED

On motion of Senator Lightford, **House Bill No. 3190** was recalled from the order of third reading to the order of second reading.
Senator Lightford offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO HOUSE BILL 3190

AMENDMENT NO. 1. Amend House Bill 3190 by replacing everything after the enacting clause with the following:

"Section 1. This Act may be referred to as the Better Funding for Better Schools Act.

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

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

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

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

(2) That portion, if any, of those taxes which is attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the economic development project area, over and above the initial equalized assessed value of each property existing at the time tax increment allocation financing was adopted, shall be allocated to and when collected shall be paid to the municipal treasurer, who shall deposit those taxes into a special fund called the special tax allocation fund of the municipality for the purpose of paying economic development project costs and obligations incurred in the payment thereof.

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

When the economic development project costs, including without limitation all municipal obligations financing economic development project costs incurred under this Act, have been paid, all surplus funds then remaining in the special tax allocation fund shall be distributed by being paid by the municipal treasurer to the county collector, who shall immediately thereafter pay those funds to the taxing districts having taxable property in the economic development project area in the same manner and proportion as the most recent distribution by the county collector to those taxing districts of real property taxes from real property in the economic development project area.

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

Nothing in this Section shall be construed as relieving property in economic development project areas from being assessed as provided in the Property Tax Code, or as relieving owners of that property from paying a uniform rate of taxes, as required by Section 4 of Article IX of the Illinois Constitution.
(Source: P.A. 98-463, eff. 8-16-13.)

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

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

Sec. 13.2. Transfers among line item appropriations.

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

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

(a-2) Except as otherwise provided in this Section, transfers may be made only among the objects of expenditure enumerated in this Section, except that no funds may be transferred from any appropriation for personal services, from any appropriation for State contributions to the State Employees' Retirement System, from any separate appropriation for employee retirement contributions paid by the employer, nor from any appropriation for State contribution for employee group insurance. During State fiscal year 2005, an agency may transfer amounts among its appropriations within the same treasury fund for personal services, employee retirement contributions paid by employer, and State Contributions to retirement systems; notwithstanding and in addition to the transfers authorized in subsection (c) of this Section, the fiscal year 2005 transfers authorized in this sentence may be made in an amount not to exceed 2% of the aggregate amount appropriated to an agency within the same treasury fund. During State fiscal year 2007, the Departments of Children and Family Services, Corrections, Human Services, and Juvenile Justice may transfer amounts among their respective appropriations within the same treasury fund for personal services, employee retirement contributions paid by employer, and State contributions to retirement systems. During State fiscal year 2010, the Department of Transportation may transfer amounts among their respective appropriations within the same treasury fund for personal services, employee retirement contributions paid by employer, and State contributions to retirement systems. During State fiscal years 2010 and 2014 only, an agency may transfer amounts among its respective appropriations within the same treasury fund for personal services, employee retirement contributions paid by employer, and State contributions to retirement systems. Notwithstanding, and in addition to, the transfers authorized in subsection (c) of this Section, these transfers may be made in an amount not to exceed 2% of the aggregate amount appropriated to an agency within the same treasury fund.

(a-2.5) During State fiscal year 2015 only, the State's Attorneys Appellate Prosecutor may transfer amounts among its respective appropriations contained in operational line items within the same treasury fund. Notwithstanding, and in addition to, the transfers authorized in subsection (c) of this Section, these transfers may be made in an amount not to exceed 4% of the aggregate amount appropriated to the State's Attorneys Appellate Prosecutor within the same treasury fund.

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

(a-4) Long-Term Care Rebalancing. The Governor may designate amounts set aside for institutional services appropriated from the General Revenue Fund or any other State fund that receives monies for long-term care services to be transferred to all State agencies responsible for the administration of community-based long-term care programs, including, but not limited to, community-based long-term care programs administered by the Department of Healthcare and Family Services, the Department of Human Services, and the Department on Aging, provided that the Director of Healthcare and Family Services first certifies that the amounts being transferred are necessary for the purpose of assisting persons in or at risk of being in institutional care to transition to community-based settings, including the financial data needed to prove the need for the transfer of funds. The total amounts transferred shall not exceed 4% in total of the amounts appropriated from the General Revenue Fund or any other State fund that receives monies for long-term care services for each fiscal year. A notice of the fund transfer must be made to the General Assembly and posted at a minimum on the Department of Healthcare and Family Services website, the Governor's Office of Management and Budget website, and any other website the Governor sees fit. These postings shall serve as notice to the General Assembly of the amounts to be transferred. Notice shall be given at least 30 days prior to transfer.

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

The Department of Healthcare and Family Services is authorized to make transfers representing savings attributable to not increasing grants due to the births of additional children from line items for payments

of cash grants to line items for payments for employment and social services for the purposes outlined in subsection (f) of Section 4-2 of the Illinois Public Aid Code.

The Department of Children and Family Services is authorized to make transfers not exceeding 2% of the aggregate amount appropriated to it within the same treasury fund for the following line items among these same line items: Foster Home and Specialized Foster Care and Prevention, Institutions and Group Homes and Prevention, and Purchase of Adoption and Guardianship Services.

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

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

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

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

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

(c) The sum of such transfers for an agency in a fiscal year shall not exceed 2% of the aggregate amount appropriated to it within the same treasury fund for the following objects: Personal Services; Extra Help; Student and Inmate Compensation; State Contributions to Retirement Systems; State Contributions to Social Security; State Contribution for Employee Group Insurance; Contractual Services; Travel; Commodities; Printing; Equipment; Electronic Data Processing; Operation of Automotive Equipment; Telecommunications Services; Travel and Allowance for Committed, Paroled and Discharged Prisoners; Library Books; Federal Matching Grants for Student Loans; Refunds; Workers' Compensation, Occupational Disease, and Tort Claims; and, in appropriations to institutions of higher education, Awards and Grants. Notwithstanding the above, any amounts appropriated for payment of workers' compensation claims to an agency to which the authority to evaluate, administer and pay such claims has been delegated by the Department of Central Management Services may be transferred to any other expenditure object where such amounts exceed the amount necessary for the payment of such claims.

(c-1) Special provisions for State fiscal year 2003. Notwithstanding any other provision of this Section to the contrary, for State fiscal year 2003 only, transfers among line item appropriations to an agency from the same treasury fund may be made provided that the sum of such transfers for an agency in State fiscal year 2003 shall not exceed 3% of the aggregate amount appropriated to that State agency for State fiscal year 2003 for the following objects: personal services, except that no transfer may be approved which reduces the aggregate appropriations for personal services within an agency; extra help; student and inmate compensation; State contributions to retirement systems; State contributions to social security; State contributions for employee group insurance; contractual services; travel; commodities; printing; equipment; electronic data processing; operation of automotive equipment; telecommunications services; travel and allowance for committed, paroled, and discharged prisoners; library books; federal matching grants for student loans; refunds; workers' compensation, occupational disease, and tort claims; and, in appropriations to institutions of higher education, awards and grants.

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

(c-3) Special provisions for State fiscal year 2015. Notwithstanding any other provision of this Section, for State fiscal year 2015, transfers among line item appropriations to a State agency from the same State treasury fund may be made for operational or lump sum expenses only, provided that the sum of such transfers for a State agency in State fiscal year 2015 shall not exceed 4% of the aggregate amount appropriated to that State agency for operational or lump sum expenses for State fiscal year 2015. For the purpose of this subsection, "operational or lump sum expenses" includes the following objects: personal services; extra help; student and inmate compensation; State contributions to retirement systems; State contributions to social security; State contributions for employee group insurance; contractual services; travel; commodities; printing; equipment; electronic data processing; operation of automotive equipment; telecommunications services; travel and allowance for committed, paroled, and discharged prisoners; library books; federal matching grants for student loans; refunds; workers' compensation, occupational disease, and tort claims; lump sum and other purposes; and lump sum operations. For the purpose of this subsection (c-3), "State agency" does not include the Attorney General, the Secretary of State, the Comptroller, the Treasurer, or the legislative or judicial branches.

(d) Transfers among appropriations made to agencies of the Legislative and Judicial departments and to the constitutionally elected officers in the Executive branch require the approval of the officer authorized in Section 10 of this Act to approve and certify vouchers. Transfers among appropriations made to the University of Illinois, Southern Illinois University, Chicago State University, Eastern Illinois University, Governors State University, Illinois State University, Northeastern Illinois University, Northern Illinois University, Western Illinois University, the Illinois Mathematics and Science Academy and the Board of Higher Education require the approval of the Board of Higher Education and the Governor. Transfers among appropriations to all other agencies require the approval of the Governor.

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

(e) The State Board of Education, in consultation with the State Comptroller, may transfer line item appropriations for General State Aid <u>or Primary State Aid</u> between the Common School Fund and the Education Assistance Fund. With the advice and consent of the Governor's Office of Management and Budget, the State Board of Education, in consultation with the State Comptroller, may transfer line item appropriations between the General Revenue Fund and the Education Assistance Fund for the following programs:

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

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

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

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

(5) Reimbursement for Free Lunch/Breakfast Programs;

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

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

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

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

(Source: P.A. 98-24, eff. 6-19-13; 98-674, eff. 6-30-14; 99-2, eff. 3-26-15.)

Section 915. The Property Tax Code is amended by changing Sections 18-200 and 18-249 as follows:

(35 ILCS 200/18-200)

Sec. 18-200. School Code. A school district's State aid shall not be reduced under the computation under subsections 5(a) through 5(h) of Part A of Section 18-8 of the School Code <u>or under subsection (e) of Section 18-8.15 of the School Code</u> due to the operating tax rate falling from above the minimum

requirement of that Section of the School Code to below the minimum requirement of that Section of the School Code due to the operation of this Law.
(Source: P.A. 87-17; 88-455.)

(35 ILCS 200/18-249)

Sec. 18-249. Miscellaneous provisions.

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

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

(c) Rules. The Department shall make and promulgate reasonable rules relating to the administration of the purposes and provisions of Sections 18-246 through 18-249 as may be necessary or appropriate.
(Source: P.A. 89-1, eff. 2-12-95.)

Section 917. The Illinois Pension Code is amended by changing Sections 16-158 and 17-127 as follows:

(40 ILCS 5/16-158) (from Ch. 108 1/2, par. 16-158)

(Text of Section WITH the changes made by P.A. 98-599, which has been held unconstitutional)

Sec. 16-158. Contributions by State and other employing units.

(a) The State shall make contributions to the System by means of appropriations from the Common School Fund and other State funds of amounts which, together with other employer contributions, employee contributions, investment income, and other income, will be sufficient to meet the cost of maintaining and administering the System on a 100% funded basis in accordance with actuarial recommendations by the end of State fiscal year 2044.

The Board shall determine the amount of State contributions required for each fiscal year on the basis of the actuarial tables and other assumptions adopted by the Board and the recommendations of the actuary, using the formula in subsection (b-3).

(a-1) Annually, on or before November 15 through November 15, 2011, the Board shall certify to the Governor the amount of the required State contribution for the coming fiscal year. The certification under this subsection (a-1) shall include a copy of the actuarial recommendations upon which it is based.

On or before May 1, 2004, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2005, taking into account the amounts appropriated to and received by the System under subsection (d) of Section 7.2 of the General Obligation Bond Act.

On or before July 1, 2005, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2006, taking into account the changes in required State contributions made by this amendatory Act of the 94th General Assembly.

On or before April 1, 2011, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2011, applying the changes made by Public Act 96-889 to the System's assets and liabilities as of June 30, 2009 as though Public Act 96-889 was approved on that date.

(a-5) On or before November 1 of each year, beginning November 1, 2012, the Board shall submit to the State Actuary, the Governor, and the General Assembly a proposed certification of the amount of the required State contribution to the System for the next fiscal year, along with all of the actuarial assumptions, calculations, and data upon which that proposed certification is based. On or before January 1 of each year, beginning January 1, 2013, the State Actuary shall issue a preliminary report concerning the proposed certification and identifying, if necessary, recommended changes in actuarial assumptions that the Board must consider before finalizing its certification of the required State contributions.

On or before January 15, 2013 and each January 15 thereafter, the Board shall certify to the Governor and the General Assembly the amount of the required State contribution for the next fiscal year. The certification shall include a copy of the actuarial recommendations upon which it is based and shall specifically identify the System's projected State normal cost for that fiscal year. The Board's certification must note any deviations from the State Actuary's recommended changes, the reason or reasons for not following the State Actuary's recommended changes, and the fiscal impact of not following the State Actuary's recommended changes on the required State contribution.

(a-10) For purposes of Section (c-5) of Section 20 of the Budget Stabilization Act, on or before November 1 of each year beginning November 1, 2014, the Board shall determine the amount of the State contribution to the System that would have been required for the next fiscal year if this amendatory Act of the 98th General Assembly had not taken effect, using the best and most recent available data but based on the law in effect on May 31, 2014. The Board shall submit to the State Actuary, the Governor, and the General Assembly a proposed certification, along with the relevant law, actuarial assumptions, calculations, and data upon which that certification is based. On or before January 1, 2015 and every January 1 thereafter, the State Actuary shall issue a preliminary report concerning the proposed certification and identifying, if necessary, recommended changes in actuarial assumptions that the Board must consider before finalizing its certification. On or before January 15, 2015 and every January 1 thereafter, the Board shall certify to the Governor and the General Assembly the amount of the State contribution to the System that would have been required for the next fiscal year if this amendatory Act of the 98th General Assembly had not taken effect, using the best and most recent available data but based on the law in effect on May 31, 2014. The Board's certification must note any deviations from the State Actuary's recommended changes, the reason or reasons for not following the State Actuary's recommended changes, and the impact of not following the State Actuary's recommended changes.

(b) Through State fiscal year 1995, the State contributions shall be paid to the System in accordance with Section 18-7 of the School Code.

(b-1) Beginning in State fiscal year 1996, on the 15th day of each month, or as soon thereafter as may be practicable, the Board shall submit vouchers for payment of State contributions to the System, in a total monthly amount of one-twelfth of the required annual State contribution certified under subsection (a-1). From the effective date of this amendatory Act of the 93rd General Assembly through June 30, 2004, the Board shall not submit vouchers for the remainder of fiscal year 2004 in excess of the fiscal year 2004 certified contribution amount determined under this Section after taking into consideration the transfer to the System under subsection (a) of Section 6z-61 of the State Finance Act. These vouchers shall be paid by the State Comptroller and Treasurer by warrants drawn on the funds appropriated to the System for that fiscal year.

If in any month the amount remaining unexpended from all other appropriations to the System for the applicable fiscal year (including the appropriations to the System under Section 8.12 of the State Finance Act and Section 1 of the State Pension Funds Continuing Appropriation Act) is less than the amount lawfully vouchered under this subsection, the difference shall be paid from the Common School Fund under the continuing appropriation authority provided in Section 1.1 of the State Pension Funds Continuing Appropriation Act.

(b-2) Allocations from the Common School Fund apportioned to school districts not coming under this System shall not be diminished or affected by the provisions of this Article.

(b-3) For State fiscal years 2015 through 2044, the minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be equal to the sum of (1) the State's portion of the projected normal cost for that fiscal year, plus (2) an amount sufficient to bring the total assets of the System up to 100% of the total actuarial liabilities of the System by the end of State fiscal year 2044. In making these determinations, the required State contribution shall be calculated each year as a level percentage of payroll over the years remaining to and including fiscal year 2044 and shall be determined under the projected unit cost method for fiscal year 2015 and under the entry age normal actuarial cost method for fiscal years 2016 through 2044.

For State fiscal years 2012 through 2014, the minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2045. In making these determinations, the required State contribution shall be calculated each year as a level percentage of payroll over the years remaining to and including fiscal year 2045 and shall be determined under the projected unit credit actuarial cost method.

For State fiscal years 1996 through 2005, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments so that by State fiscal year 2011, the State is contributing at the rate required under this Section; except that in the following specified State fiscal years, the State contribution to the System shall not be less than the following indicated percentages of the applicable employee payroll, even if the indicated percentage will produce a State contribution in excess of the amount otherwise required under this subsection and subsection (a), and notwithstanding any contrary certification made under subsection (a-1) before the effective date of this amendatory Act of 1998: 10.02% in FY 1999; 10.77% in FY 2000; 11.47% in FY 2001; 12.16% in FY 2002; 12.86% in FY 2003; and 13.56% in FY 2004.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2006 is $534,627,700.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2007 is $738,014,500.

For each of State fiscal years 2008 through 2009, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments from the required State contribution for State fiscal year 2007, so that by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2010 is $2,089,268,000 and shall be made from the proceeds of bonds sold in fiscal year 2010 pursuant to Section 7.2 of the General Obligation Bond Act, less (i) the pro rata share of bond sale expenses determined by the System's share of total bond proceeds, (ii) any amounts received from the Common School Fund in fiscal year 2010, and (iii) any reduction in bond proceeds due to the issuance of discounted bonds, if applicable.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2011 is the amount recertified by the System on or before April 1, 2011 pursuant to subsection (a-1) of this Section and shall be made from the proceeds of bonds sold in fiscal year 2011 pursuant to Section 7.2 of the General Obligation Bond Act, less (i) the pro rata share of bond sale expenses determined by the System's share of total bond proceeds, (ii) any amounts received from the Common School Fund in fiscal year 2011, and (iii) any reduction in bond proceeds due to the issuance of discounted bonds, if applicable. This amount shall include, in addition to the amount certified by the System, an amount necessary to meet employer contributions required by the State as an employer under paragraph (e) of this Section, which may also be used by the System for contributions required by paragraph (a) of Section 16-127.

Beginning in State fiscal year 2045, the minimum State contribution for each fiscal year shall be the amount needed to maintain the total assets of the System at 100% of the total actuarial liabilities of the System.

Amounts received by the System pursuant to Section 25 of the Budget Stabilization Act or Section 8.12 of the State Finance Act in any fiscal year do not reduce and do not constitute payment of any portion of the minimum State contribution required under this Article in that fiscal year. Such amounts shall not reduce, and shall not be included in the calculation of, the required State contributions under this Article in any future year until the System has reached a funding ratio of at least 100%. A reference in this Article to the "required State contribution" or any substantially similar term does not include or apply to any amounts payable to the System under Section 25 of the Budget Stabilization Act.

Notwithstanding any other provision of this Section, the required State contribution for State fiscal year 2005 and for fiscal year 2008 and each fiscal year thereafter through State fiscal year 2014, as calculated under this Section and certified under subsection (a-1), shall not exceed an amount equal to (i) the amount of the required State contribution that would have been calculated under this Section for that fiscal year if the System had not received any payments under subsection (d) of Section 7.2 of the General Obligation Bond Act, minus (ii) the portion of the State's total debt service payments for that fiscal year on the bonds issued in fiscal year 2003 for the purposes of that Section 7.2, as determined and certified by the Comptroller, that is the same as the System's portion of the total moneys distributed under subsection (d) of Section 7.2 of the General Obligation Bond Act. In determining this maximum for State fiscal years 2008 through 2010, however, the amount referred to in item (i) shall be increased, as a percentage of the applicable employee payroll, in equal increments calculated from the sum of the required State contribution for State fiscal year 2007 plus the applicable portion of the State's total debt service payments for fiscal year 2007 on the bonds issued in fiscal year 2003 for the purposes of Section 7.2 of the General Obligation Bond Act, so that, by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

(c) Payment of the required State contributions and of all pensions, retirement annuities, death benefits, refunds, and other benefits granted under or assumed by this System, and all expenses in connection with the administration and operation thereof, are obligations of the State.

If members are paid from special trust or federal funds which are administered by the employing unit, whether school district or other unit, the employing unit shall pay to the System from such funds the full accruing retirement costs based upon that service, which, beginning July 1, 2016 ~~2014~~, shall be at a rate, expressed as a percentage of salary, equal to the total employer's ~~minimum contribution to the System to be made by the State for that fiscal year, including both~~ normal cost ~~and unfunded liability components~~, expressed as a percentage of payroll, as determined by the System ~~under subsection (b-3) of this Section~~. Employer contributions, based on salary paid to members from federal funds, may be forwarded by the

distributing agency of the State of Illinois to the System prior to allocation, in an amount determined in accordance with guidelines established by such agency and the System. Any contribution for fiscal year 2015 collected as a result of the change made by this amendatory Act of the 98th General Assembly shall be considered a State contribution under subsection (b-3) of this Section.

(d) Effective July 1, 1986, any employer of a teacher as defined in paragraph (8) of Section 16-106 shall pay the employer's normal cost of benefits based upon the teacher's service, in addition to employee contributions, as determined by the System. Such employer contributions shall be forwarded monthly in accordance with guidelines established by the System.

However, with respect to benefits granted under Section 16-133.4 or 16-133.5 to a teacher as defined in paragraph (8) of Section 16-106, the employer's contribution shall be 12% (rather than 20%) of the member's highest annual salary rate for each year of creditable service granted, and the employer shall also pay the required employee contribution on behalf of the teacher. For the purposes of Sections 16-133.4 and 16-133.5, a teacher as defined in paragraph (8) of Section 16-106 who is serving in that capacity while on leave of absence from another employer under this Article shall not be considered an employee of the employer from which the teacher is on leave.

(e) Beginning July 1, 1998, every employer of a teacher shall pay to the System an employer contribution computed as follows:

(1) Beginning July 1, 1998 through June 30, 1999, the employer contribution shall be equal to 0.3% of each teacher's salary.

(2) Beginning July 1, 1999 and thereafter, the employer contribution shall be equal to 0.58% of each teacher's salary.

The school district or other employing unit may pay these employer contributions out of any source of funding available for that purpose and shall forward the contributions to the System on the schedule established for the payment of member contributions.

These employer contributions are intended to offset a portion of the cost to the System of the increases in retirement benefits resulting from this amendatory Act of 1998.

Each employer of teachers is entitled to a credit against the contributions required under this subsection (e) with respect to salaries paid to teachers for the period January 1, 2002 through June 30, 2003, equal to the amount paid by that employer under subsection (a-5) of Section 6.6 of the State Employees Group Insurance Act of 1971 with respect to salaries paid to teachers for that period.

The additional 1% employee contribution required under Section 16-152 by this amendatory Act of 1998 is the responsibility of the teacher and not the teacher's employer, unless the employer agrees, through collective bargaining or otherwise, to make the contribution on behalf of the teacher.

If an employer is required by a contract in effect on May 1, 1998 between the employer and an employee organization to pay, on behalf of all its full-time employees covered by this Article, all mandatory employee contributions required under this Article, then the employer shall be excused from paying the employer contribution required under this subsection (e) for the balance of the term of that contract. The employer and the employee organization shall jointly certify to the System the existence of the contractual requirement, in such form as the System may prescribe. This exclusion shall cease upon the termination, extension, or renewal of the contract at any time after May 1, 1998.

(f) If the amount of a teacher's salary for any school year used to determine final average salary exceeds the member's annual full-time salary rate with the same employer for the previous school year by more than 6%, the teacher's employer shall pay to the System, in addition to all other payments required under this Section and in accordance with guidelines established by the System, the present value of the increase in benefits resulting from the portion of the increase in salary that is in excess of 6%. This present value shall be computed by the System on the basis of the actuarial assumptions and tables used in the most recent actuarial valuation of the System that is available at the time of the computation. If a teacher's salary for the 2005-2006 school year is used to determine final average salary under this subsection (f), then the changes made to this subsection (f) by Public Act 94-1057 shall apply in calculating whether the increase in his or her salary is in excess of 6%. For the purposes of this Section, change in employment under Section 10-21.12 of the School Code on or after June 1, 2005 shall constitute a change in employer. The System may require the employer to provide any pertinent information or documentation. The changes made to this subsection (f) by this amendatory Act of the 94th General Assembly apply without regard to whether the teacher was in service on or after its effective date.

Whenever it determines that a payment is or may be required under this subsection, the System shall calculate the amount of the payment and bill the employer for that amount. The bill shall specify the calculations used to determine the amount due. If the employer disputes the amount of the bill, it may, within 30 days after receipt of the bill, apply to the System in writing for a recalculation. The application must specify in detail the grounds of the dispute and, if the employer asserts that the calculation is subject

to subsection (g) or (h) of this Section, must include an affidavit setting forth and attesting to all facts within the employer's knowledge that are pertinent to the applicability of that subsection. Upon receiving a timely application for recalculation, the System shall review the application and, if appropriate, recalculate the amount due.

The employer contributions required under this subsection (f) may be paid in the form of a lump sum within 90 days after receipt of the bill. If the employer contributions are not paid within 90 days after receipt of the bill, then interest will be charged at a rate equal to the System's annual actuarially assumed rate of return on investment compounded annually from the 91st day after receipt of the bill. Payments must be concluded within 3 years after the employer's receipt of the bill.

(g) This subsection (g) applies only to payments made or salary increases given on or after June 1, 2005 but before July 1, 2011. The changes made by Public Act 94-1057 shall not require the System to refund any payments received before July 31, 2006 (the effective date of Public Act 94-1057).

When assessing payment for any amount due under subsection (f), the System shall exclude salary increases paid to teachers under contracts or collective bargaining agreements entered into, amended, or renewed before June 1, 2005.

When assessing payment for any amount due under subsection (f), the System shall exclude salary increases paid to a teacher at a time when the teacher is 10 or more years from retirement eligibility under Section 16-132 or 16-133.2.

When assessing payment for any amount due under subsection (f), the System shall exclude salary increases resulting from overload work, including summer school, when the school district has certified to the System, and the System has approved the certification, that (i) the overload work is for the sole purpose of classroom instruction in excess of the standard number of classes for a full-time teacher in a school district during a school year and (ii) the salary increases are equal to or less than the rate of pay for classroom instruction computed on the teacher's current salary and work schedule.

When assessing payment for any amount due under subsection (f), the System shall exclude a salary increase resulting from a promotion (i) for which the employee is required to hold a certificate or supervisory endorsement issued by the State Teacher Certification Board that is a different certification or supervisory endorsement than is required for the teacher's previous position and (ii) to a position that has existed and been filled by a member for no less than one complete academic year and the salary increase from the promotion is an increase that results in an amount no greater than the lesser of the average salary paid for other similar positions in the district requiring the same certification or the amount stipulated in the collective bargaining agreement for a similar position requiring the same certification.

When assessing payment for any amount due under subsection (f), the System shall exclude any payment to the teacher from the State of Illinois or the State Board of Education over which the employer does not have discretion, notwithstanding that the payment is included in the computation of final average salary.

(h) When assessing payment for any amount due under subsection (f), the System shall exclude any salary increase described in subsection (g) of this Section given on or after July 1, 2011 but before July 1, 2014 under a contract or collective bargaining agreement entered into, amended, or renewed on or after June 1, 2005 but before July 1, 2011. Notwithstanding any other provision of this Section, any payments made or salary increases given after June 30, 2014 shall be used in assessing payment for any amount due under subsection (f) of this Section.

(i) The System shall prepare a report and file copies of the report with the Governor and the General Assembly by January 1, 2007 that contains all of the following information:

(1) The number of recalculations required by the changes made to this Section by Public Act 94-1057 for each employer.

(2) The dollar amount by which each employer's contribution to the System was changed due to recalculations required by Public Act 94-1057.

(3) The total amount the System received from each employer as a result of the changes made to this Section by Public Act 94-4.

(4) The increase in the required State contribution resulting from the changes made to this Section by Public Act 94-1057.

(j) For purposes of determining the required State contribution to the System, the value of the System's assets shall be equal to the actuarial value of the System's assets, which shall be calculated as follows:

As of June 30, 2008, the actuarial value of the System's assets shall be equal to the market value of the assets as of that date. In determining the actuarial value of the System's assets for fiscal years after June 30, 2008, any actuarial gains or losses from investment return incurred in a fiscal year shall be recognized in equal annual amounts over the 5-year period following that fiscal year.

(k) For purposes of determining the required State contribution to the system for a particular year, the actuarial value of assets shall be assumed to earn a rate of return equal to the system's actuarially assumed rate of return.
(Source: P.A. 97-694, eff. 6-18-12; 97-813, eff. 7-13-12; 98-599, eff. 6-1-14; 98-674, eff. 6-30-14.)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional)

Sec. 16-158. Contributions by State and other employing units.

(a) The State shall make contributions to the System by means of appropriations from the Common School Fund and other State funds of amounts which, together with other employer contributions, employee contributions, investment income, and other income, will be sufficient to meet the cost of maintaining and administering the System on a 90% funded basis in accordance with actuarial recommendations.

The Board shall determine the amount of State contributions required for each fiscal year on the basis of the actuarial tables and other assumptions adopted by the Board and the recommendations of the actuary, using the formula in subsection (b-3).

(a-1) Annually, on or before November 15 until November 15, 2011, the Board shall certify to the Governor the amount of the required State contribution for the coming fiscal year. The certification under this subsection (a-1) shall include a copy of the actuarial recommendations upon which it is based and shall specifically identify the System's projected State normal cost for that fiscal year.

On or before May 1, 2004, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2005, taking into account the amounts appropriated to and received by the System under subsection (d) of Section 7.2 of the General Obligation Bond Act.

On or before July 1, 2005, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2006, taking into account the changes in required State contributions made by this amendatory Act of the 94th General Assembly.

On or before April 1, 2011, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2011, applying the changes made by Public Act 96-889 to the System's assets and liabilities as of June 30, 2009 as though Public Act 96-889 was approved on that date.

(a-5) On or before November 1 of each year, beginning November 1, 2012, the Board shall submit to the State Actuary, the Governor, and the General Assembly a proposed certification of the amount of the required State contribution to the System for the next fiscal year, along with all of the actuarial assumptions, calculations, and data upon which that proposed certification is based. On or before January 1 of each year, beginning January 1, 2013, the State Actuary shall issue a preliminary report concerning the proposed certification and identifying, if necessary, recommended changes in actuarial assumptions that the Board must consider before finalizing its certification of the required State contributions. On or before January 15, 2013 and each January 15 thereafter, the Board shall certify to the Governor and the General Assembly the amount of the required State contribution for the next fiscal year. The Board's certification must note any deviations from the State Actuary's recommended changes, the reason or reasons for not following the State Actuary's recommended changes, and the fiscal impact of not following the State Actuary's recommended changes on the required State contribution.

(b) Through State fiscal year 1995, the State contributions shall be paid to the System in accordance with Section 18-7 of the School Code.

(b-1) Beginning in State fiscal year 1996, on the 15th day of each month, or as soon thereafter as may be practicable, the Board shall submit vouchers for payment of State contributions to the System, in a total monthly amount of one-twelfth of the required annual State contribution certified under subsection (a-1). From the effective date of this amendatory Act of the 93rd General Assembly through June 30, 2004, the Board shall not submit vouchers for the remainder of fiscal year 2004 in excess of the fiscal year 2004 certified contribution amount determined under this Section after taking into consideration the transfer to the System under subsection (a) of Section 6z-61 of the State Finance Act. These vouchers shall be paid by the State Comptroller and Treasurer by warrants drawn on the funds appropriated to the System for that fiscal year.

If in any month the amount remaining unexpended from all other appropriations to the System for the applicable fiscal year (including the appropriations to the System under Section 8.12 of the State Finance Act and Section 1 of the State Pension Funds Continuing Appropriation Act) is less than the amount lawfully vouchered under this subsection, the difference shall be paid from the Common School Fund under the continuing appropriation authority provided in Section 1.1 of the State Pension Funds Continuing Appropriation Act.

(b-2) Allocations from the Common School Fund apportioned to school districts not coming under this System shall not be diminished or affected by the provisions of this Article.

(b-3) For State fiscal years 2012 through 2045, the minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2045. In making these determinations, the required State contribution shall be calculated each year as a level percentage of payroll over the years remaining to and including fiscal year 2045 and shall be determined under the projected unit credit actuarial cost method.

For State fiscal years 1996 through 2005, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments so that by State fiscal year 2011, the State is contributing at the rate required under this Section; except that in the following specified State fiscal years, the State contribution to the System shall not be less than the following indicated percentages of the applicable employee payroll, even if the indicated percentage will produce a State contribution in excess of the amount otherwise required under this subsection and subsection (a), and notwithstanding any contrary certification made under subsection (a-1) before the effective date of this amendatory Act of 1998: 10.02% in FY 1999; 10.77% in FY 2000; 11.47% in FY 2001; 12.16% in FY 2002; 12.86% in FY 2003; and 13.56% in FY 2004.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2006 is $534,627,700.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2007 is $738,014,500.

For each of State fiscal years 2008 through 2009, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments from the required State contribution for State fiscal year 2007, so that by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2010 is $2,089,268,000 and shall be made from the proceeds of bonds sold in fiscal year 2010 pursuant to Section 7.2 of the General Obligation Bond Act, less (i) the pro rata share of bond sale expenses determined by the System's share of total bond proceeds, (ii) any amounts received from the Common School Fund in fiscal year 2010, and (iii) any reduction in bond proceeds due to the issuance of discounted bonds, if applicable.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2011 is the amount recertified by the System on or before April 1, 2011 pursuant to subsection (a-1) of this Section and shall be made from the proceeds of bonds sold in fiscal year 2011 pursuant to Section 7.2 of the General Obligation Bond Act, less (i) the pro rata share of bond sale expenses determined by the System's share of total bond proceeds, (ii) any amounts received from the Common School Fund in fiscal year 2011, and (iii) any reduction in bond proceeds due to the issuance of discounted bonds, if applicable. This amount shall include, in addition to the amount certified by the System, an amount necessary to meet employer contributions required by the State as an employer under paragraph (e) of this Section, which may also be used by the System for contributions required by paragraph (a) of Section 16-127.

Beginning in State fiscal year 2046, the minimum State contribution for each fiscal year shall be the amount needed to maintain the total assets of the System at 90% of the total actuarial liabilities of the System.

Amounts received by the System pursuant to Section 25 of the Budget Stabilization Act or Section 8.12 of the State Finance Act in any fiscal year do not reduce and do not constitute payment of any portion of the minimum State contribution required under this Article in that fiscal year. Such amounts shall not reduce, and shall not be included in the calculation of, the required State contributions under this Article in any future year until the System has reached a funding ratio of at least 90%. A reference in this Article to the "required State contribution" or any substantially similar term does not include or apply to any amounts payable to the System under Section 25 of the Budget Stabilization Act.

Notwithstanding any other provision of this Section, the required State contribution for State fiscal year 2005 and for fiscal year 2008 and each fiscal year thereafter, as calculated under this Section and certified under subsection (a-1), shall not exceed an amount equal to (i) the amount of the required State contribution that would have been calculated under this Section for that fiscal year if the System had not received any payments under subsection (d) of Section 7.2 of the General Obligation Bond Act, minus (ii) the portion of the State's total debt service payments for that fiscal year on the bonds issued in fiscal year 2003 for the purposes of that Section 7.2, as determined and certified by the Comptroller, that is the same as the System's portion of the total moneys distributed under subsection (d) of Section 7.2 of the General

Obligation Bond Act. In determining this maximum for State fiscal years 2008 through 2010, however, the amount referred to in item (i) shall be increased, as a percentage of the applicable employee payroll, in equal increments calculated from the sum of the required State contribution for State fiscal year 2007 plus the applicable portion of the State's total debt service payments for fiscal year 2007 on the bonds issued in fiscal year 2003 for the purposes of Section 7.2 of the General Obligation Bond Act, so that, by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

(c) Payment of the required State contributions and of all pensions, retirement annuities, death benefits, refunds, and other benefits granted under or assumed by this System, and all expenses in connection with the administration and operation thereof, are obligations of the State.

If members are paid from special trust or federal funds which are administered by the employing unit, whether school district or other unit, the employing unit shall pay to the System from such funds the full accruing retirement costs based upon that service, which, beginning July 1, 2016 ~~2014~~, shall be at a rate, expressed as a percentage of salary, equal to the total employer's ~~minimum contribution to the System to be made by the State for that fiscal year, including both~~ normal cost ~~and unfunded liability components~~, expressed as a percentage of payroll, as determined by the System ~~under subsection (b-3) of this Section~~. Employer contributions, based on salary paid to members from federal funds, may be forwarded by the distributing agency of the State of Illinois to the System prior to allocation, in an amount determined in accordance with guidelines established by such agency and the System. Any contribution for fiscal year 2015 collected as a result of the change made by this amendatory Act of the 98th General Assembly shall be considered a State contribution under subsection (b-3) of this Section.

(d) Effective July 1, 1986, any employer of a teacher as defined in paragraph (8) of Section 16-106 shall pay the employer's normal cost of benefits based upon the teacher's service, in addition to employee contributions, as determined by the System. Such employer contributions shall be forwarded monthly in accordance with guidelines established by the System.

However, with respect to benefits granted under Section 16-133.4 or 16-133.5 to a teacher as defined in paragraph (8) of Section 16-106, the employer's contribution shall be 12% (rather than 20%) of the member's highest annual salary rate for each year of creditable service granted, and the employer shall also pay the required employee contribution on behalf of the teacher. For the purposes of Sections 16-133.4 and 16-133.5, a teacher as defined in paragraph (8) of Section 16-106 who is serving in that capacity while on leave of absence from another employer under this Article shall not be considered an employee of the employer from which the teacher is on leave.

(e) Beginning July 1, 1998, every employer of a teacher shall pay to the System an employer contribution computed as follows:

(1) Beginning July 1, 1998 through June 30, 1999, the employer contribution shall be equal to 0.3% of each teacher's salary.

(2) Beginning July 1, 1999 and thereafter, the employer contribution shall be equal to 0.58% of each teacher's salary.

The school district or other employing unit may pay these employer contributions out of any source of funding available for that purpose and shall forward the contributions to the System on the schedule established for the payment of member contributions.

These employer contributions are intended to offset a portion of the cost to the System of the increases in retirement benefits resulting from this amendatory Act of 1998.

Each employer of teachers is entitled to a credit against the contributions required under this subsection (e) with respect to salaries paid to teachers for the period January 1, 2002 through June 30, 2003, equal to the amount paid by that employer under subsection (a-5) of Section 6.6 of the State Employees Group Insurance Act of 1971 with respect to salaries paid to teachers for that period.

The additional 1% employee contribution required under Section 16-152 by this amendatory Act of 1998 is the responsibility of the teacher and not the teacher's employer, unless the employer agrees, through collective bargaining or otherwise, to make the contribution on behalf of the teacher.

If an employer is required by a contract in effect on May 1, 1998 between the employer and an employee organization to pay, on behalf of all its full-time employees covered by this Article, all mandatory employee contributions required under this Article, then the employer shall be excused from paying the employer contribution required under this subsection (e) for the balance of the term of that contract. The employer and the employee organization shall jointly certify to the System the existence of the contractual requirement, in such form as the System may prescribe. This exclusion shall cease upon the termination, extension, or renewal of the contract at any time after May 1, 1998.

(f) If the amount of a teacher's salary for any school year used to determine final average salary exceeds the member's annual full-time salary rate with the same employer for the previous school year by more than 6%, the teacher's employer shall pay to the System, in addition to all other payments required under

this Section and in accordance with guidelines established by the System, the present value of the increase in benefits resulting from the portion of the increase in salary that is in excess of 6%. This present value shall be computed by the System on the basis of the actuarial assumptions and tables used in the most recent actuarial valuation of the System that is available at the time of the computation. If a teacher's salary for the 2005-2006 school year is used to determine final average salary under this subsection (f), then the changes made to this subsection (f) by Public Act 94-1057 shall apply in calculating whether the increase in his or her salary is in excess of 6%. For the purposes of this Section, change in employment under Section 10-21.12 of the School Code on or after June 1, 2005 shall constitute a change in employer. The System may require the employer to provide any pertinent information or documentation. The changes made to this subsection (f) by this amendatory Act of the 94th General Assembly apply without regard to whether the teacher was in service on or after its effective date.

Whenever it determines that a payment is or may be required under this subsection, the System shall calculate the amount of the payment and bill the employer for that amount. The bill shall specify the calculations used to determine the amount due. If the employer disputes the amount of the bill, it may, within 30 days after receipt of the bill, apply to the System in writing for a recalculation. The application must specify in detail the grounds of the dispute and, if the employer asserts that the calculation is subject to subsection (g) or (h) of this Section, must include an affidavit setting forth and attesting to all facts within the employer's knowledge that are pertinent to the applicability of that subsection. Upon receiving a timely application for recalculation, the System shall review the application and, if appropriate, recalculate the amount due.

The employer contributions required under this subsection (f) may be paid in the form of a lump sum within 90 days after receipt of the bill. If the employer contributions are not paid within 90 days after receipt of the bill, then interest will be charged at a rate equal to the System's annual actuarially assumed rate of return on investment compounded annually from the 91st day after receipt of the bill. Payments must be concluded within 3 years after the employer's receipt of the bill.

(g) This subsection (g) applies only to payments made or salary increases given on or after June 1, 2005 but before July 1, 2011. The changes made by Public Act 94-1057 shall not require the System to refund any payments received before July 31, 2006 (the effective date of Public Act 94-1057).

When assessing payment for any amount due under subsection (f), the System shall exclude salary increases paid to teachers under contracts or collective bargaining agreements entered into, amended, or renewed before June 1, 2005.

When assessing payment for any amount due under subsection (f), the System shall exclude salary increases paid to a teacher at a time when the teacher is 10 or more years from retirement eligibility under Section 16-132 or 16-133.2.

When assessing payment for any amount due under subsection (f), the System shall exclude salary increases resulting from overload work, including summer school, when the school district has certified to the System, and the System has approved the certification, that (i) the overload work is for the sole purpose of classroom instruction in excess of the standard number of classes for a full-time teacher in a school district during a school year and (ii) the salary increases are equal to or less than the rate of pay for classroom instruction computed on the teacher's current salary and work schedule.

When assessing payment for any amount due under subsection (f), the System shall exclude a salary increase resulting from a promotion (i) for which the employee is required to hold a certificate or supervisory endorsement issued by the State Teacher Certification Board that is a different certification or supervisory endorsement than is required for the teacher's previous position and (ii) to a position that has existed and been filled by a member for no less than one complete academic year and the salary increase from the promotion is an increase that results in an amount no greater than the lesser of the average salary paid for other similar positions in the district requiring the same certification or the amount stipulated in the collective bargaining agreement for a similar position requiring the same certification.

When assessing payment for any amount due under subsection (f), the System shall exclude any payment to the teacher from the State of Illinois or the State Board of Education over which the employer does not have discretion, notwithstanding that the payment is included in the computation of final average salary.

(h) When assessing payment for any amount due under subsection (f), the System shall exclude any salary increase described in subsection (g) of this Section given on or after July 1, 2011 but before July 1, 2014 under a contract or collective bargaining agreement entered into, amended, or renewed on or after June 1, 2005 but before July 1, 2011. Notwithstanding any other provision of this Section, any payments made or salary increases given after June 30, 2014 shall be used in assessing payment for any amount due under subsection (f) of this Section.

(i) The System shall prepare a report and file copies of the report with the Governor and the General Assembly by January 1, 2007 that contains all of the following information:

(1) The number of recalculations required by the changes made to this Section by Public Act 94-1057 for each employer.

(2) The dollar amount by which each employer's contribution to the System was changed due to recalculations required by Public Act 94-1057.

(3) The total amount the System received from each employer as a result of the changes made to this Section by Public Act 94-4.

(4) The increase in the required State contribution resulting from the changes made to this Section by Public Act 94-1057.

(j) For purposes of determining the required State contribution to the System, the value of the System's assets shall be equal to the actuarial value of the System's assets, which shall be calculated as follows:

As of June 30, 2008, the actuarial value of the System's assets shall be equal to the market value of the assets as of that date. In determining the actuarial value of the System's assets for fiscal years after June 30, 2008, any actuarial gains or losses from investment return incurred in a fiscal year shall be recognized in equal annual amounts over the 5-year period following that fiscal year.

(k) For purposes of determining the required State contribution to the system for a particular year, the actuarial value of assets shall be assumed to earn a rate of return equal to the system's actuarially assumed rate of return.

(Source: P.A. 96-43, eff. 7-15-09; 96-1497, eff. 1-14-11; 96-1511, eff. 1-27-11; 96-1554, eff. 3-18-11; 97-694, eff. 6-18-12; 97-813, eff. 7-13-12; 98-674, eff. 6-30-14.)

(40 ILCS 5/17-127) (from Ch. 108 1/2, par. 17-127)

Sec. 17-127. Financing; revenues for the Fund.

(a) The revenues for the Fund shall consist of: (1) amounts paid into the Fund by contributors thereto and from employer contributions and State appropriations in accordance with this Article; (2) amounts contributed to the Fund by an Employer; (3) amounts contributed to the Fund pursuant to any law now in force or hereafter to be enacted; (4) contributions from any other source; and (5) the earnings on investments.

(b) The General Assembly finds that for many years the State has contributed to the Fund an annual amount that is between 20% and 30% of the amount of the annual State contribution to the Article 16 retirement system, and the General Assembly declares that it is its goal and intention to continue this level of contribution to the Fund in the future.

(c) Beginning in State fiscal year 1999, the State shall include in its annual contribution to the Fund an additional amount equal to 0.544% of the Fund's total teacher payroll; except that this additional contribution need not be made in a fiscal year if the Board has certified in the previous fiscal year that the Fund is at least 90% funded, based on actuarial determinations. These additional State contributions are intended to offset a portion of the cost to the Fund of the increases in retirement benefits resulting from this amendatory Act of 1998.

(d) In addition to any other contribution required under this Article, including the contribution required under subsection (c), for State fiscal year 2017, the State shall contribute $205,404,986 to the Fund.

(Source: P.A. 90-548, eff. 12-4-97; 90-566, eff. 1-2-98; 90-582, eff. 5-27-98; 90-655, eff. 7-30-98.)

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

(50 ILCS 470/33)

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

(a) The STAR Bonds School Improvement and Operations Trust Fund is created as a trust fund in the State treasury. Deposits into the Trust Fund shall be made as provided under this Section. Moneys in the Trust Fund shall be used by the Department of Revenue only for the purpose of making payments to school districts in educational service regions that include or are adjacent to the STAR bond district. Moneys in the Trust Fund are not subject to appropriation and shall be used solely as provided in this Section. All deposits into the Trust Fund shall be held in the Trust Fund by the State Treasurer as ex officio custodian separate and apart from all public moneys or funds of this State and shall be administered by the Department exclusively for the purposes set forth in this Section. All moneys in the Trust Fund shall be invested and reinvested by the State Treasurer. All interest accruing from these investments shall be deposited in the Trust Fund.

(b) Upon approval of a STAR bond district, the political subdivision shall immediately transmit to the county clerk of the county in which the district is located a certified copy of the ordinance creating the district, a legal description of the district, a map of the district, identification of the year that the county

clerk shall use for determining the total initial equalized assessed value of the district consistent with subsection (c), and a list of the parcel or tax identification number of each parcel of property included in the district.

(c) Upon approval of a STAR bond district, the county clerk immediately thereafter shall determine (i) the most recently ascertained equalized assessed value of each lot, block, tract, or parcel of real property within the STAR bond district, from which shall be deducted the homestead exemptions under Article 15 of the Property Tax Code, which value shall be the initial equalized assessed value of each such piece of property, and (ii) the total equalized assessed value of all taxable real property within the district by adding together the most recently ascertained equalized assessed value of each taxable lot, block, tract, or parcel of real property within the district, from which shall be deducted the homestead exemptions under Article 15 of the Property Tax Code, and shall certify that amount as the total initial equalized assessed value of the taxable real property within the STAR bond district.

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

(e) The county clerk or other person authorized by law shall compute the tax rates for each taxing district with all or a portion of its equalized assessed value located in the STAR bond district. The rate per cent of tax determined shall be extended to the current equalized assessed value of all property in the district in the same manner as the rate per cent of tax is extended to all other taxable property in the taxing district.

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

(g) Beginning with the year in which taxes are collected based on the assessment year in which the first destination user in the first STAR bond project in a STAR bond district makes its first retail sales and for each year thereafter until final maturity of the last STAR bonds issued in the district, the county collector shall, within 30 days after receipt of property taxes, transmit to the Department to be deposited into the STAR Bonds School Improvement and Operations Trust Fund 15% of property taxes attributable to the increase in equalized assessed value within the STAR bond district from each taxing district as certified in subsection (f).

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

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

(i) In any year that an assessment appeal is filed, the extension of taxes on any assessment so appealed shall not be delayed. In the case of an assessment that is altered, any taxes extended upon the unauthorized assessment or part thereof shall be abated, or, if already paid, shall be refunded with interest as provided in Section 23-20 of the Property Tax Code. In the case of an assessment appeal, the county collector shall

notify the Department that an assessment appeal has been filed and the amount of the tax that would have been deposited in the STAR Bonds School Improvement and Operations Trust Fund. The county collector shall hold that amount in a separate fund until the appeal process is final. After the appeal process is finalized, the county collector shall transmit to the Department the amount of tax that remains, if any, after all required refunds are made. The Department shall pay any amount deposited into the Trust Fund under this Section in the same proportion as determined for payments for that taxable year under subsection (h).

(j) In any year that ad valorem taxes are allocated to the STAR Bonds School Improvement and Operations Trust Fund, that allocation shall not reduce or otherwise impact the school aid provided to any school district under the general State school aid formula provided for in Section 18-8.05 of the School Code or the primary State aid formula provided for in Section 18-8.15 of the School Code.
(Source: P.A. 96-939, eff. 6-24-10.)

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

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

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

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

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

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

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

When the economic development project costs, including without limitation all county obligations financing economic development project costs incurred under this Act, have been paid, all surplus funds

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

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

Nothing in this Section shall be construed as relieving property in economic development project areas from being assessed as provided in the Property Tax Code or as relieving owners of that property from paying a uniform rate of taxes, as required by Section 4 of Article IX of the Illinois Constitution of 1970. (Source: P.A. 98-463, eff. 8-16-13.)

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

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

Sec. 50. Special tax allocation fund.

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

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

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

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

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

(d) Upon the payment of all economic development project costs, retirement of obligations, and distribution of any excess monies under this Section, the county shall adopt an ordinance dissolving the special tax allocation fund for the economic development project area and terminating the designation of

the economic development project area as an economic development project area. Thereafter, the rates of the taxing districts shall be extended and taxes shall be levied, collected, and distributed in the manner applicable in the absence of the adoption of tax increment allocation financing.

(e) Nothing in this Section shall be construed as relieving property in the economic development project areas from being assessed as provided in the Property Tax Code or as relieving owners of that property from paying a uniform rate of taxes as required by Section 4 of Article IX of the Illinois Constitution.
(Source: P.A. 98-463, eff. 8-16-13.)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(I) Excessive land coverage and overcrowding of structures and community facilities.

The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service.

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

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

(L) Lack of community planning. The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

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

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

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

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

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

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

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

(F) The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality

for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated.

(3) If vacant, the sound growth of the redevelopment project area is impaired by one of the following factors that (i) is present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) is reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains:

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

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

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

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

(E) Prior to November 1, 1999, the area is not less than 50 nor more than 100 acres and 75% of which is vacant (notwithstanding that the area has been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area), and the area meets at least one of the factors itemized in paragraph (1) of this subsection, the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.

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

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

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

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

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

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

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

(5) Illegal use of individual structures. The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

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

(7) Lack of ventilation, light, or sanitary facilities. The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence or inadequacy of skylights or windows for interior spaces or rooms and improper

window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

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

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

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

(11) Lack of community planning. The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

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

(13) The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years for which information is available.

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

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

(e) "Labor surplus municipality" means a municipality in which, at any time during the 6 months before the municipality by ordinance designates an industrial park conservation area, the unemployment rate was over 6% and was also 100% or more of the national average unemployment rate for that same time as published in the United States Department of Labor Bureau of Labor Statistics publication entitled "The Employment Situation" or its successor publication. For the purpose of this subsection, if unemployment rate statistics for the municipality are not available, the unemployment rate in the municipality shall be

deemed to be the same as the unemployment rate in the principal county in which the municipality is located.

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

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

(g-1) "Revised Initial Sales Tax Amounts" means the amount of taxes paid under the Retailers' Occupation Tax Act, Use Tax Act, Service Use Tax Act, the Service Occupation Tax Act, the Municipal Retailers' Occupation Tax Act, and the Municipal Service Occupation Tax Act by retailers and servicemen on transactions at places located within the State Sales Tax Boundary revised pursuant to Section 11-74.4-8a(9) of this Act.

(h) "Municipal Sales Tax Increment" means an amount equal to the increase in the aggregate amount of taxes paid to a municipality from the Local Government Tax Fund arising from sales by retailers and servicemen within the redevelopment project area or State Sales Tax Boundary, as the case may be, for as long as the redevelopment project area or State Sales Tax Boundary, as the case may be, exist over and above the aggregate amount of taxes as certified by the Illinois Department of Revenue and paid under the Municipal Retailers' Occupation Tax Act and the Municipal Service Occupation Tax Act by retailers and servicemen, on transactions at places of business located in the redevelopment project area or State Sales Tax Boundary, as the case may be, during the base year which shall be the calendar year immediately prior to the year in which the municipality adopted tax increment allocation financing. For purposes of computing the aggregate amount of such taxes for base years occurring prior to 1985, the Department of Revenue shall determine the Initial Sales Tax Amounts for such taxes and deduct therefrom an amount equal to 4% of the aggregate amount of taxes per year for each year the base year is prior to 1985, but not to exceed a total deduction of 12%. The amount so determined shall be known as the "Adjusted Initial Sales Tax Amounts". For purposes of determining the Municipal Sales Tax Increment, the Department of Revenue shall for each period subtract from the amount paid to the municipality from the Local Government Tax Fund arising from sales by retailers and servicemen on transactions located in the redevelopment project area or the State Sales Tax Boundary, as the case may be, the certified Initial Sales Tax Amounts, the Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts for the Municipal Retailers' Occupation Tax Act and the Municipal Service Occupation Tax Act. For the State Fiscal Year 1989, this calculation shall be made by utilizing the calendar year 1987 to determine the tax amounts received. For the State Fiscal Year 1990, this calculation shall be made by utilizing the period from January 1, 1988, until September 30, 1988, to determine the tax amounts received from retailers and servicemen pursuant to the Municipal Retailers' Occupation Tax and the Municipal Service Occupation Tax Act, which shall have deducted therefrom nine-twelfths of the certified Initial Sales Tax Amounts, the Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For the State Fiscal Year 1991, this calculation shall be made by utilizing the period from October 1, 1988, to June 30, 1989, to determine the tax amounts received from retailers and servicemen pursuant to the Municipal Retailers' Occupation Tax and the Municipal Service Occupation Tax Act which shall have deducted therefrom nine-twelfths of the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For every State Fiscal Year thereafter, the applicable period shall be the 12 months beginning July 1 and ending June 30 to determine the tax amounts received which shall have deducted therefrom the certified Initial Sales Tax Amounts, the Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts, as the case may be.

(i) "Net State Sales Tax Increment" means the sum of the following: (a) 80% of the first $100,000 of State Sales Tax Increment annually generated within a State Sales Tax Boundary; (b) 60% of the amount in excess of $100,000 but not exceeding $500,000 of State Sales Tax Increment annually generated within a State Sales Tax Boundary; and (c) 40% of all amounts in excess of $500,000 of State Sales Tax Increment annually generated within a State Sales Tax Boundary. If, however, a municipality established a tax increment financing district in a county with a population in excess of 3,000,000 before January 1, 1986, and the municipality entered into a contract or issued bonds after January 1, 1986, but before December 31, 1986, to finance redevelopment project costs within a State Sales Tax Boundary, then the Net State Sales Tax Increment means, for the fiscal years beginning July 1, 1990, and July 1, 1991, 100% of the State Sales Tax Increment annually generated within a State Sales Tax Boundary; and notwithstanding any other provision of this Act, for those fiscal years the Department of Revenue shall distribute to those municipalities 100% of their Net State Sales Tax Increment before any distribution to any other

municipality and regardless of whether or not those other municipalities will receive 100% of their Net State Sales Tax Increment. For Fiscal Year 1999, and every year thereafter until the year 2007, for any municipality that has not entered into a contract or has not issued bonds prior to June 1, 1988 to finance redevelopment project costs within a State Sales Tax Boundary, the Net State Sales Tax Increment shall be calculated as follows: By multiplying the Net State Sales Tax Increment by 90% in the State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70% in the State Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the State Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No payment shall be made for State Fiscal Year 2008 and thereafter.

Municipalities that issued bonds in connection with a redevelopment project in a redevelopment project area within the State Sales Tax Boundary prior to July 29, 1991, or that entered into contracts in connection with a redevelopment project in a redevelopment project area before June 1, 1988, shall continue to receive their proportional share of the Illinois Tax Increment Fund distribution until the date on which the redevelopment project is completed or terminated. If, however, a municipality that issued bonds in connection with a redevelopment project in a redevelopment project area within the State Sales Tax Boundary prior to July 29, 1991 retires the bonds prior to June 30, 2007 or a municipality that entered into contracts in connection with a redevelopment project in a redevelopment project area before June 1, 1988 completes the contracts prior to June 30, 2007, then so long as the redevelopment project is not completed or is not terminated, the Net State Sales Tax Increment shall be calculated, beginning on the date on which the bonds are retired or the contracts are completed, as follows: By multiplying the Net State Sales Tax Increment by 60% in the State Fiscal Year 2002; 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the State Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No payment shall be made for State Fiscal Year 2008 and thereafter. Refunding of any bonds issued prior to July 29, 1991, shall not alter the Net State Sales Tax Increment.

(j) "State Utility Tax Increment Amount" means an amount equal to the aggregate increase in State electric and gas tax charges imposed on owners and tenants, other than residential customers, of properties located within the redevelopment project area under Section 9-222 of the Public Utilities Act, over and above the aggregate of such charges as certified by the Department of Revenue and paid by owners and tenants, other than residential customers, of properties within the redevelopment project area during the base year, which shall be the calendar year immediately prior to the year of the adoption of the ordinance authorizing tax increment allocation financing.

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

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

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

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

allocation financing to the time the current equalized value of real property in the redevelopment project area exceeds the total initial equalized value of real property in said area.

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

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

(B) evidence indicating that the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise;

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

(D) the sources of funds to pay costs;

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

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

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

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

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

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

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

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

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

(3) The redevelopment plan establishes the estimated dates of completion of the redevelopment project and retirement of obligations issued to finance redevelopment project costs. Those dates may not be later than the dates set forth under Section 11-74.4-3.5.

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

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

(4) If any incremental revenues are being utilized under Section 8(a)(1) or 8(a)(2) of

this Act in redevelopment project areas approved by ordinance after January 1, 1986, the municipality finds: (a) that the redevelopment project area would not reasonably be developed without the use of such incremental revenues, and (b) that such incremental revenues will be exclusively utilized for the development of the redevelopment project area.

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

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

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

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

(7) On and after November 1, 1999, no redevelopment plan shall be adopted, nor an existing plan amended, nor shall residential housing that is occupied by households of low-income and very low-income persons in currently existing redevelopment project areas be removed after November 1, 1999 unless the redevelopment plan provides, with respect to inhabited housing units that are to be removed for households of low-income and very low-income persons, affordable housing and relocation assistance not less than that which would be provided under the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the regulations under that Act, including the eligibility criteria. Affordable housing may be either existing or newly constructed housing. For purposes of this paragraph (7), "low-income households", "very low-income households", and "affordable housing" have the meanings set forth in the Illinois Affordable Housing Act. The municipality shall make a good faith effort to ensure that this affordable housing is located in or near the redevelopment project area within the municipality.

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

(9) For redevelopment project areas designated prior to November 1, 1999, the redevelopment plan may be amended without further joint review board meeting or hearing, provided that the municipality shall give notice of any such changes by mail to each affected taxing district and registrant on the interested party registry, to authorize the municipality to expend tax increment revenues for redevelopment project costs defined by paragraphs (5) and (7.5), subparagraphs (E) and (F) of paragraph (11), and paragraph (11.5) of subsection (q) of Section 11-74.4-3, so long as the changes do not increase the total estimated redevelopment project costs set out in the redevelopment plan by more than 5% after adjustment for inflation from the date the plan was adopted.

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

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

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

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

(1) Costs of studies, surveys, development of plans, and specifications, implementation and administration of the redevelopment plan including but not limited to staff and professional service costs for architectural, engineering, legal, financial, planning or other services, provided however that no charges for professional services may be based on a percentage of the tax increment collected; except that on and after November 1, 1999 (the effective date of Public Act 91-478), no contracts for professional services, excluding architectural and engineering services, may be entered into if the terms of the contract extend beyond a period of 3 years. In addition, "redevelopment project costs" shall not include lobbying expenses. After consultation with the municipality, each tax increment consultant or advisor to a municipality that plans to designate or has designated a redevelopment project area shall inform the municipality in writing of any contracts that the consultant or advisor has entered into with entities or individuals that have received, or are receiving, payments financed by tax increment revenues produced by the redevelopment project area with respect to which the consultant or advisor has performed, or will be performing, service for the municipality. This requirement shall be satisfied by the consultant or advisor before the commencement of services for the municipality and thereafter whenever any other contracts with those individuals or entities are executed by the consultant or advisor;

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

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

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

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

(4) Costs of the construction of public works or improvements, including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification, except that on and after November 1, 1999, redevelopment project costs shall not include the cost of constructing a new municipal public building principally used to provide offices, storage space, or conference facilities or vehicle storage, maintenance, or repair for administrative, public safety, or public works personnel and that is not intended to replace an existing public building as provided under paragraph (3) of subsection (q) of Section 11-74.4-3 unless either (i) the construction of the new municipal building implements a redevelopment project that was included in a redevelopment plan that was adopted by the municipality prior to November 1, 1999 or (ii) the municipality makes a reasonable determination in the redevelopment plan, supported by information that provides the basis for that determination, that the new municipal building is required to meet an increase in the need for public safety purposes anticipated to result from the implementation of the redevelopment plan;

(5) Costs of job training and retraining projects, including the cost of "welfare to

work" programs implemented by businesses located within the redevelopment project area;

(6) Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto;

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

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

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

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

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

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

(B) For alternate method districts, flat grant districts, and foundation districts with a district average 1995-96 Per Capita Tuition Charge equal to or more than $5,900, excluding any school district with a population in excess of 1,000,000, by multiplying the district's increase in attendance resulting from the net increase in new students enrolled in that school district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by this Act since the designation of the redevelopment project area by the most recently available per capita tuition cost as defined in Section 10-20.12a of the School Code less any increase in general state aid as defined in Section 18-8.05 of the School Code <u>or primary State aid as defined in Section 18-8.15 of the School Code</u> attributable to these added new students subject to the following annual limitations:

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

(ii) for elementary school districts, no more than 27% of the total amount of

property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; and

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

(C) For any school district in a municipality with a population in excess of 1,000,000, the following restrictions shall apply to the reimbursement of increased costs under this paragraph (7.5):

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

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

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

Any school district seeking payment under this paragraph (7.5) shall, after July 1 and before September 30 of each year, provide the municipality with reasonable evidence to support its claim for reimbursement before the municipality shall be required to approve or make the payment to the school district. If the school district fails to provide the information during this period in any year, it shall forfeit any claim to reimbursement for that year. School districts may adopt a resolution waiving the right to all or a portion of the reimbursement otherwise required by this paragraph (7.5). By acceptance of this reimbursement the school district waives the right to directly or indirectly set aside, modify, or contest in any manner the establishment of the redevelopment project area or projects;

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

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

A library district is not eligible for any payment under this paragraph (7.7) unless the library district has experienced an increase in the number of patrons from the municipality that created the tax-increment-financing district since the designation of the redevelopment project area.

Any library district seeking payment under this paragraph (7.7) shall, after July 1 and before September 30 of each year, provide the municipality with convincing evidence to support its claim for reimbursement before the municipality shall be required to approve or make the payment to the library district. If the library district fails to provide the information during this period in any year, it shall forfeit any claim to reimbursement for that year. Library districts may adopt a resolution waiving the right to all or a portion of the reimbursement otherwise required by this paragraph (7.7). By

acceptance of such reimbursement, the library district shall forfeit any right to directly or indirectly set aside, modify, or contest in any manner whatsoever the establishment of the redevelopment project area or projects;

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

(9) Payment in lieu of taxes;

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

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

(A) such costs are to be paid directly from the special tax allocation fund established pursuant to this Act;

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

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

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

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

(F) Instead of the eligible costs provided by subparagraphs (B) and (D) of paragraph (11), as modified by this subparagraph, and notwithstanding any other provisions of this Act to the contrary, the municipality may pay from tax increment revenues up to 50% of the cost of construction of new housing units to be occupied by low-income households and very low-income households as defined in Section 3 of the Illinois Affordable Housing Act. The cost of construction of those units may be derived from the proceeds of bonds issued by the municipality under this Act or other constitutional or statutory authority or from other sources of municipal revenue that may be reimbursed from tax increment revenues or the proceeds of bonds issued to finance the construction of that housing.

The eligible costs provided under this subparagraph (F) of paragraph (11) shall be an eligible cost for the construction, renovation, and rehabilitation of all low and very low-income housing units, as defined in Section 3 of the Illinois Affordable Housing Act, within the redevelopment project area. If the low and very low-income units are part of a residential redevelopment project that includes units not affordable to low and very low-income households, only the low and very low-income units shall be eligible for benefits under subparagraph (F) of paragraph (11). The standards for maintaining the occupancy by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, of those units constructed with eligible costs made available under the provisions of this subparagraph (F) of paragraph (11) shall be established by guidelines adopted by the municipality. The responsibility for annually documenting the initial occupancy of the units by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, shall be that of

the then current owner of the property. For ownership units, the guidelines will provide, at a minimum, for a reasonable recapture of funds, or other appropriate methods designed to preserve the original affordability of the ownership units. For rental units, the guidelines will provide, at a minimum, for the affordability of rent to low and very low-income households. As units become available, they shall be rented to income-eligible tenants. The municipality may modify these guidelines from time to time; the guidelines, however, shall be in effect for as long as tax increment revenue is being used to pay for costs associated with the units or for the retirement of bonds issued to finance the units or for the life of the redevelopment project area, whichever is later.

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

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

(13) After November 1, 1999 (the effective date of Public Act 91-478), none of the redevelopment project costs enumerated in this subsection shall be eligible redevelopment project costs if those costs would provide direct financial support to a retail entity initiating operations in the redevelopment project area while terminating operations at another Illinois location within 10 miles of the redevelopment project area but outside the boundaries of the redevelopment project area municipality. For purposes of this paragraph, termination means a closing of a retail operation that is directly related to the opening of the same operation or like retail entity owned or operated by more than 50% of the original ownership in a redevelopment project area, but it does not mean closing an operation for reasons beyond the control of the retail entity, as documented by the retail entity, subject to a reasonable finding by the municipality that the current location contained inadequate space, had become economically obsolete, or was no longer a viable location for the retailer or serviceman.

(14) No cost shall be a redevelopment project cost in a redevelopment project area if used to demolish, remove, or substantially modify a historic resource, after August 26, 2008 (the effective date of Public Act 95-934), unless no prudent and feasible alternative exists. "Historic resource" for the purpose of this item (14) means (i) a place or structure that is included or eligible for inclusion on the National Register of Historic Places or (ii) a contributing structure in a district on the National Register of Historic Places. This item (14) does not apply to a place or structure for which demolition, removal, or modification is subject to review by the preservation agency of a Certified Local Government designated as such by the National Park Service of the United States Department of the Interior.

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

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

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

(s) "State Sales Tax Increment" means an amount equal to the increase in the aggregate amount of taxes paid by retailers and servicemen, other than retailers and servicemen subject to the Public Utilities Act, on transactions at places of business located within a State Sales Tax Boundary pursuant to the Retailers' Occupation Tax Act, the Use Tax Act, the Service Use Tax Act, and the Service Occupation Tax Act, except such portion of such increase that is paid into the State and Local Sales Tax Reform Fund, the Local Government Distributive Fund, the Local Government Tax Fund and the County and Mass Transit District Fund, for as long as State participation exists, over and above the Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts for such taxes as certified by the Department of Revenue and paid under those Acts by retailers and servicemen on transactions at places of

business located within the State Sales Tax Boundary during the base year which shall be the calendar year immediately prior to the year in which the municipality adopted tax increment allocation financing, less 3.0% of such amounts generated under the Retailers' Occupation Tax Act, Use Tax Act and Service Use Tax Act and the Service Occupation Tax Act, which sum shall be appropriated to the Department of Revenue to cover its costs of administering and enforcing this Section. For purposes of computing the aggregate amount of such taxes for base years occurring prior to 1985, the Department of Revenue shall compute the Initial Sales Tax Amount for such taxes and deduct therefrom an amount equal to 4% of the aggregate amount of taxes per year for each year the base year is prior to 1985, but not to exceed a total deduction of 12%. The amount so determined shall be known as the "Adjusted Initial Sales Tax Amount". For purposes of determining the State Sales Tax Increment the Department of Revenue shall for each period subtract from the tax amounts received from retailers and servicemen on transactions located in the State Sales Tax Boundary, the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or Revised Initial Sales Tax Amounts for the Retailers' Occupation Tax Act, the Use Tax Act, the Service Use Tax Act and the Service Occupation Tax Act. For the State Fiscal Year 1989 this calculation shall be made by utilizing the calendar year 1987 to determine the tax amounts received. For the State Fiscal Year 1990, this calculation shall be made by utilizing the period from January 1, 1988, until September 30, 1988, to determine the tax amounts received from retailers and servicemen, which shall have deducted therefrom nine-twelfths of the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For the State Fiscal Year 1991, this calculation shall be made by utilizing the period from October 1, 1988, until June 30, 1989, to determine the tax amounts received from retailers and servicemen, which shall have deducted therefrom nine-twelfths of the certified Initial State Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For every State Fiscal Year thereafter, the applicable period shall be the 12 months beginning July 1 and ending on June 30, to determine the tax amounts received which shall have deducted therefrom the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts. Municipalities intending to receive a distribution of State Sales Tax Increment must report a list of retailers to the Department of Revenue by October 31, 1988 and by July 31, of each year thereafter.

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

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

(v) As used in subsection (a) of Section 11-74.4-3 of this Act, "vacant land" means any parcel or combination of parcels of real property without industrial, commercial, and residential buildings which has not been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area, unless the parcel is included in an industrial park conservation area or the parcel has been subdivided; provided that if the parcel was part of a larger tract that has been divided into 3 or more smaller tracts that were accepted for recording during the period from 1950 to 1990, then the parcel shall be deemed to have been subdivided, and all proceedings and actions of the municipality taken in that connection with respect to any previously approved or designated redevelopment project area or amended redevelopment project area are hereby validated and hereby declared to be legally sufficient for all purposes of this Act. For purposes of this Section and only for land subject to the subdivision requirements of the Plat Act, land is subdivided when the original plat of the proposed Redevelopment Project Area or relevant portion thereof has been properly certified, acknowledged, approved, and recorded or filed in accordance with the Plat Act and a preliminary plat, if any, for any subsequent phases of the proposed Redevelopment Project Area or relevant portion thereof has been properly approved and filed in accordance with the applicable ordinance of the municipality.

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

(x) "LEED certified" means any certification level of construction elements by a qualified Leadership in Energy and Environmental Design Accredited Professional as determined by the U.S. Green Building Council.

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

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

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

Sec. 11-74.4-8. Tax increment allocation financing. A municipality may not adopt tax increment financing in a redevelopment project area after the effective date of this amendatory Act of 1997 that will encompass an area that is currently included in an enterprise zone created under the Illinois Enterprise Zone Act unless that municipality, pursuant to Section 5.4 of the Illinois Enterprise Zone Act, amends the enterprise zone designating ordinance to limit the eligibility for tax abatements as provided in Section 5.4.1 of the Illinois Enterprise Zone Act. A municipality, at the time a redevelopment project area is designated, may adopt tax increment allocation financing by passing an ordinance providing that the ad valorem taxes, if any, arising from the levies upon taxable real property in such redevelopment project area by taxing districts and tax rates determined in the manner provided in paragraph (c) of Section 11-74.4-9 each year after the effective date of the ordinance until redevelopment project costs and all municipal obligations financing redevelopment project costs incurred under this Division have been paid shall be divided as follows:

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

(b) Except from a tax levied by a township to retire bonds issued to satisfy court-ordered damages, that portion, if any, of such taxes which is attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the redevelopment project area over and above the initial equalized assessed value of each property in the project area shall be allocated to and when collected shall be paid to the municipal treasurer who shall deposit said taxes into a special fund called the special tax allocation fund of the municipality for the purpose of paying redevelopment project costs and obligations incurred in the payment thereof. In any county with a population of 3,000,000 or more that has adopted a procedure for collecting taxes that provides for one or more of the installments of the taxes to be billed and collected on an estimated basis, the municipal treasurer shall be paid for deposit in the special tax allocation fund of the municipality, from the taxes collected from estimated bills issued for property in the redevelopment project area, the difference between the amount actually collected from each taxable lot, block, tract, or parcel of real property within the redevelopment project area and an amount determined by multiplying the rate at which taxes were last extended against the taxable lot, block, track, or parcel of real property in the manner provided in subsection (c) of Section 11-74.4-9 by the initial equalized assessed value of the property divided by the number of installments in which real estate taxes are billed and collected within the county; provided that the payments on or before December 31, 1999 to a municipal treasurer shall be made only if each of the following conditions are met:

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

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

(3) The municipal clerk has certified to the county clerk that the municipality has issued its obligations to which there has been pledged the incremental property taxes of the redevelopment project area or taxes levied and collected on any or all property in the municipality or the full faith and credit of the municipality to pay or secure payment for all or a portion of the redevelopment project costs. The certification shall be filed annually no later than September 1 for the estimated taxes to be distributed in the following year; however, for the year 1992 the certification shall be made at any time on or before March 31, 1992.

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

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

It is the intent of this Division that after the effective date of this amendatory Act of 1988 a municipality's own ad valorem tax arising from levies on taxable real property be included in the

determination of incremental revenue in the manner provided in paragraph (c) of Section 11-74.4-9. If the municipality does not extend such a tax, it shall annually deposit in the municipality's Special Tax Increment Fund an amount equal to 10% of the total contributions to the fund from all other taxing districts in that year. The annual 10% deposit required by this paragraph shall be limited to the actual amount of municipally produced incremental tax revenues available to the municipality from taxpayers located in the redevelopment project area in that year if: (a) the plan for the area restricts the use of the property primarily to industrial purposes, (b) the municipality establishing the redevelopment project area is a home-rule community with a 1990 population of between 25,000 and 50,000, (c) the municipality is wholly located within a county with a 1990 population of over 750,000 and (d) the redevelopment project area was established by the municipality prior to June 1, 1990. This payment shall be in lieu of a contribution of ad valorem taxes on real property. If no such payment is made, any redevelopment project area of the municipality shall be dissolved.

If a municipality has adopted tax increment allocation financing by ordinance and the County Clerk thereafter certifies the "total initial equalized assessed value as adjusted" of the taxable real property within such redevelopment project area in the manner provided in paragraph (b) of Section 11-74.4-9, each year after the date of the certification of the total initial equalized assessed value as adjusted until redevelopment project costs and all municipal obligations financing redevelopment project costs have been paid the ad valorem taxes, if any, arising from the levies upon the taxable real property in such redevelopment project area by taxing districts and tax rates determined in the manner provided in paragraph (c) of Section 11-74.4-9 shall be divided as follows:

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

(2) That portion, if any, of such taxes which is attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the redevelopment project area, over and above the initial equalized assessed value of each property existing at the time tax increment financing was adopted, minus the total current homestead exemptions pertaining to each piece of property provided by Article 15 of the Property Tax Code in the redevelopment project area, shall be allocated to and when collected shall be paid to the municipal Treasurer, who shall deposit said taxes into a special fund called the special tax allocation fund of the municipality for the purpose of paying redevelopment project costs and obligations incurred in the payment thereof.

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

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

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

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

Upon the payment of all redevelopment project costs, the retirement of obligations, the distribution of any excess monies pursuant to this Section, and final closing of the books and records of the redevelopment project area, the municipality shall adopt an ordinance dissolving the special tax allocation fund for the redevelopment project area and terminating the designation of the redevelopment project area as a redevelopment project area. Title to real or personal property and public improvements acquired by or for the municipality as a result of the redevelopment project and plan shall vest in the municipality when acquired and shall continue to be held by the municipality after the redevelopment project area has been terminated. Municipalities shall notify affected taxing districts prior to November 1 if the redevelopment project area is to be terminated by December 31 of that same year. If a municipality extends estimated dates of completion of a redevelopment project and retirement of obligations to finance a redevelopment project, as allowed by this amendatory Act of 1993, that extension shall not extend the property tax increment allocation financing authorized by this Section. Thereafter the rates of the taxing districts shall be extended and taxes levied, collected and distributed in the manner applicable in the absence of the adoption of tax increment allocation financing.

Nothing in this Section shall be construed as relieving property in such redevelopment project areas from being assessed as provided in the Property Tax Code or as relieving owners of such property from paying a uniform rate of taxes, as required by Section 4 of Article IX of the Illinois Constitution.
(Source: P.A. 98-463, eff. 8-16-13.)

(65 ILCS 5/11-74.6-35)

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

(a) A municipality, at the time a redevelopment project area is designated, may adopt tax increment allocation financing by passing an ordinance providing that the ad valorem taxes, if any, arising from the levies upon taxable real property within the redevelopment project area by taxing districts and tax rates determined in the manner provided in subsection (b) of Section 11-74.6-40 each year after the effective date of the ordinance until redevelopment project costs and all municipal obligations financing redevelopment project costs incurred under this Act have been paid shall be divided as follows:

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

(2) That portion, if any, of those taxes that is attributable to the increase in the current equalized assessed value of each taxable lot, block, tract or parcel of real property in the redevelopment project area, over and above the initial equalized assessed value or the updated initial equalized assessed value of each property in the project area, shall be allocated to and when collected shall be paid by the county collector to the municipal treasurer who shall deposit that portion of those taxes into a special fund called the special tax allocation fund of the municipality for the purpose of paying redevelopment project costs and obligations incurred in the payment of those costs and obligations. In any county with a population of 3,000,000 or more that has adopted a procedure for collecting taxes that provides for one or more of the installments of the taxes to be billed and collected on an estimated basis, the municipal treasurer shall be paid for deposit in the special tax allocation fund of the municipality, from the taxes collected from estimated bills issued for property in the redevelopment project area, the difference between the amount actually collected from each taxable lot, block, tract, or parcel of real property within the redevelopment project area and an amount determined by multiplying the rate at which taxes were last extended against the taxable lot, block, track, or parcel of real property in the manner provided in subsection (b) of Section 11-74.6-40 by the initial equalized assessed value or the updated initial equalized assessed value of the property divided by the number of installments in which real estate taxes are billed and collected within the county, provided that the payments on or before December 31, 1999 to a municipal treasurer shall be made only if each of the following conditions are met:

(A) The total equalized assessed value of the redevelopment project area as last

determined was not less than 175% of the total initial equalized assessed value.

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

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

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

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

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

(1) That portion of the taxes levied upon each taxable lot, block, tract or parcel of real property that is attributable to the lower of the current equalized assessed value or the initial equalized assessed value, or the updated initial equalized assessed value of each parcel if the updated initial equalized assessed value of that parcel has been certified in accordance with Section 11-74.6-40, whichever has been most recently certified, of each taxable lot, block, tract, or parcel of real property existing at the time tax increment allocation financing was adopted in the redevelopment project area, shall be allocated to and when collected shall be paid by the county collector to the respective affected taxing districts in the manner required by law without regard to the adoption of tax increment allocation financing.

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

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

Whenever a municipality issues bonds for the purpose of financing redevelopment project costs, that municipality may provide by ordinance for the appointment of a trustee, which may be any trust company within the State, and for the establishment of any funds or accounts to be maintained by that trustee, as the municipality deems necessary to provide for the security and payment of the bonds. If the municipality provides for the appointment of a trustee, the trustee shall be considered the assignee of any payments

assigned by the municipality under that ordinance and this Section. Any amounts paid to the trustee as assignee shall be deposited into the funds or accounts established under the trust agreement, and shall be held by the trustee in trust for the benefit of the holders of the bonds. The holders of those bonds shall have a lien on and a security interest in those funds or accounts while the bonds remain outstanding and unpaid. Upon retirement of the bonds, the trustee shall pay over any excess amounts held to the municipality for deposit in the special tax allocation fund.

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

Upon the payment of all redevelopment project costs, retirement of obligations and the distribution of any excess moneys under this Section, the municipality shall adopt an ordinance dissolving the special tax allocation fund for the redevelopment project area and terminating the designation of the redevelopment project area as a redevelopment project area. Thereafter the tax levies of taxing districts shall be extended, collected and distributed in the same manner applicable before the adoption of tax increment allocation financing. Municipality shall notify affected taxing districts prior to November if the redevelopment project area is to be terminated by December 31 of that same year.

Nothing in this Section shall be construed as relieving property in a redevelopment project area from being assessed as provided in the Property Tax Code or as relieving owners of that property from paying a uniform rate of taxes, as required by Section 4 of Article IX of the Illinois Constitution.
(Source: P.A. 91-474, eff. 11-1-99.)

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

(65 ILCS 110/50)

Sec. 50. Special tax allocation fund.

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

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

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

(b) The municipality, by an ordinance adopting tax increment allocation financing, may pledge the monies in and to be deposited into the special tax allocation fund for the payment of obligations issued under this Act and for the payment of economic development project costs. No part of the current equalized assessed valuation of each property in the economic development project area attributable to any increase above the total initial equalized assessed value of those properties shall be used in calculating the general State ~~school~~ aid formula under Section 18-8 of the School Code or the primary State aid formula under

Section 18-8.15 of the School Code, until all economic development projects costs have been paid as provided for in this Section.

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

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

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

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

Section 945. The School Code is amended by changing Sections 1A-8, 1B-5, 1B-6, 1B-7, 1B-8, 1C-1, 1C-2, 1D-1, 1E-20, 1F-20, 1F-62, 1H-20, 1H-70, 2-3.28, 2-3.33, 2-3.51.5, 2-3.66, 2-3.66b, 2-3.84, 2-3.109a, 3-14.21, 7-14A, 10-17a, 10-19, 10-22.5a, 10-22.20, 10-29, 11E-135, 13A-8, 13B-20.20, 13B-45, 13B-50, 13B-50.10, 13B-50.15, 14-7.02, 14-7.02b, 14-7.03, 14-13.01, 14C-1, 14C-12, 17-1, 17-1.2, 17-1.5, 17-2.11, 17-2A, 18-4.3, 18-8.05, 18-8.10, 18-9, 18-12, 26-16, 27-8.1, 27A-9, 27A-11, 29-5, 34-2.3, 34-8.4, 34-18, 34-18.30, 34-43.1, and 34-53 and by adding Sections 17-3.6, 18-8.15, and 18-8.20 as follows:

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

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

(a) The State Superintendent of Education may require a school district, including any district subject to Article 34A of this Code, to share financial information relevant to a proper investigation of the district's financial condition and the delivery of appropriate State financial, technical, and consulting services to the district if the district (i) has been designated, through the State Board of Education's School District Financial Profile System, as on financial warning or financial watch status, (ii) has failed to file an annual financial report, annual budget, deficit reduction plan, or other financial information as required by law, (iii) has been identified, through the district's annual audit or other financial and management information, as in serious financial difficulty in the current or next school year, or (iv) is determined to be likely to fail to fully meet any regularly scheduled, payroll-period obligations when due or any debt service payments when due or both. In addition to financial, technical, and consulting services provided by the State Board of Education, at the request of a school district, the State Superintendent may provide for an independent financial consultant to assist the district review its financial condition and options.

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

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

(2) The district has issued tax anticipation warrants or tax anticipation notes in anticipation of a second year's taxes when warrants or notes in anticipation of current year taxes are still outstanding, as authorized by Sections 17-16, 34-23, 34-59 and 34-63 of this Code, or has issued short-term debt against 2 future revenue sources, such as, but not limited to, tax anticipation warrants and general State aid or primary State aid ~~Aid~~ certificates or tax anticipation warrants and revenue anticipation notes.

(3) The district has for 2 consecutive years shown an excess of expenditures and other

financing uses over revenues and other financing sources and beginning fund balances on its annual financial report for the aggregate totals of the Educational, Operations and Maintenance, Transportation, and Working Cash Funds.

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

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

No school district shall be certified by the State Board of Education to be in financial difficulty solely by reason of any of the above circumstances arising as a result of (i) the failure of the county to make any distribution of property tax money due the district at the time such distribution is due or (ii) the failure of this State to make timely payments of general State aid, primary State aid, or any of the mandated categoricals; or if the district clearly demonstrates to the satisfaction of the State Board of Education at the time of its determination that such condition no longer exists. If the State Board of Education certifies that a district in a city with 500,000 inhabitants or more is in financial difficulty, the State Board shall so notify the Governor and the Mayor of the city in which the district is located. The State Board of Education may require school districts certified in financial difficulty, except those districts subject to Article 34A, to develop, adopt and submit a financial plan within 45 days after certification of financial difficulty. The financial plan shall be developed according to guidelines presented to the district by the State Board of Education within 14 days of certification. Such guidelines shall address the specific nature of each district's financial difficulties. Any proposed budget of the district shall be consistent with the financial plan submitted to and approved by the State Board of Education.

A district certified to be in financial difficulty, other than a district subject to Article 34A, shall report to the State Board of Education at such times and in such manner as the State Board may direct, concerning the district's compliance with each financial plan. The State Board may review the district's operations, obtain budgetary data and financial statements, require the district to produce reports, and have access to any other information in the possession of the district that it deems relevant. The State Board may issue recommendations or directives within its powers to the district to assist in compliance with the financial plan. The district shall produce such budgetary data, financial statements, reports and other information and comply with such directives. If the State Board of Education determines that a district has failed to comply with its financial plan, the State Board of Education may rescind approval of the plan and appoint a Financial Oversight Panel for the district as provided in Section 1B-4. This action shall be taken only after the district has been given notice and an opportunity to appear before the State Board of Education to discuss its failure to comply with its financial plan.

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

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

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

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

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

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

Panel members shall serve without compensation, but may be reimbursed for travel and other necessary expenses incurred in the performance of their official duties by the State Board. The amount reimbursed Panel members for their expenses shall be charged to the school district as part of any emergency financial

assistance and incorporated as a part of the terms and conditions for repayment of such assistance or shall be deducted from the district's general State aid or primary State aid as provided in Section 1B-8.

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

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

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

Any Financial Oversight Panel established under this Article shall remain in existence for not less than 3 years nor more than 10 years from the date the State Board grants the petition under Section 1B-4. If after 3 years the school district has repaid all of its obligations resulting from emergency State financial assistance provided under this Article and has improved its financial situation, the board of education may, not more frequently than once in any 12 month period, petition the State Board to dissolve the Financial Oversight Panel, terminate the oversight responsibility, and remove the district's certification under Section 1A-8 as a district in financial difficulty. In acting on such a petition the State Board shall give additional weight to the recommendations of the State Superintendent and the Financial Oversight Panel. (Source: P.A. 88-618, eff. 9-9-94.)

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

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

(a) to sue and be sued;

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

(c) to appoint a Financial Administrator to serve as the chief executive officer of the Panel. The Financial Administrator may be an individual, partnership, corporation, including an accounting firm, or other entity determined by the Panel to be qualified to serve; and to appoint other officers, agents, and employees of the Panel, define their duties and qualifications and fix their compensation and employee benefits;

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

(e) to approve any and all bonds, notes, teachers orders, tax anticipation warrants, and other evidences of indebtedness prior to issuance or sale by the school district; and notwithstanding any other provision of The School Code, as now or hereafter amended, no bonds, notes, teachers orders, tax anticipation warrants or other evidences of indebtedness shall be issued or sold by the school district or be legally binding upon or enforceable against the local board of education unless and until the approval of the Panel has been received;

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

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

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

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

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

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

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

(m) to direct a phased reduction in the oversight responsibilities of the Financial Administrator and of the Panel as the circumstances permit;

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

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

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

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

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

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

(t) to recommend the creation of a school finance authority pursuant to Article 1F of this Code.

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

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

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

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

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

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

(d) to prepare and recommend to the Panel a proposal for emergency State financial assistance for the district, including recommended terms and conditions of repayment, and an operations budget for the Panel to be funded from the emergency assistance or from deductions from the district's general State aid or primary State aid;

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

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

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

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

Sec. 1B-8. There is created in the State Treasury a special fund to be known as the School District Emergency Financial Assistance Fund (the "Fund"). The School District Emergency Financial Assistance Fund shall consist of appropriations, loan repayments, grants from the federal government, and donations from any public or private source. Moneys in the Fund may be appropriated only to the Illinois Finance Authority and the State Board for those purposes authorized under this Article and Articles 1F and 1H of this Code. The appropriation may be allocated and expended by the State Board for contractual services to provide technical assistance or consultation to school districts to assess their financial condition and to Financial Oversight Panels that petition for emergency financial assistance grants. The Illinois Finance Authority may provide loans to school districts which are the subject of an approved petition for emergency financial assistance under Section 1B-4, 1F-62, or 1H-65 of this Code. Neither the State Board of Education nor the Illinois Finance Authority may collect any fees for providing these services.

From the amount allocated to each such school district under this Article the State Board shall identify a sum sufficient to cover all approved costs of the Financial Oversight Panel established for the respective school district. If the State Board and State Superintendent of Education have not approved emergency

financial assistance in conjunction with the appointment of a Financial Oversight Panel, the Panel's approved costs shall be paid from deductions from the district's general State aid or primary State aid.

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

The maximum amount of an emergency financial assistance loan which may be allocated to any school district under this Article, including moneys necessary for the operations of the Panel, shall not exceed $4,000 times the number of pupils enrolled in the school district during the school year ending June 30 prior to the date of approval by the State Board of the petition for emergency financial assistance, as certified to the local board and the Panel by the State Superintendent. An emergency financial assistance grant shall not exceed $1,000 times the number of such pupils. A district may receive both a loan and a grant.

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

Any emergency financial assistance grant proposed by the Financial Oversight Panel and approved by the State Superintendent may be paid in its entirety during the initial year of the Panel's existence or spread in equal or declining amounts over a period of years not to exceed the period of the Panel's existence. An emergency financial assistance loan proposed by the Financial Oversight Panel and approved by the Illinois Finance Authority may be paid in its entirety during the initial year of the Panel's existence or spread in equal or declining amounts over a period of years not to exceed the period of the Panel's existence. All loans made by the Illinois Finance Authority for a school district shall be required to be repaid, with simple interest over the term of the loan at a rate equal to 50% of the one-year Constant Maturity Treasury (CMT) yield as last published by the Board of Governors of the Federal Reserve System before the date on which the district's loan is approved by the Illinois Finance Authority, not later than the date the Financial Oversight Panel ceases to exist. The Panel shall establish and the Illinois Finance Authority shall approve the terms and conditions, including the schedule, of repayments. The schedule shall provide for repayments commencing July 1 of each year or upon each fiscal year's receipt of moneys from a tax levy for emergency financial assistance. Repayment shall be incorporated into the annual budget of the school district and may be made from any fund or funds of the district in which there are moneys available. An emergency financial assistance loan to the Panel or district shall not be considered part of the calculation of a district's debt for purposes of the limitation specified in Section 19-1 of this Code. Default on repayment is subject to the Illinois Grant Funds Recovery Act. When moneys are repaid as provided herein they shall not be made available to the local board for further use as emergency financial assistance under this Article at any time thereafter. All repayments required to be made by a school district shall be received by the State Board and deposited in the School District Emergency Financial Assistance Fund.

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

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

(105 ILCS 5/1C-1)

Sec. 1C-1. Purpose. The purpose of this Article is to permit greater flexibility and efficiency in the distribution and use of certain State funds available to local education agencies for the improvement of the quality of educational services pursuant to locally established priorities.

Through fiscal year 2016, this ~~This~~ Article does not apply to school districts having a population in excess of 500,000 inhabitants.

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

(105 ILCS 5/1C-2)

Sec. 1C-2. Block grants.

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

(b) (Blank).

(c) An Early Childhood Education Block Grant shall be created by combining the following programs: Preschool Education, Parental Training and Prevention Initiative. These funds shall be distributed to school districts and other entities on a competitive basis, except that the State Board of Education shall award to a school district having a population exceeding 500,000 inhabitants 37% of the funds in each fiscal year. Not less than 14% of this grant shall be used to fund programs for children ages 0-3, which percentage shall increase to at least 20% by Fiscal Year 2016. However, if, in a given fiscal year, the amount appropriated for the Early Childhood Education Block Grant is insufficient to increase the percentage of the grant to fund programs for children ages 0-3 without reducing the amount of the grant for existing providers of preschool education programs, then the percentage of the grant to fund programs for children ages 0-3 may be held steady instead of increased.

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

(105 ILCS 5/1D-1)

Sec. 1D-1. Block grant funding.

(a) For fiscal year 1996 through fiscal year 2016 ~~and each fiscal year thereafter~~, the State Board of Education shall award to a school district having a population exceeding 500,000 inhabitants a general education block grant and an educational services block grant, determined as provided in this Section, in lieu of distributing to the district separate State funding for the programs described in subsections (b) and (c). The provisions of this Section, however, do not apply to any federal funds that the district is entitled to receive. In accordance with Section 2-3.32, all block grants are subject to an audit. Therefore, block grant receipts and block grant expenditures shall be recorded to the appropriate fund code for the designated block grant.

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

(c) The educational services block grant shall include the following programs: Regular and Vocational Transportation, State Lunch and Free Breakfast Program, Special Education (Personnel, Transportation, Orphanage, Private Tuition), funding for children requiring special education services, Summer School, Educational Service Centers, and Administrator's Academy. This subsection (c) does not relieve the district of its obligation to provide the services required under a program that is included within the educational services block grant. It is the intention of the General Assembly in enacting the provisions of this subsection (c) to relieve the district of the administrative burdens that impede efficiency and accompany single-program funding. The General Assembly encourages the board to pursue mandate waivers pursuant to Section 2-3.25g.

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

(d) For fiscal year 1996 through fiscal year 2016 ~~and each fiscal year thereafter~~, the amount of the district's block grants shall be determined as follows: (i) with respect to each program that is included within each block grant, the district shall receive an amount equal to the same percentage of the current fiscal year appropriation made for that program as the percentage of the appropriation received by the district from the 1995 fiscal year appropriation made for that program, and (ii) the total amount that is due the district under the block grant shall be the aggregate of the amounts that the district is entitled to receive

for the fiscal year with respect to each program that is included within the block grant that the State Board of Education shall award the district under this Section for that fiscal year. In the case of the Summer Bridges program, the amount of the district's block grant shall be equal to 44% of the amount of the current fiscal year appropriation made for that program.

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

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

(g) Through fiscal year 2016, this ~~This~~ paragraph provides for the treatment of block grants under Article 1C for purposes of calculating the amount of block grants for a district under this Section. Those block grants under Article 1C are, for this purpose, treated as included in the amount of appropriation for the various programs set forth in paragraph (b) above. The appropriation in each current fiscal year for each block grant under Article 1C shall be treated for these purposes as appropriations for the individual program included in that block grant. The proportion of each block grant so allocated to each such program included in it shall be the proportion which the appropriation for that program was of all appropriations for such purposes now in that block grant, in fiscal 1995.

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

(h) Notwithstanding any other provision of law, any school district receiving a block grant under this Section may classify all or a portion of the funds that it receives in a particular fiscal year from any block grant authorized under this Code or from general State aid pursuant to Section 18-8.05 of this Code (other than supplemental general State aid) as funds received in connection with any funding program for which it is entitled to receive funds from the State in that fiscal year (including, without limitation, any funding program referred to in subsection (c) of this Section), regardless of the source or timing of the receipt. The district may not classify more funds as funds received in connection with the funding program than the district is entitled to receive in that fiscal year for that program. Any classification by a district must be made by a resolution of its board of education. The resolution must identify the amount of any block grant or general State aid to be classified under this subsection (h) and must specify the funding program to which the funds are to be treated as received in connection therewith. This resolution is controlling as to the classification of funds referenced therein. A certified copy of the resolution must be sent to the State Superintendent of Education. The resolution shall still take effect even though a copy of the resolution has not been sent to the State Superintendent of Education in a timely manner. No classification under this subsection (h) by a district shall affect the total amount or timing of money the district is entitled to receive under this Code. No classification under this subsection (h) by a district shall in any way relieve the district from or affect any requirements that otherwise would apply with respect to the block grant as provided in this Section, including any accounting of funds by source, reporting expenditures by original source and purpose, reporting requirements, or requirements of provision of services.

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

(105 ILCS 5/1E-20)

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

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

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

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

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

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

The Authority may elect such officers as it deems appropriate.

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

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

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

(105 ILCS 5/1F-20)

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

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

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

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

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

The Authority may elect such officers as it deems appropriate.

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

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

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

(105 ILCS 5/1F-62)

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

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

(a) Moneys in the School District Emergency Financial Assistance Fund established under Section 1B-8 of this Code may be allocated and expended by the State Board as grants to provide technical and consulting services to school districts to assess their financial condition and by the Illinois Finance Authority for emergency financial assistance loans to a School Finance Authority that petitions for emergency financial assistance. An emergency financial assistance loan to a School Finance Authority or borrowing from sources other than the State shall not be considered as part of the calculation of a district's debt for purposes of the limitation specified in Section 19-1 of this Code. From the amount allocated to each School Finance Authority, the State Board shall identify a sum sufficient to cover all approved costs

of the School Finance Authority. If the State Board and State Superintendent have not approved emergency financial assistance in conjunction with the appointment of a School Finance Authority, the Authority's approved costs shall be paid from deductions from the district's general State aid or primary State aid.

The School Finance Authority may prepare and file with the State Superintendent a proposal for emergency financial assistance for the school district and for its operations budget. No expenditures shall be authorized by the State Superintendent until he or she has approved the proposal of the School Finance Authority, either as submitted or in such lesser amount determined by the State Superintendent.

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

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

(d) Any State emergency financial assistance proposed by the School Finance Authority and approved by the State Superintendent may be paid in its entirety during the initial year of the School Finance Authority's existence or spread in equal or declining amounts over a period of years not to exceed the period of the School Finance Authority's existence. The State Superintendent shall not approve any loan to the School Finance Authority unless the School Finance Authority has been unable to borrow sufficient funds to operate the district.

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

The School Finance Authority shall establish and the Illinois Finance Authority shall approve the terms and conditions of the loan, including the schedule of repayments. The schedule shall provide for repayments commencing July 1 of each year or upon each fiscal year's receipt of moneys from a tax levy for emergency financial assistance. Repayment shall be incorporated into the annual budget of the district and may be made from any fund or funds of the district in which there are moneys available. Default on repayment is subject to the Illinois Grant Funds Recovery Act. When moneys are repaid as provided in this Section, they shall not be made available to the School Finance Authority for further use as emergency financial assistance under this Article at any time thereafter. All repayments required to be made by a School Finance Authority shall be received by the State Board and deposited in the School District Emergency Financial Assistance Fund.

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

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

(105 ILCS 5/1H-20)

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

(a) Upon establishment of a Financial Oversight Panel under Section 1H-15 of this Code, the State Superintendent shall within 15 working days thereafter appoint 5 members to serve on a Financial Oversight Panel for the district. Members appointed to the Panel shall serve at the pleasure of the State Superintendent. The State Superintendent shall designate one of the members of the Panel to serve as its Chairperson. In the event of vacancy or resignation, the State Superintendent shall, within 10 days after receiving notice, appoint a successor to serve out that member's term.

(b) Members of the Panel shall be selected primarily on the basis of their experience and education in financial management, with consideration given to persons knowledgeable in education finance. Two

members of the Panel shall be residents of the school district that the Panel serves. A member of the Panel may not be a member of the district's school board or an employee of the district nor may a member have a direct financial interest in the district.

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

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

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

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

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

(105 ILCS 5/1H-70)

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

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

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

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

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

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

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

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

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

Sec. 2-3.28. Rules and regulations of budget and accounting systems. To prescribe rules and regulations defining what shall constitute a budget and accounting system required under this Act. The rules and regulations shall prescribe the minimum extent of verification, the type of audit, the extent of the audit report and shall require compliance with statutory requirements and standards and such requirements as the State Board of Education deems necessary for an adequate budget and accounting system. For the 2018-2019 school year and thereafter, the rules and regulations shall prescribe a system for accounting for revenues and expenditures at the individual school level that includes without limitation the following:

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

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

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

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

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

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

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

regarding equalized assessed valuation unless the district's equalized assessed valuation is changed by greater than $250,000 or 2%. Any adjustments for claims recomputed for the 2015-2016 school year and prior school years shall be applied to the apportionment of primary State financial aid in Section 18-8.15 of this Code beginning in the 2016-2017 school year and thereafter.

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

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

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

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

(105 ILCS 5/2-3.51.5)

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

(1) For school districts, the program shall provide funding for school safety, textbooks and software, electronic textbooks and the technological equipment necessary to gain access to and use electronic textbooks, teacher training and curriculum development, school improvements, school report cards under Section 10-17a, and criminal history records checks under Sections 10-21.9 and 34-18.5. For State-recognized, non-public schools, the program shall provide funding for secular textbooks and software, criminal history records checks, and health and safety mandates to the extent that the funds are expended for purely secular purposes. A school district or laboratory school as defined in Section 18-8, ~~or~~ 18-8.05 , or 18-8.15 is not required to file an application in order to receive the categorical funding to which it is entitled under this Section. Funds for the School Safety and Educational Improvement Block Grant Program shall be distributed to school districts and laboratory schools based on the prior year's best 3 months average daily attendance. Funds for the School Safety and Educational Improvement Block Grant Program shall be distributed to State-recognized, non-public schools based on the average daily attendance figure for the previous school year provided to the State Board of Education. The State Board of Education shall develop an application that requires State-recognized, non-public schools to submit average daily attendance figures. A State-recognized, non-public school must submit the application and average daily attendance figure prior to receiving funds under this Section. The State Board of Education shall promulgate rules and regulations necessary for the implementation of this program.

(2) Distribution of moneys to school districts and State-recognized, non-public schools shall be made in 2 semi-annual installments, one payment on or before October 30, and one payment prior to April 30, of each fiscal year.

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

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

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

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

Sec. 2-3.66. Truants' alternative and optional education programs. To establish projects to offer modified instructional programs or other services designed to prevent students from dropping out of school, including programs pursuant to Section 2-3.41, and to serve as a part time or full time option in lieu of regular school attendance and to award grants to local school districts, educational service regions

or community college districts from appropriated funds to assist districts in establishing such projects. The education agency may operate its own program or enter into a contract with another not-for-profit entity to implement the program. The projects shall allow dropouts, up to and including age 21, potential dropouts, including truants, uninvolved, unmotivated and disaffected students, as defined by State Board of Education rules and regulations, to enroll, as an alternative to regular school attendance, in an optional education program which may be established by school board policy and is in conformance with rules adopted by the State Board of Education. Truants' Alternative and Optional Education programs funded pursuant to this Section shall be planned by a student, the student's parents or legal guardians, unless the student is 18 years or older, and school officials and shall culminate in an individualized optional education plan. Such plan shall focus on academic or vocational skills, or both, and may include, but not be limited to, evening school, summer school, community college courses, adult education, preparation courses for high school equivalency testing, vocational training, work experience, programs to enhance self concept and parenting courses. School districts which are awarded grants pursuant to this Section shall be authorized to provide day care services to children of students who are eligible and desire to enroll in programs established and funded under this Section, but only if and to the extent that such day care is necessary to enable those eligible students to attend and participate in the programs and courses which are conducted pursuant to this Section. School districts and regional offices of education may claim general State aid under Section 18-8.05 or primary State aid under Section 18-8.15 for students enrolled in truants' alternative and optional education programs, provided that such students are receiving services that are supplemental to a program leading to a high school diploma and are otherwise eligible to be claimed for general State aid under Section 18-8.05 or primary State aid under Section 18-8.15, as applicable.
(Source: P.A. 98-718, eff. 1-1-15.)

(105 ILCS 5/2-3.66b)

Sec. 2-3.66b. IHOPE Program.

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

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

The IHOPE Program shall provide incentive grant funds for regional offices of education and a school district organized under Article 34 of this Code to develop partnerships with school districts, public community colleges, and community groups to build comprehensive plans to re-enroll high school dropouts in their regions or districts.

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

(c) In order to be eligible for funding under the IHOPE Program, an interested regional office of education or a school district organized under Article 34 of this Code shall develop an IHOPE Plan to be approved by the State Board of Education. The State Board of Education shall develop rules for the IHOPE Program that shall set forth the requirements for the development of the IHOPE Plan. Each Plan shall involve school districts, public community colleges, and key community programs that work with high school dropouts located in an educational service region or the City of Chicago before the Plan is sent to the State Board for approval. No funds may be distributed to a regional office of education or a school district organized under Article 34 of this Code until the State Board has approved the Plan.

(d) A regional office of education or a school district organized under Article 34 of this Code may operate its own program funded by the IHOPE Program or enter into a contract with other not-for-profit

entities, including school districts, public community colleges, and not-for-profit community-based organizations, to operate a program.

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

(e) In order to distribute funding based upon the need to ensure delivery of programs that will have the greatest impact, IHOPE Program funding must be distributed based upon the proportion of dropouts in the educational service region or school district, in the case of a school district organized under Article 34 of this Code, to the total number of dropouts in this State. This formula shall employ the dropout data provided by school districts to the State Board of Education.

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

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

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

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

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

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

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

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

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

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

(4) Voluntary enrollment.

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

(6) Comprehensive programs providing extensive support services.

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

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

(9) Learning opportunities that incorporate action into study.

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

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

and the conditions upon which an IHOPE Plan would be approved by State Board, and other rules to develop the IHOPE Program.
(Source: P.A. 96-106, eff. 7-30-09.)

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

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

From the total amount of general State aid or primary State aid to be provided to districts, adjustments under this Section together with adjustments as a result of recomputation under Section 2-3.33 must not exceed $25 million, in the aggregate for all districts under both Sections combined, of the general State aid or primary State aid appropriation in any fiscal year; if necessary, amounts shall be prorated among districts. If it is necessary to prorate claims under this paragraph, then that portion of each prorated claim that is approved but not paid in the current fiscal year may be resubmitted as a valid claim in the following fiscal year.
(Source: P.A. 93-845, eff. 7-30-04.)

(105 ILCS 5/2-3.109a)

Sec. 2-3.109a. Laboratory schools grant eligibility. A laboratory school as defined in Section 18-8 or 18-8.15 may apply for and be eligible to receive, subject to the same restrictions applicable to school districts, any grant administered by the State Board of Education that is available for school districts.
(Source: P.A. 90-566, eff. 1-2-98.)

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

Sec. 3-14.21. Inspection of schools.

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

(b) If the regional superintendent determines that a school board has failed in a timely manner to correct urgent items identified in a previous life-safety report completed under Section 2-3.12 or as otherwise previously ordered by the regional superintendent, the regional superintendent shall order the school board to adopt and submit to the regional superintendent a plan for the immediate correction of the building violations. This plan shall be adopted following a public hearing that is conducted by the school board on the violations and the plan and that is preceded by at least 7 days' prior notice of the hearing published in a newspaper of general circulation within the school district. If the regional superintendent determines in the next annual inspection that the plan has not been completed and that the violations have not been corrected, the regional superintendent shall submit a report to the State Board of Education with a recommendation that the State Board withhold from payments of general State aid or primary State aid due to the district an amount necessary to correct the outstanding violations. The State Board, upon notice to the school board and to the regional superintendent, shall consider the report at a meeting of the State Board, and may order that a sufficient amount of general State aid or primary State aid be withheld from payments due to the district to correct the violations. This amount shall be paid to the regional superintendent who shall contract on behalf of the school board for the correction of the outstanding violations.

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

(d) If a municipality or, in the case of an unincorporated area, a county or, if applicable, a fire protection district wishes to perform new construction inspections under the jurisdiction of a regional superintendent, then the entity must register this wish with the regional superintendent. These inspections must be based

on the building code authorized in Section 2-3.12 of this Code. The inspections must be at no cost to the school district.

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

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

Sec. 7-14A. Annexation Compensation. There shall be no accounting made after a mere change in boundaries when no new district is created, except that those districts whose enrollment increases by 90% or more as a result of annexing territory detached from another district pursuant to this Article are eligible for supplementary State aid payments in accordance with Section 11E-135 of this Code. Eligible annexing districts shall apply to the State Board of Education for supplementary State aid payments by submitting enrollment figures for the year immediately preceding and the year immediately following the effective date of the boundary change for both the district gaining territory and the district losing territory. Copies of any intergovernmental agreements between the district gaining territory and the district losing territory detailing any transfer of fund balances and staff must also be submitted. In all instances of changes in boundaries, the district losing territory shall not count the average daily attendance of pupils living in the territory during the year preceding the effective date of the boundary change in its claim for reimbursement under Section 18-8 or 18-8.15 for the school year following the effective date of the change in boundaries and the district receiving the territory shall count the average daily attendance of pupils living in the territory during the year preceding the effective date of the boundary change in its claim for reimbursement under Section 18-8 or 18-8.15 for the school year following the effective date of the change in boundaries. The changes to this Section made by this amendatory Act of the 95th General Assembly are intended to be retroactive and applicable to any annexation taking effect on or after July 1, 2004.

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

(105 ILCS 5/10-17a) (from Ch. 122, par. 10-17a)

Sec. 10-17a. State, school district, and school report cards.

(1) By October 31, 2013 and October 31 of each subsequent school year, the State Board of Education, through the State Superintendent of Education, shall prepare a State report card, school district report cards, and school report cards, and shall by the most economic means provide to each school district in this State, including special charter districts and districts subject to the provisions of Article 34, the report cards for the school district and each of its schools.

(2) In addition to any information required by federal law, the State Superintendent shall determine the indicators and presentation of the school report card, which must include, at a minimum, the most current data possessed by the State Board of Education related to the following:

(A) school characteristics and student demographics, including average class size, average teaching experience, student racial/ethnic breakdown, and the percentage of students classified as low-income; the percentage of students classified as English learners; the percentage of students who have individualized education plans or 504 plans that provide for special education services; the percentage of students who annually transferred in or out of the school district; the per-pupil operating expenditure of the school district; and the per-pupil State average operating expenditure for the district type (elementary, high school, or unit);

(B) curriculum information, including, where applicable, Advanced Placement, International Baccalaureate or equivalent courses, dual enrollment courses, foreign language classes, school personnel resources (including Career Technical Education teachers), before and after school programs, extracurricular activities, subjects in which elective classes are offered, health and wellness initiatives (including the average number of days of Physical Education per week per student), approved programs of study, awards received, community partnerships, and special programs such as programming for the gifted and talented, students with disabilities, and work-study students;

(C) student outcomes, including, where applicable, the percentage of students deemed proficient on assessments of State standards, the percentage of students in the eighth grade who pass Algebra, the percentage of students enrolled in post-secondary institutions (including colleges, universities, community colleges, trade/vocational schools, and training programs leading to career certification within 2 semesters of high school graduation), the percentage of students graduating from high school who are college and career ready, and the percentage of graduates enrolled in community colleges, colleges, and universities who are in one or more courses that the community college, college, or university identifies as a developmental course;

(D) student progress, including, where applicable, the percentage of students in the ninth grade who have earned 5 credits or more without failing more than one core class, a measure of students entering kindergarten ready to learn, a measure of growth, and the percentage of students who enter high school on track for college and career readiness;

(E) the school environment, including, where applicable, the percentage of students

with less than 10 absences in a school year, the percentage of teachers with less than 10 absences in a school year for reasons other than professional development, leaves taken pursuant to the federal Family Medical Leave Act of 1993, long-term disability, or parental leaves, the 3-year average of the percentage of teachers returning to the school from the previous year, the number of different principals at the school in the last 6 years, 2 or more indicators from any school climate survey selected or approved by the State and administered pursuant to Section 2-3.153 of this Code, with the same or similar indicators included on school report cards for all surveys selected or approved by the State pursuant to Section 2-3.153 of this Code, and the combined percentage of teachers rated as proficient or excellent in their most recent evaluation; and

(F) a school district's and its individual schools' balanced accountability measure, in accordance with Section 2-3.25a of this Code.

The school report card shall also provide information that allows for comparing the current outcome, progress, and environment data to the State average, to the school data from the past 5 years, and to the outcomes, progress, and environment of similar schools based on the type of school and enrollment of low-income students, special education students, and English learners.

(3) At the discretion of the State Superintendent, the school district report card shall include a subset of the information identified in paragraphs (A) through (E) of subsection (2) of this Section, as well as information relating to the operating expense per pupil and other finances of the school district, and the State report card shall include a subset of the information identified in paragraphs (A) through (E) of subsection (2) of this Section. The school district report card shall include the total and per pupil normal cost amount the State contributed to the Teachers' Retirement System of the State of Illinois in the prior fiscal year for the district's employees, which shall be reported to the State Board of Education by the Teachers' Retirement System of the State of Illinois.

(4) Notwithstanding anything to the contrary in this Section, in consultation with key education stakeholders, the State Superintendent shall at any time have the discretion to amend or update any and all metrics on the school, district, or State report card.

(5) Annually, no more than 30 calendar days after receipt of the school district and school report cards from the State Superintendent of Education, each school district, including special charter districts and districts subject to the provisions of Article 34, shall present such report cards at a regular school board meeting subject to applicable notice requirements, post the report cards on the school district's Internet web site, if the district maintains an Internet web site, make the report cards available to a newspaper of general circulation serving the district, and, upon request, send the report cards home to a parent (unless the district does not maintain an Internet web site, in which case the report card shall be sent home to parents without request). If the district posts the report card on its Internet web site, the district shall send a written notice home to parents stating (i) that the report card is available on the web site, (ii) the address of the web site, (iii) that a printed copy of the report card will be sent to parents upon request, and (iv) the telephone number that parents may call to request a printed copy of the report card.

(6) Nothing contained in this amendatory Act of the 98th General Assembly repeals, supersedes, invalidates, or nullifies final decisions in lawsuits pending on the effective date of this amendatory Act of the 98th General Assembly in Illinois courts involving the interpretation of Public Act 97-8.

(Source: P.A. 98-463, eff. 8-16-13; 98-648, eff. 7-1-14; 99-30, eff. 7-10-15; 99-193, eff. 7-30-15; revised 10-21-15.)

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

Sec. 10-19. Length of school term - experimental programs. Each school board shall annually prepare a calendar for the school term, specifying the opening and closing dates and providing a minimum term of at least 185 days to insure 176 days of actual pupil attendance, computable under Section 18-8.05 or 18-8.15, except that for the 1980-1981 school year only 175 days of actual pupil attendance shall be required because of the closing of schools pursuant to Section 24-2 on January 29, 1981 upon the appointment by the President of that day as a day of thanksgiving for the freedom of the Americans who had been held hostage in Iran. Any days allowed by law for teachers' institutes but not used as such or used as parental institutes as provided in Section 10-22.18d shall increase the minimum term by the school days not so used. Except as provided in Section 10-19.1, the board may not extend the school term beyond such closing date unless that extension of term is necessary to provide the minimum number of computable days. In case of such necessary extension school employees shall be paid for such additional time on the basis of their regular contracts. A school board may specify a closing date earlier than that set on the annual calendar when the schools of the district have provided the minimum number of computable days under this Section. Nothing in this Section prevents the board from employing superintendents of schools, principals and other nonteaching personnel for a period of 12 months, or in the case of superintendents for a period in accordance with Section 10-23.8, or prevents the board from employing other personnel before

or after the regular school term with payment of salary proportionate to that received for comparable work during the school term.

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

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

With the prior approval of the State Board of Education and subject to review by the State Board of Education every 3 years, any school board may, by resolution of its board and in agreement with affected exclusive collective bargaining agents, establish experimental educational programs, including but not limited to programs for e-learning days as authorized under Section 10-20.56 of this Code, self-directed learning, or outside of formal class periods, which programs when so approved shall be considered to comply with the requirements of this Section as respects numbers of days of actual pupil attendance and with the other requirements of this Act as respects courses of instruction.

(Source: P.A. 98-756, eff. 7-16-14; 99-194, eff. 7-30-15.)

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

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

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

To enter into written agreements with adjacent school districts to provide for tuition free attendance by a student of the adjacent district when requested for the student's health and safety by the student or parent and both districts determine that the student's health or safety will be served by such attendance. Districts shall not be required to enter into such agreements nor be required to alter existing transportation services due to the attendance of such non-resident pupils.

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

(b) Nonresident pupils and foreign exchange students attending school on a tuition free basis under such agreements and nonresident dependents of United States military personnel attending school on a tuition free basis may be counted for the purposes of determining the apportionment of State aid provided under Section 18-8.05 or 18-8.15 of this Code. No organization or institution participating in agreements authorized under this Section may exclude any individual for participation in its program on account of the person's race, color, sex, religion or nationality.

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

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

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

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

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

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

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

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

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

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

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

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

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

(c) Upon the annual approval of the Illinois Community College Board, reimbursement shall be first provided for transportation, child care services, and other special needs of the students directly related to instruction and then from the funds remaining an amount equal to the product of the total credit hours or units of instruction approved by the Illinois Community College Board, multiplied by the following:

(1) For adult basic education, the maximum reimbursement per credit hour or per unit of instruction shall be equal to <u>(i) through fiscal year 2016,</u> the general state aid per pupil foundation level established in subsection (B) of Section 18-8.05, divided by 60<u>, or (ii) in fiscal year 2017 and thereafter, the foundation level established pursuant to subsection (b) of Section 18-8.15 of this Code, divided by 60</u>;

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

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

(4) (Blank); and

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

(d) Upon its annual approval, the Illinois Community College Board shall provide grants to eligible programs for supplemental activities to improve or expand services under the Adult Education Act. Eligible programs shall be determined based upon performance outcomes of students in the programs as set by the Illinois Community College Board.

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

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

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

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

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

For classes authorized under this Section, a credit hour or unit of instruction is equal to 15 hours of direct instruction for students enrolled in approved adult education programs at midterm and making satisfactory progress, in accordance with standards established by the Illinois Community College Board.

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

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

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

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

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

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

After July 1, 1970 when the provisions of Section 10-20.20 become operative in the district, children in a child-care facility shall be transferred to the kindergarten established under that Section for such portion of the day as may be required for the kindergarten program, and only the prorated costs of care and training provided in the Center for the remaining period shall be charged to the Illinois Department of Human Services or other persons or agencies paying for such care.

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

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

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

(105 ILCS 5/10-29)

Sec. 10-29. Remote educational programs.

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

(1) A student may participate in the program only after the school district, pursuant to adopted school board policy, and a person authorized to enroll the student under Section 10-20.12b of this Code determine that a remote educational program will best serve the student's individual learning needs. The adopted school board policy shall include, but not be limited to, all of the following:

(A) Criteria for determining that a remote educational program will best serve a

student's individual learning needs. The criteria must include consideration of, at a minimum, a student's prior attendance, disciplinary record, and academic history.

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

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

(D) A description of the process the school district will use to develop and approve a written remote educational plan that meets the requirements of subdivision (5) of this subsection (a).

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

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

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

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

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

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

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

(C) they have responsibility for all of the following elements of the program: planning instruction, diagnosing learning needs, prescribing content delivery through class activities, assessing learning, reporting outcomes to administrators and parents and guardians, and evaluating the effects of instruction.

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

(5) Each student participating in a remote educational program must have a written remote educational plan that has been approved by the school district and a person authorized to enroll the student under Section 10-20.12b of this Code. The school district and a person authorized to enroll the student under Section 10-20.12b of this Code must approve any amendment to a remote educational plan. The remote educational plan must include, but is not limited to, all of the following:

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

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

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

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

(E) A description of the specific responsibilities of the student's family and the

school district with respect to equipment, materials, phone and Internet service, and any other requirements applicable to the home or other location outside of a school building necessary for the delivery of the remote educational program.

(F) If applicable, a description of how the remote educational program will be delivered in a manner consistent with the student's individualized education program required by Section 614(d) of the federal Individuals with Disabilities Education Improvement Act of 2004 or plan to ensure compliance with Section 504 of the federal Rehabilitation Act of 1973.

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

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

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

(J) The term of the student's participation in the remote educational program, which may not extend for longer than 12 months, unless the term is renewed by the district in accordance with subdivision (7) of this subsection (a).

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

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

(6) Students participating in a remote educational program must be enrolled in a school district attendance center pursuant to the school district's enrollment policy or policies. A student participating in a remote educational program must be tested as part of all assessments administered by the school district pursuant to Section 2-3.64a-5 of this Code at the attendance center in which the student is enrolled and in accordance with the attendance center's assessment policies and schedule. The student must be included within all accountability determinations for the school district and attendance center under State and federal law.

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

For purposes of this Section, a remote educational program does not include instruction delivered to students through an e-learning program approved under Section 10-20.56 of this Code.

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

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

(d) The impact of remote educational programs on wages, hours, and terms and conditions of employment of educational employees within the school district shall be subject to local collective bargaining agreements.

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

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

(g) School districts that, pursuant to this Section, adopt a policy for a remote educational program must submit to the State Board of Education a copy of the policy and any amendments thereto, as well as data

on student participation in a format specified by the State Board of Education. The State Board of Education may perform or contract with an outside entity to perform an evaluation of remote educational programs in this State.

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

(Source: P.A. 98-972, eff. 8-15-14; 99-193, eff. 7-30-15; 99-194, eff. 7-30-15; revised 10-9-15.)

(105 ILCS 5/11E-135)

Sec. 11E-135. Incentives. For districts reorganizing under this Article and for a district or districts that annex all of the territory of one or more entire other school districts in accordance with Article 7 of this Code, the following payments shall be made from appropriations made for these purposes:

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

(2) For a school district that annexes all of the territory of one or more entire other school districts as defined in Article 7 of this Code, for the first year during which the change of boundaries attributable to the annexation becomes effective for all purposes, as determined under Section 7-9 of this Code, the general State aid and supplemental general State aid calculated under Section 18-8.05 of this Code or the primary State aid and supplemental grants calculated under Section 18-8.15 of this Code, as applicable, shall be computed for the annexing district as constituted after the annexation and for the annexing and each annexed district as constituted prior to the annexation; and if the computation on the basis of the annexing and annexed districts as constituted prior to the annexation is greater, then a supplementary payment equal to the difference shall be made for the first 4 years of existence of the annexing school district as constituted upon the annexation.

(3) For 2 or more school districts that annex all of the territory of one or more entire other school districts, as defined in Article 7 of this Code, for the first year during which the change of boundaries attributable to the annexation becomes effective for all purposes, as determined under Section 7-9 of this Code, the general State aid and supplemental general State aid calculated under Section 18-8.05 of this Code or the primary State aid and supplemental grants calculated under Section 18-8.15 of this Code, as applicable, shall be computed for each annexing district as constituted after the annexation and for each annexing and annexed district as constituted prior to the annexation; and if the aggregate of the general State aid and supplemental general State aid or primary State aid and supplemental grants, as applicable, as so computed for the annexing districts as constituted after the annexation is less than the aggregate of the general State aid and supplemental general State aid or primary State aid and supplemental grants, as applicable, as so computed for the annexing and annexed districts, as constituted prior to the annexation, then a supplementary payment equal to the difference shall be made and allocated between or among the annexing districts, as constituted upon the annexation, for the first 4 years of their existence. The total difference payment shall be allocated between or among the annexing districts in the same ratio as the pupil enrollment from that portion of the annexed district or districts that is annexed to each annexing district bears to the total pupil enrollment from the entire annexed district or districts, as such pupil enrollment is determined for the school year last ending prior to the date when the change of boundaries attributable to the annexation becomes effective for all purposes. The amount of the total difference payment and the amount thereof to be allocated to the annexing districts shall be computed by the State Board of Education on the basis of pupil enrollment and other data that shall be certified to the State Board of Education, on forms that it shall provide for that purpose, by the regional superintendent of schools for each educational service region in which the annexing and annexed districts are located.

(4) For a school district conversion, as defined in Section 11E-15 of this Code, or a multi-unit conversion, as defined in subsection (b) of Section 11E-30 of this Code, if in their first year of existence the newly created elementary districts and the newly created high school district, from a school district conversion, or the newly created elementary district or districts and newly created combined high school - unit district, from a multi-unit conversion, qualify for less general State aid under Section 18-8.05 of this Code or primary State aid under Section 18-8.15 of this Code than would have been payable under Section 18-8.05 or 18-8.15, as applicable, for that same year to the previously existing districts, then a supplementary payment equal to that difference shall be made for the first 4 years of existence of the newly created districts. The aggregate amount of each supplementary payment shall be allocated among the newly created districts in the proportion that the deemed pupil enrollment in each district during its first

year of existence bears to the actual aggregate pupil enrollment in all of the districts during their first year of existence. For purposes of each allocation:

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

(B) the deemed pupil enrollment of each newly created elementary district from a school district conversion shall be an amount equal to its actual pupil enrollment for its first year of existence reduced by an amount equal to the product obtained when the amount by which the newly created high school district's deemed pupil enrollment exceeds its actual pupil enrollment for its first year of existence is multiplied by a fraction, the numerator of which is the actual pupil enrollment of the newly created elementary district for its first year of existence and the denominator of which is the actual aggregate pupil enrollment of all of the newly created elementary districts for their first year of existence;

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

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

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

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

(6) For an elementary opt-in, as described in subsection (d) of Section 11E-30 of this Code, the general State aid or primary State aid difference shall be computed in accordance with paragraph (5) of this subsection (a) as if the elementary opt-in was included in an optional elementary unit district at the optional elementary unit district's original effective date. If the calculation in this paragraph (6) is less than that calculated in paragraph (5) of this subsection (a) at the optional elementary unit district's original effective date, then no adjustments may be made. If the calculation in this paragraph (6) is more than that calculated in paragraph (5) of this subsection (a) at the optional elementary unit district's original effective date, then the excess must be paid as follows:

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

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

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

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

(E) If the effective date for the elementary opt-in is 5 years after the effective date

for the optional elementary unit district, the optional elementary unit district is not eligible for any additional incentives due to the elementary opt-in.

(6.5) For a school district that annexes territory detached from another school district whereby the enrollment of the annexing district increases by 90% or more as a result of the annexation, for the first year during which the change of boundaries attributable to the annexation becomes effective for all purposes as determined under Section 7-9 of this Code, the general State aid and supplemental general State aid or primary State aid and supplemental grants, as applicable, calculated under this Section shall be computed for the district gaining territory and the district losing territory as constituted after the annexation and for the same districts as constituted prior to the annexation; and if the aggregate of the general State aid and supplemental general State aid or primary State aid and supplemental grants, as applicable, as so computed for the district gaining territory and the district losing territory as constituted after the annexation is less than the aggregate of the general State aid and supplemental general State aid or primary State aid and supplemental grants, as applicable, as so computed for the district gaining territory and the district losing territory as constituted prior to the annexation, then a supplementary payment shall be made to the annexing district for the first 4 years of existence after the annexation, equal to the difference multiplied by the ratio of student enrollment in the territory detached to the total student enrollment in the district losing territory for the year prior to the effective date of the annexation. The amount of the total difference and the proportion paid to the annexing district shall be computed by the State Board of Education on the basis of pupil enrollment and other data that must be submitted to the State Board of Education in accordance with Section 7-14A of this Code. The changes to this Section made by Public Act 95-707 are intended to be retroactive and applicable to any annexation taking effect on or after July 1, 2004. For annexations that are eligible for payments under this paragraph (6.5) and that are effective on or after July 1, 2004, but before January 11, 2008 (the effective date of Public Act 95-707), the first required yearly payment under this paragraph (6.5) shall be paid in the fiscal year of January 11, 2008 (the effective date of Public Act 95-707). Subsequent required yearly payments shall be paid in subsequent fiscal years until the payment obligation under this paragraph (6.5) is complete.

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

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

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

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

(3) For each new high school district formed under a school district conversion, as defined in Section 11E-15 of this Code, the State shall make a supplementary payment for 4 years equal to the difference between the sum of the salaries earned by each certified member of the new high school district, while employed in one of the previously existing districts, and the sum of the salaries those certified members would have been paid if placed on the salary schedule of the previously existing district with the highest salary schedule.

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

(5) For an elementary district opt-in, as described in subsection (d) of Section 11E-30 of this Code, the salary difference incentive shall be computed in accordance with paragraph (4) of this subsection (b) as if the opted-in elementary district was included in the optional elementary unit district at the optional elementary unit district's original effective date. If the calculation in this paragraph (5) is less than that calculated in paragraph (4) of this subsection (b) at the optional elementary unit district's original effective date, then no adjustments may be made. If the calculation in this paragraph (5) is more than that calculated in paragraph (4) of this subsection (b) at the optional elementary unit district's original effective date, then the excess must be paid as follows:

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

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

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

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

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

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

(5.10) After the annexation of territory detached from another school district whereby the enrollment of the annexing district increases by 90% or more as a result of the annexation, a computation shall be made to determine the difference between the salaries effective in the district gaining territory and the district losing territory as they each were constituted on June 30 preceding the date when the change of boundaries attributable to the annexation became effective for all purposes as determined under Section 7-9 of this Code. For the first 4 years after the annexation, a supplementary State aid reimbursement shall be paid to the annexing district equal to the difference between the sum of the salaries earned by each of the certificated members of the annexing district as constituted after the annexation while employed in the district gaining territory or the district losing territory during the year immediately preceding the annexation and the sum of the salaries those certificated members would have been paid during such immediately preceding year if placed on the salary schedule of whichever of the district gaining territory or district losing territory had the highest salary schedule during the immediately preceding year. To be eligible for supplementary State aid reimbursement under this Section, the intergovernmental agreement to be submitted pursuant to Section 7-14A of this Code must show that staff members were transferred from the control of the district losing territory to the control of the district gaining territory in the annexation. The changes to this Section made by Public Act 95-707 are intended to be retroactive and applicable to any annexation taking effect on or after July 1, 2004. For annexations that are eligible for payments under this paragraph (5.10) and that are effective on or after July 1, 2004, but before January

11, 2008 (the effective date of Public Act 95-707), the first required yearly payment under this paragraph (5.10) shall be paid in the fiscal year of January 11, 2008 (the effective date of Public Act 95-707). Subsequent required yearly payments shall be paid in subsequent fiscal years until the payment obligation under this paragraph (5.10) is complete.

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

(6) The supplementary State aid reimbursement under this subsection (b) shall be treated as separate from all other payments made pursuant to Section 18-8.05 of this Code. In the case of the formation of a new district or cooperative high school or a deactivation, reimbursement shall begin during the first year of operation of the new district or cooperative high school or the first year of the deactivation, and in the case of an annexation of the territory of one or more school districts by one or more other school districts or the annexation of territory detached from a school district whereby the enrollment of the annexing district increases by 90% or more as a result of the annexation, reimbursement shall begin during the first year when the change in boundaries attributable to the annexation becomes effective for all purposes as determined pursuant to Section 7-9 of this Code, except that for an annexation of territory detached from a school district that is effective on or after July 1, 2004, but before January 11, 2008 (the effective date of Public Act 95-707), whereby the enrollment of the annexing district increases by 90% or more as a result of the annexation, reimbursement shall begin during the fiscal year of January 11, 2008 (the effective date of Public Act 95-707). Each year that the new, annexing, or receiving district or cooperative high school, as the case may be, is entitled to receive reimbursement, the number of eligible certified members who are employed on October 1 in the district or cooperative high school shall be certified to the State Board of Education on prescribed forms by October 15 and payment shall be made on or before November 15 of that year.

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

(2) For the first year after the annexation of all of the territory of one or more entire school districts by another school district, as defined in Article 7 of this Code, computations shall be made, for the year ending June 30 prior to the date that the change of boundaries attributable to the annexation is allowed by the affirmative decision issued by the regional board of school trustees under Section 7-6 of this Code, notwithstanding any effort to seek administrative review of the decision, totaling the annexing district's and totaling each annexed district's audited fund balances in their respective educational, working cash, operations and maintenance, and transportation funds. The annexing district as constituted after the annexation shall be paid supplementary State aid equal to the sum of the differences between the deficit of whichever of the annexing or annexed districts as constituted prior to the annexation had the smallest deficit and the deficits of each of the other districts as constituted prior to the annexation.

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

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

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

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

(C) the aggregate supplementary State aid payment under this paragraph (3) shall be allocated between or among, and shall be paid to, the annexing districts in the same ratio as the sum of the combined audited fund balance deficit of each annexing district as constituted prior to the annexation, plus all combined audited fund balance deficit amounts apportioned to that annexing district under clause (B) of this subsection, bears to the aggregate of the combined audited fund balance deficits of all of the annexing and annexed districts as constituted prior to the annexation.

(4) For the new elementary districts and new high school district formed through a school district conversion, as defined in Section 11E-15 of this Code or the new elementary district or districts and new combined high school - unit district formed through a multi-unit conversion, as defined in subsection (b) of Section 11E-30 of this Code, a computation shall be made totaling each previously existing district's audited fund balances in the educational fund, working cash fund, operations and maintenance fund, and transportation fund for the year ending June 30 prior to the referendum establishing the new districts. In the first year of the new districts, the State shall make a one-time supplementary payment equal to the sum of the differences between the deficit of the previously existing district with the smallest deficit and the deficits of each of the other previously existing districts. A district with a combined balance among the 4 funds that is positive shall be considered to have a deficit of zero. The supplementary payment shall be allocated among the newly formed high school and elementary districts in the manner provided by the petition for the formation of the districts, in the form in which the petition is approved by the regional superintendent of schools or State Superintendent of Education under Section 11E-50 of this Code.

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

(6) For an elementary opt-in as defined in subsection (d) of Section 11E-30 of this Code, the deficit fund balance incentive shall be computed in accordance with paragraph (5) of this subsection (c) as if the opted-in elementary was included in the optional elementary unit district at the optional elementary unit district's original effective date. If the calculation in this paragraph (6) is less than that calculated in paragraph (5) of this subsection (c) at the optional elementary unit district's original effective date, then no adjustments may be made. If the calculation in this paragraph (6) is more than that calculated in paragraph (5) of this subsection (c) at the optional elementary unit district's original effective date, then the excess must be paid as follows:

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

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

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

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

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

(6.5) For the first year after the annexation of territory detached from another school district whereby the enrollment of the annexing district increases by 90% or more as a result of the annexation, a computation shall be made totaling the audited fund balances of the district gaining territory and the audited fund balances of the district losing territory in the educational fund, working cash fund, operations and maintenance fund, and transportation fund for the year ending June 30 prior to the date that the change of boundaries attributable to the annexation is allowed by the affirmative decision of the regional board of school trustees under Section 7-6 of this Code, notwithstanding any action for administrative review of the decision. The annexing district as constituted after the annexation shall be paid supplementary State aid equal to the difference between the deficit of whichever district included in this calculation as constituted prior to the annexation had the smallest deficit and the deficit of each other district included in this calculation as constituted prior to the annexation, multiplied by the ratio of equalized assessed value of the territory detached to the total equalized assessed value of the district losing territory. The regional superintendent of schools for the educational service region in which a district losing territory is located prior to the annexation shall certify to the State Board of Education the value of all taxable property in the district losing territory and the value of all taxable property in the territory being detached, as last equalized or assessed by the Department of Revenue prior to the annexation. To be eligible for supplementary State aid reimbursement under this Section, the intergovernmental agreement to be submitted pursuant to Section 7-14A of this Code must show that fund balances were transferred from the district losing territory to the district gaining territory in the annexation. The changes to this Section made by Public Act 95-707 are intended to be retroactive and applicable to any annexation taking effect on or after July 1, 2004. For annexations that are eligible for payments under this paragraph (6.5) and that are effective on or after July 1, 2004, but before January 11, 2008 (the effective date of Public Act 95-707), the required payment under this paragraph (6.5) shall be paid in the fiscal year of January 11, 2008 (the effective date of Public Act 95-707).

(7) For purposes of any calculation required under paragraph (1), (2), (3), (4), (5), (6), or (6.5) of this subsection (c), a district with a combined fund balance that is positive shall be considered to have a deficit of zero. For purposes of determining each district's audited fund balances in its educational fund, working cash fund, operations and maintenance fund, and transportation fund for the specified year ending June 30, as provided in paragraphs (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c), the balance of each fund shall be deemed decreased by an amount equal to the amount of the annual property tax theretofore levied in the fund by the district for collection and payment to the district during the calendar year in which the June 30 fell, but only to the extent that the tax so levied in the fund actually was received by the district on or before or comprised a part of the fund on such June 30. For purposes of determining each district's audited fund balances, a calculation shall be made for each fund to determine the average for the 3 years prior to the specified year ending June 30, as provided in paragraphs (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c), of the district's expenditures in the categories "purchased services", "supplies and materials", and "capital outlay", as those categories are defined in rules of the State Board of Education. If this 3-year average is less than the district's expenditures in these categories for the specified year ending June 30, as provided in paragraphs (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c), then the 3-year average shall be used in calculating the amounts payable under this Section in place of the amounts shown in these categories for the specified year ending June 30, as provided in paragraphs (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c). Any deficit because of State aid not yet received may not be considered in determining the June 30 deficits. The same basis of accounting shall be used by all previously existing districts and by all annexing or annexed districts, as constituted prior to the annexation, in making any computation required under paragraphs (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c).

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

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

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

Reorganized District's Rank by type of district (unit, high school, elementary) in Equalized Assessed Value Per Pupil by Quintile	Reorganized District's Rank in Average Daily Attendance By Quintile		
	1st Quintile	2nd Quintile	3rd, 4th, or 5th Quintile
1st Quintile	1 year	1 year	1 year
2nd Quintile	1 year	2 years	2 years
3rd Quintile	2 years	3 years	3 years
4th Quintile	2 years	3 years	3 years
5th Quintile	2 years	3 years	3 years

The State Board of Education shall make a one-time calculation of a reorganized district's quintile ranks. The average daily attendance used in this calculation shall be the best 3 months' average daily attendance for the district's first year. The equalized assessed value per pupil shall be the district's real property equalized assessed value used in calculating the district's first-year general State aid claim, under Section 18-8.05 of this Code, or first-year primary State aid claim, under Section 18-8.15 of this Code, as applicable, divided by the best 3 months' average daily attendance.

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

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

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

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

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

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

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

(E) If the effective date for the elementary opt-in is 5 years after the effective date

for the optional elementary unit district, the optional elementary unit district is not eligible for any additional incentives due to the elementary opt-in.

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

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

(2.15) Following the deactivation of a school facility in accordance with Section 10-22.22b of this Code, a supplementary State aid reimbursement shall be paid for the lesser of 3 school years or the length of the deactivation agreement, including any renewals of the original deactivation agreement, to each receiving school district equal to the sum of $4,000 for each certified employee who is employed by that receiving district on a full-time basis for the regular term of any such school year who was originally transferred to the control of that receiving district as a result of the deactivation. Receiving districts are eligible for payments under this paragraph (2.15) based on the certified employees transferred to that receiving district as a result of the deactivation and are not required to receive at least 30% of the deactivating district's average daily attendance as required under paragraph (1) of this subsection (d) to be eligible for payments.

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

(4) During May of each school year for which a supplementary State aid reimbursement is to be paid to a new, annexing, or receiving school district or cooperative high school pursuant to this subsection (d), the school board or governing board shall certify to the State Board of Education, on forms furnished to the school board or governing board by the State Board of Education for purposes of this subsection (d), the number of certified employees for which the district or cooperative high school is entitled to reimbursement under this Section, together with the names, certificate numbers, and positions held by the certified employees.

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

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

(105 ILCS 5/13A-8)

Sec. 13A-8. Funding.

(a) The State of Illinois shall provide funding for the alternative school programs within each educational service region and within the Chicago public school system by line item appropriation made to the State Board of Education for that purpose. This money, when appropriated, shall be provided to the regional superintendent and to the Chicago Board of Education, who shall establish a budget, including salaries, for their alternative school programs. Each program shall receive funding in the amount of $30,000 plus an amount based on the ratio of the region's or Chicago's best 3 months' average daily attendance in grades pre-kindergarten through 12 to the statewide totals of these amounts. For purposes of this calculation, the best 3 months' average daily attendance for each region or Chicago shall be calculated by adding to the best 3 months' average daily attendance the number of low-income students identified in the most recently available federal census multiplied by one-half times the percentage of the region's or

Chicago's low-income students to the State's total low-income students. The State Board of Education shall retain up to 1.1% of the appropriation to be used to provide technical assistance, professional development, and evaluations for the programs.

(a-5) Notwithstanding any other provisions of this Section, for the 1998-1999 fiscal year, the total amount distributed under subsection (a) for an alternative school program shall be not less than the total amount that was distributed under that subsection for that alternative school program for the 1997-1998 fiscal year. If an alternative school program is to receive a total distribution under subsection (a) for the 1998-1999 fiscal year that is less than the total distribution that the program received under that subsection for the 1997-1998 fiscal year, that alternative school program shall also receive, from a separate appropriation made for purposes of this subsection (a-5), a supplementary payment equal to the amount by which its total distribution under subsection (a) for the 1997-1998 fiscal year exceeds the amount of the total distribution that the alternative school program receives under that subsection for the 1998-1999 fiscal year. If the amount appropriated for supplementary payments to alternative school programs under this subsection (a-5) is insufficient for that purpose, those supplementary payments shall be prorated among the alternative school programs entitled to receive those supplementary payments according to the aggregate amount of the appropriation made for purposes of this subsection (a-5).

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

(c) An alternative school program may receive additional funding from its school districts in such amount as may be agreed upon by the parties and necessary to support the program. In addition, an alternative school program is authorized to accept and expend gifts, legacies, and grants, including but not limited to federal grants, from any source for purposes directly related to the conduct and operation of the program.

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

(105 ILCS 5/13B-20.20)

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

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

(105 ILCS 5/13B-45)

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

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

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

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

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

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

(105 ILCS 5/13B-50)

Sec. 13B-50. Eligibility to receive general State aid or primary State aid. In order to receive general State aid or primary State aid, alternative learning opportunities programs must meet the requirements for claiming general State aid as specified in Section 18-8.05 of this Code or primary State aid as specified in Section 18-8.15 of this Code, as applicable, with the exception of the length of the instructional day, which may be less than 5 hours of school work if the program meets the criteria set forth under Sections 13B-50.5 and 13B-50.10 of this Code and if the program is approved by the State Board.
(Source: P.A. 92-42, eff. 1-1-02.)

(105 ILCS 5/13B-50.10)

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

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

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

(3) The program must comply with all other State and federal laws applicable to education providers.
(Source: P.A. 92-42, eff. 1-1-02.)

(105 ILCS 5/13B-50.15)

Sec. 13B-50.15. Level of funding. Approved alternative learning opportunities programs are entitled to claim general State aid or primary State aid, subject to Sections 13B-50, 13B-50.5, and 13B-50.10 of this Code. Approved programs operated by regional offices of education are entitled to receive general State aid or primary State aid at the foundation level of support. A school district or consortium must ensure that an approved program receives supplemental general State aid, transportation reimbursements, and special education resources, if appropriate, for students enrolled in the program.
(Source: P.A. 92-42, eff. 1-1-02.)

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

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

If because of his or her disability the special education program of a district is unable to meet the needs of a child and the child attends a non-public school or special education facility, a public out-of-state school or a special education facility owned and operated by a county government unit that provides special educational services required by the child and is in compliance with the appropriate rules and regulations of the State Superintendent of Education, the school district in which the child is a resident shall pay the actual cost of tuition for special education and related services provided during the regular school term and during the summer school term if the child's educational needs so require, excluding room, board and transportation costs charged the child by that non-public school or special education facility, public out-of-state school or county special education facility, or $4,500 per year, whichever is less, and shall provide him any necessary transportation. "Nonpublic special education facility" shall include a residential facility, within or without the State of Illinois, which provides special education and related services to meet the needs of the child by utilizing private schools or public schools, whether located on the site or off the site of the residential facility.

The State Board of Education shall promulgate rules and regulations for determining when placement in a private special education facility is appropriate. Such rules and regulations shall take into account the various types of services needed by a child and the availability of such services to the particular child in the public school. In developing these rules and regulations the State Board of Education shall consult with the Advisory Council on Education of Children with Disabilities and hold public hearings to secure recommendations from parents, school personnel, and others concerned about this matter.

The State Board of Education shall also promulgate rules and regulations for transportation to and from a residential school. Transportation to and from home to a residential school more than once each school term shall be subject to prior approval by the State Superintendent in accordance with the rules and regulations of the State Board.

A school district making tuition payments pursuant to this Section is eligible for reimbursement from the State for the amount of such payments actually made in excess of the district per capita tuition charge for students not receiving special education services. Such reimbursement shall be approved in accordance with Section 14-12.01 and each district shall file its claims, computed in accordance with rules prescribed by the State Board of Education, on forms prescribed by the State Superintendent of Education. Data used as a basis of reimbursement claims shall be for the preceding regular school term and summer school term. Each school district shall transmit its claims to the State Board of Education on or before August 15. The State Board of Education, before approving any such claims, shall determine their accuracy and whether

they are based upon services and facilities provided under approved programs. Upon approval the State Board shall cause vouchers to be prepared showing the amount due for payment of reimbursement claims to school districts, for transmittal to the State Comptroller on the 30th day of September, December, and March, respectively, and the final voucher, no later than June 20. If the money appropriated by the General Assembly for such purpose for any year is insufficient, it shall be apportioned on the basis of the claims approved.

No child shall be placed in a special education program pursuant to this Section if the tuition cost for special education and related services increases more than 10 percent over the tuition cost for the previous school year or exceeds $4,500 per year unless such costs have been approved by the Illinois Purchased Care Review Board. The Illinois Purchased Care Review Board shall consist of the following persons, or their designees: the Directors of Children and Family Services, Public Health, Public Aid, and the Governor's Office of Management and Budget; the Secretary of Human Services; the State Superintendent of Education; and such other persons as the Governor may designate. The Review Board shall also consist of one non-voting member who is an administrator of a private, nonpublic, special education school. The Review Board shall establish rules and regulations for its determination of allowable costs and payments made by local school districts for special education, room and board, and other related services provided by non-public schools or special education facilities and shall establish uniform standards and criteria which it shall follow. The Review Board shall approve the usual and customary rate or rates of a special education program that (i) is offered by an out-of-state, non-public provider of integrated autism specific educational and autism specific residential services, (ii) offers 2 or more levels of residential care, including at least one locked facility, and (iii) serves 12 or fewer Illinois students.

The Review Board shall establish uniform definitions and criteria for accounting separately by special education, room and board and other related services costs. The Board shall also establish guidelines for the coordination of services and financial assistance provided by all State agencies to assure that no otherwise qualified child with a disability receiving services under Article 14 shall be excluded from participation in, be denied the benefits of or be subjected to discrimination under any program or activity provided by any State agency.

The Review Board shall review the costs for special education and related services provided by non-public schools or special education facilities and shall approve or disapprove such facilities in accordance with the rules and regulations established by it with respect to allowable costs.

The State Board of Education shall provide administrative and staff support for the Review Board as deemed reasonable by the State Superintendent of Education. This support shall not include travel expenses or other compensation for any Review Board member other than the State Superintendent of Education.

The Review Board shall seek the advice of the Advisory Council on Education of Children with Disabilities on the rules and regulations to be promulgated by it relative to providing special education services.

If a child has been placed in a program in which the actual per pupil costs of tuition for special education and related services based on program enrollment, excluding room, board and transportation costs, exceed $4,500 and such costs have been approved by the Review Board, the district shall pay such total costs which exceed $4,500. A district making such tuition payments in excess of $4,500 pursuant to this Section shall be responsible for an amount in excess of $4,500 equal to the district per capita tuition charge and shall be eligible for reimbursement from the State for the amount of such payments actually made in excess of the districts per capita tuition charge for students not receiving special education services.

If a child has been placed in an approved individual program and the tuition costs including room and board costs have been approved by the Review Board, then such room and board costs shall be paid by the appropriate State agency subject to the provisions of Section 14-8.01 of this Act. Room and board costs not provided by a State agency other than the State Board of Education shall be provided by the State Board of Education on a current basis. In no event, however, shall the State's liability for funding of these tuition costs begin until after the legal obligations of third party payors have been subtracted from such costs. If the money appropriated by the General Assembly for such purpose for any year is insufficient, it shall be apportioned on the basis of the claims approved. Each district shall submit estimated claims to the State Superintendent of Education. Upon approval of such claims, the State Superintendent of Education shall direct the State Comptroller to make payments on a monthly basis. The frequency for submitting estimated claims and the method of determining payment shall be prescribed in rules and regulations adopted by the State Board of Education. Such current state reimbursement shall be reduced by an amount equal to the proceeds which the child or child's parents are eligible to receive under any public or private insurance or assistance program. Nothing in this Section shall be construed as relieving an insurer or

similar third party from an otherwise valid obligation to provide or to pay for services provided to a child with a disability.

If it otherwise qualifies, a school district is eligible for the transportation reimbursement under Section 14-13.01 and for the reimbursement of tuition payments under this Section whether the non-public school or special education facility, public out-of-state school or county special education facility, attended by a child who resides in that district and requires special educational services, is within or outside of the State of Illinois. However, a district is not eligible to claim transportation reimbursement under this Section unless the district certifies to the State Superintendent of Education that the district is unable to provide special educational services required by the child for the current school year.

Nothing in this Section authorizes the reimbursement of a school district for the amount paid for tuition of a child attending a non-public school or special education facility, public out-of-state school or county special education facility unless the school district certifies to the State Superintendent of Education that the special education program of that district is unable to meet the needs of that child because of his disability and the State Superintendent of Education finds that the school district is in substantial compliance with Section 14-4.01. However, if a child is unilaterally placed by a State agency or any court in a non-public school or special education facility, public out-of-state school, or county special education facility, a school district shall not be required to certify to the State Superintendent of Education, for the purpose of tuition reimbursement, that the special education program of that district is unable to meet the needs of a child because of his or her disability.

Any educational or related services provided, pursuant to this Section in a non-public school or special education facility or a special education facility owned and operated by a county government unit shall be at no cost to the parent or guardian of the child. However, current law and practices relative to contributions by parents or guardians for costs other than educational or related services are not affected by this amendatory Act of 1978.

Reimbursement for children attending public school residential facilities shall be made in accordance with the provisions of this Section.

Notwithstanding any other provision of law, any school district receiving a payment under this Section or under Section 14-7.02b, 14-13.01, or 29-5 of this Code may classify all or a portion of the funds that it receives in a particular fiscal year or from general State aid pursuant to Section 18-8.05 of this Code as funds received in connection with any funding program for which it is entitled to receive funds from the State in that fiscal year (including, without limitation, any funding program referenced in this Section), regardless of the source or timing of the receipt. The district may not classify more funds as funds received in connection with the funding program than the district is entitled to receive in that fiscal year for that program. Any classification by a district must be made by a resolution of its board of education. The resolution must identify the amount of any payments or general State aid to be classified under this paragraph and must specify the funding program to which the funds are to be treated as received in connection therewith. This resolution is controlling as to the classification of funds referenced therein. A certified copy of the resolution must be sent to the State Superintendent of Education. The resolution shall still take effect even though a copy of the resolution has not been sent to the State Superintendent of Education in a timely manner. No classification under this paragraph by a district shall affect the total amount or timing of money the district is entitled to receive under this Code. No classification under this paragraph by a district shall in any way relieve the district from or affect any requirements that otherwise would apply with respect to that funding program, including any accounting of funds by source, reporting expenditures by original source and purpose, reporting requirements, or requirements of providing services.

Notwithstanding anything to the contrary contained in this Section, the State Board of Education shall award to a school district having a population exceeding 500,000 inhabitants 48.4% of the funds appropriated by the General Assembly for any fiscal year for purposes of payments to school districts under this Section.

(Source: P.A. 98-636, eff. 6-6-14; 98-1008, eff. 1-1-15; 99-78, eff. 7-20-15; 99-143, eff. 7-27-15.)

(105 ILCS 5/14-7.02b)

Sec. 14-7.02b. Funding for children requiring special education services. Payments to school districts for children requiring special education services documented in their individualized education program regardless of the program from which these services are received, excluding children claimed under Sections 14-7.02 and 14-7.03 of this Code, shall be made in accordance with this Section. Funds received under this Section may be used only for the provision of special educational facilities and services as defined in Section 14-1.08 of this Code.

The appropriation for fiscal year 2005 through fiscal year 2016 ~~and thereafter~~ shall be based upon the IDEA child count of all students in the State, excluding students claimed under Sections 14-7.02 and 14-

7.03 of this Code, on December 1 of the fiscal year 2 years preceding, multiplied by 17.5% of the general State aid foundation level of support established for that fiscal year under Section 18-8.05 of this Code.

Beginning with fiscal year 2005 and through fiscal year 2007, individual school districts shall not receive payments under this Section totaling less than they received under the funding authorized under Section 14-7.02a of this Code during fiscal year 2004, pursuant to the provisions of Section 14-7.02a as they were in effect before the effective date of this amendatory Act of the 93rd General Assembly. This base level funding shall be computed first.

Beginning with fiscal year 2008 through fiscal year 2016 ~~and each fiscal year thereafter~~, individual school districts must not receive payments under this Section totaling less than they received in fiscal year 2007. This funding shall be computed last and shall be a separate calculation from any other calculation set forth in this Section. This amount is exempt from the requirements of Section 1D-1 of this Code.

Through fiscal year 2016, an ~~An~~ amount equal to 85% of the funds remaining in the appropriation shall be allocated to school districts based upon the district's average daily attendance reported for purposes of Section 18-8.05 of this Code for the preceding school year. Fifteen percent of the funds remaining in the appropriation shall be allocated to school districts based upon the district's low income eligible pupil count used in the calculation of general State aid under Section 18-8.05 of this Code for the same fiscal year. One hundred percent of the funds computed and allocated to districts under this Section shall be distributed and paid to school districts.

For individual students with disabilities whose program costs exceed 4 times the district's per capita tuition rate as calculated under Section 10-20.12a of this Code, the costs in excess of 4 times the district's per capita tuition rate shall be paid by the State Board of Education from unexpended IDEA discretionary funds originally designated for room and board reimbursement pursuant to Section 14-8.01 of this Code. The amount of tuition for these children shall be determined by the actual cost of maintaining classes for these children, using the per capita cost formula set forth in Section 14-7.01 of this Code, with the program and cost being pre-approved by the State Superintendent of Education. Reimbursement for individual students with disabilities whose program costs exceed 4 times the district's per capita tuition rate shall be claimed beginning with costs encumbered for the 2004-2005 school year and thereafter.

The State Board of Education shall prepare vouchers equal to one-fourth the amount allocated to districts, for transmittal to the State Comptroller on the 30th day of September, December, and March, respectively, and the final voucher, no later than June 20. The Comptroller shall make payments pursuant to this Section to school districts as soon as possible after receipt of vouchers. If the money appropriated from the General Assembly for such purposes for any year is insufficient, it shall be apportioned on the basis of the payments due to school districts.

Nothing in this Section shall be construed to decrease or increase the percentage of all special education funds that are allocated annually under Article 1D of this Code or to alter the requirement that a school district provide special education services.

Nothing in this amendatory Act of the 93rd General Assembly shall eliminate any reimbursement obligation owed as of the effective date of this amendatory Act of the 93rd General Assembly to a school district with in excess of 500,000 inhabitants.

Except for reimbursement for individual students with disabilities whose program costs exceed 4 times the district's per capita tuition rate, no funding shall be provided to school districts under this Section after fiscal year 2016.

(Source: P.A. 93-1022, eff. 8-24-08; 95-705, eff. 1-8-08.)

(105 ILCS 5/14-7.03) (from Ch. 122, par. 14-7.03)

Sec. 14-7.03. Special Education Classes for Children from Orphanages, ~~Foster Family Homes,~~ Children's Homes, or in State Housing Units. If a school district maintains special education classes on the site of orphanages and children's homes, or if children from the orphanages, children's homes, ~~foster family homes,~~ other State agencies, or State residential units for children attend classes for children with disabilities in which the school district is a participating member of a joint agreement, or if the children from the orphanages, children's homes, ~~foster family homes,~~ other State agencies, or State residential units attend classes for the children with disabilities maintained by the school district, then reimbursement shall be paid to eligible districts in accordance with the provisions of this Section by the Comptroller as directed by the State Superintendent of Education.

The amount of tuition for such children shall be determined by the actual cost of maintaining such classes, using the per capita cost formula set forth in Section 14-7.01, such program and cost to be pre-approved by the State Superintendent of Education.

If a school district makes a claim for reimbursement under Section 18-3 ~~or 18-4~~ of this Code, ~~Act~~ it shall not include in any claim filed under this Section a claim for such children. Payments authorized by

law, including State or federal grants for education of children included in this Section, shall be deducted in determining the tuition amount.

Nothing in this Act shall be construed so as to prohibit reimbursement for the tuition of children placed in for profit facilities. Private facilities shall provide adequate space at the facility for special education classes provided by a school district or joint agreement for children with disabilities who are residents of the facility at no cost to the school district or joint agreement upon request of the school district or joint agreement. If such a private facility provides space at no cost to the district or joint agreement for special education classes provided to children with disabilities who are residents of the facility, the district or joint agreement shall not include any costs for the use of those facilities in its claim for reimbursement.

Reimbursement for tuition may include the cost of providing summer school programs for children with severe and profound disabilities served under this Section. Claims for that reimbursement shall be filed by November 1 and shall be paid on or before December 15 from appropriations made for the purposes of this Section.

The State Board of Education shall establish such rules and regulations as may be necessary to implement the provisions of this Section.

Claims filed on behalf of programs operated under this Section housed in a jail, detention center, or county-owned shelter care facility shall be on an individual student basis only for eligible students with disabilities. These claims shall be in accordance with applicable rules.

Each district claiming reimbursement for a program operated as a group program shall have an approved budget on file with the State Board of Education prior to the initiation of the program's operation. On September 30, December 31, and March 31, the State Board of Education shall voucher payments to group programs based upon the approved budget during the year of operation. Final claims for group payments shall be filed on or before July 15. Final claims for group programs received at the State Board of Education on or before June 15 shall be vouchered by June 30. Final claims received at the State Board of Education between June 16 and July 15 shall be vouchered by August 30. Claims for group programs received after July 15 shall not be honored.

Each district claiming reimbursement for individual students shall have the eligibility of those students verified by the State Board of Education. On September 30, December 31, and March 31, the State Board of Education shall voucher payments for individual students based upon an estimated cost calculated from the prior year's claim. Final claims for individual students for the regular school term must be received at the State Board of Education by July 15. Claims for individual students received after July 15 shall not be honored. Final claims for individual students shall be vouchered by August 30.

Reimbursement shall be made based upon approved group programs or individual students. The State Superintendent of Education shall direct the Comptroller to pay a specified amount to the district by the 30th day of September, December, March, June, or August, respectively. However, notwithstanding any other provisions of this Section or the School Code, beginning with fiscal year 1994 and each fiscal year thereafter, if the amount appropriated for any fiscal year is less than the amount required for purposes of this Section, the amount required to eliminate any insufficient reimbursement for each district claim under this Section shall be reimbursed on August 30 of the next fiscal year. Payments required to eliminate any insufficiency for prior fiscal year claims shall be made before any claims are paid for the current fiscal year.

The claim of a school district otherwise eligible to be reimbursed in accordance with Section 14-12.01 for the 1976-77 school year but for this amendatory Act of 1977 shall not be paid unless the district ceases to maintain such classes for one entire school year.

If a school district's current reimbursement payment for the 1977-78 school year only is less than the prior year's reimbursement payment owed, the district shall be paid the amount of the difference between the payments in addition to the current reimbursement payment, and the amount so paid shall be subtracted from the amount of prior year's reimbursement payment owed to the district.

Regional superintendents may operate special education classes for children from orphanages, ~~foster family homes,~~ children's homes ~~,~~ or State housing units located within the educational services region upon consent of the school board otherwise so obligated. In electing to assume the powers and duties of a school district in providing and maintaining such a special education program, the regional superintendent may enter into joint agreements with other districts and may contract with public or private schools or the orphanage, ~~foster family home,~~ children's home ~~,~~ or State housing unit for provision of the special education program. The regional superintendent exercising the powers granted under this Section shall claim the reimbursement authorized by this Section directly from the State Board of Education.

Any child who is not a resident of Illinois who is placed in a child welfare institution, private facility, ~~foster family home,~~ State operated program, orphanage ~~,~~ or children's home shall have the payment for his educational tuition and any related services assured by the placing agent.

For each student with a disability who is placed in a residential facility by an Illinois public agency or by any court in this State, the costs for educating the student are eligible for reimbursement under this Section.

The district of residence of the student with a disability as defined in Section 14-1.11a is responsible for the actual costs of the student's special education program and is eligible for reimbursement under this Section when placement is made by a State agency or the courts.

When a dispute arises over the determination of the district of residence under this Section, the district or districts may appeal the decision in writing to the State Superintendent of Education, who, upon review of materials submitted and any other items or information he or she may request for submission, shall issue a written decision on the matter. The decision of the State Superintendent of Education shall be final.

In the event a district does not make a tuition payment to another district that is providing the special education program and services, the State Board of Education shall immediately withhold 125% of the then remaining annual tuition cost from the State aid or categorical aid payment due to the school district that is determined to be the resident school district. All funds withheld by the State Board of Education shall immediately be forwarded to the school district where the student is being served.

When a child eligible for services under this Section 14-7.03 must be placed in a nonpublic facility, that facility shall meet the programmatic requirements of Section 14-7.02 and its regulations, and the educational services shall be funded only in accordance with this Section 14-7.03.

(Source: P.A. 98-739, eff. 7-16-14; 99-143, eff. 7-27-15.)

(105 ILCS 5/14-13.01) (from Ch. 122, par. 14-13.01)

Sec. 14-13.01. Reimbursement payable by State; amounts for personnel and transportation.

(a) Through fiscal year 2016, for ~~For~~ staff working on behalf of children who have not been identified as eligible for special education and for eligible children with physical disabilities, including all eligible children whose placement has been determined under Section 14-8.02 in hospital or home instruction, 1/2 of the teacher's salary but not more than $1,000 annually per child or $9,000 per teacher, whichever is less.

(a-5) A child qualifies for home or hospital instruction if it is anticipated that, due to a medical condition, the child will be unable to attend school, and instead must be instructed at home or in the hospital, for a period of 2 or more consecutive weeks or on an ongoing intermittent basis. For purposes of this Section, "ongoing intermittent basis" means that the child's medical condition is of such a nature or severity that it is anticipated that the child will be absent from school due to the medical condition for periods of at least 2 days at a time multiple times during the school year totaling at least 10 days or more of absences. There shall be no requirement that a child be absent from school a minimum number of days before the child qualifies for home or hospital instruction. In order to establish eligibility for home or hospital services, a student's parent or guardian must submit to the child's school district of residence a written statement from a physician licensed to practice medicine in all of its branches stating the existence of such medical condition, the impact on the child's ability to participate in education, and the anticipated duration or nature of the child's absence from school. Home or hospital instruction may commence upon receipt of a written physician's statement in accordance with this Section, but instruction shall commence not later than 5 school days after the school district receives the physician's statement. Special education and related services required by the child's IEP or services and accommodations required by the child's federal Section 504 plan must be implemented as part of the child's home or hospital instruction, unless the IEP team or federal Section 504 plan team determines that modifications are necessary during the home or hospital instruction due to the child's condition.

(a-10) Through fiscal year 2016, eligible ~~Eligible~~ children to be included in any reimbursement under this paragraph must regularly receive a minimum of one hour of instruction each school day, or in lieu thereof of a minimum of 5 hours of instruction in each school week in order to qualify for full reimbursement under this Section. If the attending physician for such a child has certified that the child should not receive as many as 5 hours of instruction in a school week, however, reimbursement under this paragraph on account of that child shall be computed proportionate to the actual hours of instruction per week for that child divided by 5.

(a-15) The State Board of Education shall establish rules governing the required qualifications of staff providing home or hospital instruction.

(b) For children described in Section 14-1.02, 80% of the cost of transportation approved as a related service in the Individualized Education Program for each student in order to take advantage of special educational facilities. Transportation costs shall be determined in the same fashion as provided in Section 29-5 of this Code, provided that, notwithstanding anything to the contrary contained in this subsection (b) or Section 29-5 of this Code, the State Board of Education shall award to a school district having a population exceeding 500,000 inhabitants 30.7% of the funds appropriated by the General Assembly for

any fiscal year for purposes of payment of transportation cost claims under this subsection (b). For purposes of this subsection (b), the dates for processing claims specified in Section 29-5 shall apply.

(c) Through fiscal year 2016, for ~~For~~ each qualified worker, the annual sum of $9,000.

(d) Through fiscal year 2016, for ~~For~~ one full time qualified director of the special education program of each school district which maintains a fully approved program of special education the annual sum of $9,000. Districts participating in a joint agreement special education program shall not receive such reimbursement if reimbursement is made for a director of the joint agreement program.

(e) (Blank).

(f) (Blank).

(g) Through fiscal year 2016, for ~~For~~ readers, working with blind or partially seeing children 1/2 of their salary but not more than $400 annually per child. Readers may be employed to assist such children and shall not be required to be certified but prior to employment shall meet standards set up by the State Board of Education.

(h) Through fiscal year 2016, for ~~For~~ non-certified employees, as defined by rules promulgated by the State Board of Education, who deliver services to students with IEPs, 1/2 of the salary paid or $3,500 per employee, whichever is less.

(i) The State Board of Education shall set standards and prescribe rules for determining the allocation of reimbursement under this section on less than a full time basis and for less than a school year.

When any school district eligible for reimbursement under this Section operates a school or program approved by the State Superintendent of Education for a number of days in excess of the adopted school calendar but not to exceed 235 school days, such reimbursement shall be increased by 1/180 of the amount or rate paid hereunder for each day such school is operated in excess of 180 days per calendar year.

Notwithstanding any other provision of law, any school district receiving a payment under this Section or under Section 14-7.02, 14-7.02b, or 29-5 of this Code may classify all or a portion of the funds that it receives in a particular fiscal year or from primary ~~general~~ State aid pursuant to Section 18-8.15 ~~18-8.05~~ of this Code as funds received in connection with any funding program for which it is entitled to receive funds from the State in that fiscal year (including, without limitation, any funding program referenced in this Section), regardless of the source or timing of the receipt. The district may not classify more funds as funds received in connection with the funding program than the district is entitled to receive in that fiscal year for that program. Any classification by a district must be made by a resolution of its board of education. The resolution must identify the amount of any payments or primary ~~general~~ State aid to be classified under this paragraph and must specify the funding program to which the funds are to be treated as received in connection therewith. This resolution is controlling as to the classification of funds referenced therein. A certified copy of the resolution must be sent to the State Superintendent of Education. The resolution shall still take effect even though a copy of the resolution has not been sent to the State Superintendent of Education in a timely manner. No classification under this paragraph by a district shall affect the total amount or timing of money the district is entitled to receive under this Code. No classification under this paragraph by a district shall in any way relieve the district from or affect any requirements that otherwise would apply with respect to that funding program, including any accounting of funds by source, reporting expenditures by original source and purpose, reporting requirements, or requirements of providing services.

(Source: P.A. 96-257, eff. 8-11-09; 97-123, eff. 7-14-11.)

(105 ILCS 5/14C-1) (from Ch. 122, par. 14C-1)

Sec. 14C-1. The General Assembly finds that there are large numbers of children in this State who come from environments where the primary language is other than English. Experience has shown that public school classes in which instruction is given only in English are often inadequate for the education of children whose native tongue is another language. The General Assembly believes that a program of transitional bilingual education can meet the needs of these children and facilitate their integration into the regular public school curriculum. Therefore, pursuant to the policy of this State to ensure equal educational opportunity to every child, and in recognition of the educational needs of English learners, it is the purpose of this Act to provide for the establishment of transitional bilingual education programs in the public schools, to provide supplemental financial assistance through fiscal year 2016 to help local school districts meet the extra costs of such programs, and to allow this State to directly or indirectly provide technical assistance and professional development to support transitional bilingual education programs statewide.

(Source: P.A. 99-30, eff. 7-10-15.)

(105 ILCS 5/14C-12) (from Ch. 122, par. 14C-12)

Sec. 14C-12. Account of expenditures; Cost report; Reimbursement. Each school district with at least one English learner shall keep an accurate, detailed and separate account of all monies paid out by it for the programs in transitional bilingual education required or permitted by this Article, including

transportation costs, and shall annually report thereon for the school year ending June 30 indicating the average per pupil expenditure. Through fiscal year 2016, each ~~Each~~ school district shall be reimbursed for the amount by which such costs exceed the average per pupil expenditure by such school district for the education of children of comparable age who are not in any special education program. No funding shall be provided to school districts under this Section after fiscal year 2016. In fiscal year 2017 and each fiscal year thereafter, all funding received by a school district from the State pursuant to Sections 18-8.15 or 18-8.20 of this Code that is attributable to English learner pupils or staffing positions to support English learner pupils must be used for programs and services authorized under this Article. At least 60% of transitional bilingual education funding received from the State must be used for the instructional costs of programs and services authorized under this Article ~~transitional bilingual education~~.

Applications for preapproval ~~for reimbursement~~ for costs of transitional bilingual education programs must be submitted to the State Superintendent of Education at least 60 days before a transitional bilingual education program is started, unless a justifiable exception is granted by the State Superintendent of Education. Applications shall set forth a plan for transitional bilingual education established and maintained in accordance with this Article.

Through fiscal year 2016, reimbursement ~~Reimbursement~~ claims for transitional bilingual education programs shall be made as follows:

Each school district shall claim reimbursement on a current basis for the first 3 quarters of the fiscal year and file a final adjusted claim for the school year ended June 30 preceding computed in accordance with rules prescribed by the State Superintendent's Office. The State Superintendent of Education before approving any such claims shall determine their accuracy and whether they are based upon services and facilities provided under approved programs. Upon approval he shall transmit to the Comptroller the vouchers showing the amounts due for school district reimbursement claims. Upon receipt of the final adjusted claims the State Superintendent of Education shall make a final determination of the accuracy of such claims. If the money appropriated by the General Assembly for such purpose for any year is insufficient, it shall be apportioned on the basis of the claims approved.

Failure on the part of the school district to prepare and certify the final adjusted claims due under this Section may constitute a forfeiture by the school district of its right to be reimbursed by the State under this Section.

(Source: P.A. 96-1170, eff. 1-1-11.)

(105 ILCS 5/17-1) (from Ch. 122, par. 17-1)

Sec. 17-1. Annual Budget. The board of education of each school district under 500,000 inhabitants shall, within or before the first quarter of each fiscal year, adopt and file with the State Board of Education an annual balanced budget which it deems necessary to defray all necessary expenses and liabilities of the district, and in such annual budget shall specify the objects and purposes of each item and amount needed for each object or purpose.

The budget shall be entered upon a School District Budget form prepared and provided by the State Board of Education and therein shall contain a statement of the cash on hand at the beginning of the fiscal year, an estimate of the cash expected to be received during such fiscal year from all sources, an estimate of the expenditures contemplated for such fiscal year, and a statement of the estimated cash expected to be on hand at the end of such year. The estimate of taxes to be received may be based upon the amount of actual cash receipts that may reasonably be expected by the district during such fiscal year, estimated from the experience of the district in prior years and with due regard for other circumstances that may substantially affect such receipts. Nothing in this Section shall be construed as requiring any district to change or preventing any district from changing from a cash basis of financing to a surplus or deficit basis of financing; or as requiring any district to change or preventing any district from changing its system of accounting. For the 2018-2019 school year and thereafter, the budget shall conform to the school level accounting requirements adopted by the State Board of Education pursuant to Section 2-3.28 of this Code.

To the extent that a school district's budget is not balanced, the district shall also adopt and file with the State Board of Education a deficit reduction plan to balance the district's budget within 3 years. The deficit reduction plan must be filed at the same time as the budget, but the State Superintendent of Education may extend this deadline if the situation warrants.

If, as the result of an audit performed in compliance with Section 3-7 of this Code, the resulting Annual Financial Report required to be submitted pursuant to Section 3-15.1 of this Code reflects a deficit as defined for purposes of the preceding paragraph, then the district shall, within 30 days after acceptance of such audit report, submit a deficit reduction plan.

The board of education of each district shall fix a fiscal year therefor. If the beginning of the fiscal year of a district is subsequent to the time that the tax levy due to be made in such fiscal year shall be made, then such annual budget shall be adopted prior to the time such tax levy shall be made. The failure by a

board of education of any district to adopt an annual budget, or to comply in any respect with the provisions of this Section, shall not affect the validity of any tax levy of the district otherwise in conformity with the law. With respect to taxes levied either before, on, or after the effective date of this amendatory Act of the 91st General Assembly, (i) a tax levy is made for the fiscal year in which the levy is due to be made regardless of which fiscal year the proceeds of the levy are expended or are intended to be expended, and (ii) except as otherwise provided by law, a board of education's adoption of an annual budget in conformity with this Section is not a prerequisite to the adoption of a valid tax levy and is not a limit on the amount of the levy.

Such budget shall be prepared in tentative form by some person or persons designated by the board, and in such tentative form shall be made conveniently available to public inspection for at least 30 days prior to final action thereon. At least 1 public hearing shall be held as to such budget prior to final action thereon. Notice of availability for public inspection and of such public hearing shall be given by publication in a newspaper published in such district, at least 30 days prior to the time of such hearing. If there is no newspaper published in such district, notice of such public hearing shall be given by posting notices thereof in 5 of the most public places in such district. It shall be the duty of the secretary of such board to make such tentative budget available to public inspection, and to arrange for such public hearing. The board may from time to time make transfers between the various items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget. The board may from time to time amend such budget by the same procedure as is herein provided for its original adoption.

Beginning July 1, 1976, the board of education, or regional superintendent, or governing board responsible for the administration of a joint agreement shall, by September 1 of each fiscal year thereafter, adopt an annual budget for the joint agreement in the same manner and subject to the same requirements as are provided in this Section.

The State Board of Education shall exercise powers and duties relating to budgets as provided in Section 2-3.27 of this Code and shall require school districts to submit their annual budgets, deficit reduction plans, and other financial information, including revenue and expenditure reports and borrowing and interfund transfer plans, in such form and within the timelines designated by the State Board of Education.

By fiscal year 1982 all school districts shall use the Program Budget Accounting System.

In the case of a school district receiving emergency State financial assistance under Article 1B, the school board shall also be subject to the requirements established under Article 1B with respect to the annual budget.

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

(105 ILCS 5/17-1.2)

Sec. 17-1.2. Post annual budget on web site. If a school district has an Internet web site, the school district shall post its current annual budget, itemized by receipts and expenditures, on the district's Internet web site. <u>For the 2018-2019 school year and thereafter, the budget shall include school level information conforming to the rules adopted by the State Board of Education pursuant to Section 2-3.28 of this Code.</u> The school district shall notify the parents or guardians of its students that the budget has been posted on the district's web site and what the web site's address is.

(Source: P.A. 92-438, eff. 1-1-02.)

(105 ILCS 5/17-1.5)

Sec. 17-1.5. Limitation of administrative costs.

(a) It is the purpose of this Section to establish limitations on the growth of administrative expenditures in order to maximize the proportion of school district resources available for the instructional program, building maintenance, and safety services for the students of each district.

(b) Definitions. For the purposes of this Section:

"Administrative expenditures" mean the annual expenditures of school districts properly attributable to expenditure functions defined by the rules of the State Board of Education as: 2320 (Executive Administration Services); 2330 (Special Area Administration Services); 2490 (Other Support Services - School Administration); 2510 (Direction of Business Support Services); 2570 (Internal Services); and 2610 (Direction of Central Support Services); provided, however, that "administrative expenditures" shall not include early retirement or other pension system obligations required by State law.

"School district" means all school districts having a population of less than 500,000.

(c) For the 1998-99 school year and each school year thereafter, each school district shall undertake budgetary and expenditure control actions so that the increase in administrative expenditures for that school year over the prior school year does not exceed 5%. School districts with administrative expenditures per pupil in the 25th percentile and below for all districts of the same type, as defined by the State Board of Education, may waive the limitation imposed under this Section for any year following a

public hearing and with the affirmative vote of at least two-thirds of the members of the school board of the district. Any district waiving the limitation shall notify the State Board within 45 days of such action.

(d) School districts shall file with the State Board of Education by November 15, 1998 and by each November 15th thereafter a one-page report that lists (i) the actual administrative expenditures for the prior year from the district's audited Annual Financial Report, and (ii) the projected administrative expenditures for the current year from the budget adopted by the school board pursuant to Section 17-1 of this Code.

If a school district that is ineligible to waive the limitation imposed by subsection (c) of this Section by board action exceeds the limitation solely because of circumstances beyond the control of the district and the district has exhausted all available and reasonable remedies to comply with the limitation, the district may request a waiver pursuant to Section 2-3.25g. The waiver application shall specify the amount, nature, and reason for the relief requested, as well as all remedies the district has exhausted to comply with the limitation. Any emergency relief so requested shall apply only to the specific school year for which the request is made. The State Board of Education shall analyze all such waivers submitted and shall recommend that the General Assembly disapprove any such waiver requested that is not due solely to circumstances beyond the control of the district and for which the district has not exhausted all available and reasonable remedies to comply with the limitation. The State Superintendent shall have no authority to impose any sanctions pursuant to this Section for any expenditures for which a waiver has been requested until such waiver has been reviewed by the General Assembly.

If the report and information required under this subsection (d) are not provided by the school district in a timely manner, or are subsequently determined by the State Superintendent of Education to be incomplete or inaccurate, the State Superintendent shall notify the district in writing of reporting deficiencies. The school district shall, within 60 days of the notice, address the reporting deficiencies identified.

(e) If the State Superintendent determines that a school district has failed to comply with the administrative expenditure limitation imposed in subsection (c) of this Section, the State Superintendent shall notify the district of the violation and direct the district to undertake corrective action to bring the district's budget into compliance with the administrative expenditure limitation. The district shall, within 60 days of the notice, provide adequate assurance to the State Superintendent that appropriate corrective actions have been or will be taken. If the district fails to provide adequate assurance or fails to undertake the necessary corrective actions, the State Superintendent may impose progressive sanctions against the district that may culminate in withholding all subsequent payments of general State aid due the district under Section 18-8.05 of this Code or primary State aid due the district under Section 18-8.15 of this Code until the assurance is provided or the corrective actions taken.

(f) The State Superintendent shall publish a list each year of the school districts that violate the limitation imposed by subsection (c) of this Section and a list of the districts that waive the limitation by board action as provided in subsection (c) of this Section.

(Source: P.A. 90-548, eff. 1-1-98; 90-653, eff. 7-29-98.)

(105 ILCS 5/17-2.11) (from Ch. 122, par. 17-2.11)

Sec. 17-2.11. School board power to levy a tax or to borrow money and issue bonds for fire prevention, safety, energy conservation, accessibility, school security, and specified repair purposes.

(a) Whenever, as a result of any lawful order of any agency, other than a school board, having authority to enforce any school building code applicable to any facility that houses students, or any law or regulation for the protection and safety of the environment, pursuant to the Environmental Protection Act, any school district having a population of less than 500,000 inhabitants is required to alter or reconstruct any school building or permanent, fixed equipment; the district may, by proper resolution, levy a tax for the purpose of making such alteration or reconstruction, based on a survey report by an architect or engineer licensed in this State, upon all of the taxable property of the district at the value as assessed by the Department of Revenue and at a rate not to exceed 0.05% per year for a period sufficient to finance such alteration or reconstruction, upon the following conditions:

(1) When there are not sufficient funds available in the operations and maintenance fund of the school district, the school facility occupation tax fund of the district, or the fire prevention and safety fund of the district, as determined by the district on the basis of rules adopted by the State Board of Education, to make such alteration or reconstruction or to purchase and install such permanent, fixed equipment so ordered or determined as necessary. Appropriate school district records must be made available to the State Superintendent of Education, upon request, to confirm this insufficiency.

(2) When a certified estimate of an architect or engineer licensed in this State stating the estimated amount necessary to make the alteration or reconstruction or to purchase and install the equipment so ordered has been secured by the school district, and the estimate has been approved by

the regional superintendent of schools having jurisdiction over the district and the State Superintendent of Education. Approval must not be granted for any work that has already started without the prior express authorization of the State Superintendent of Education. If the estimate is not approved or is denied approval by the regional superintendent of schools within 3 months after the date on which it is submitted to him or her, the school board of the district may submit the estimate directly to the State Superintendent of Education for approval or denial.

In the case of an emergency situation, where the estimated cost to effectuate emergency repairs is less than the amount specified in Section 10-20.21 of this Code, the school district may proceed with such repairs prior to approval by the State Superintendent of Education, but shall comply with the provisions of subdivision (2) of this subsection (a) as soon thereafter as may be as well as Section 10-20.21 of this Code. If the estimated cost to effectuate emergency repairs is greater than the amount specified in Section 10-20.21 of this Code, then the school district shall proceed in conformity with Section 10-20.21 of this Code and with rules established by the State Board of Education to address such situations. The rules adopted by the State Board of Education to deal with these situations shall stipulate that emergency situations must be expedited and given priority consideration. For purposes of this paragraph, an emergency is a situation that presents an imminent and continuing threat to the health and safety of students or other occupants of a facility, requires complete or partial evacuation of a building or part of a building, or consumes one or more of the 5 emergency days built into the adopted calendar of the school or schools or would otherwise be expected to cause such school or schools to fall short of the minimum school calendar requirements.

(b) Whenever any such district determines that it is necessary for energy conservation purposes that any school building or permanent, fixed equipment should be altered or reconstructed and that such alterations or reconstruction will be made with funds not necessary for the completion of approved and recommended projects contained in any safety survey report or amendments thereto authorized by Section 2-3.12 of this Act; the district may levy a tax or issue bonds as provided in subsection (a) of this Section.

(c) Whenever any such district determines that it is necessary for accessibility purposes and to comply with the school building code that any school building or equipment should be altered or reconstructed and that such alterations or reconstruction will be made with funds not necessary for the completion of approved and recommended projects contained in any safety survey report or amendments thereto authorized under Section 2-3.12 of this Act, the district may levy a tax or issue bonds as provided in subsection (a) of this Section.

(d) Whenever any such district determines that it is necessary for school security purposes and the related protection and safety of pupils and school personnel that any school building or property should be altered or reconstructed or that security systems and equipment (including but not limited to intercom, early detection and warning, access control and television monitoring systems) should be purchased and installed, and that such alterations, reconstruction or purchase and installation of equipment will be made with funds not necessary for the completion of approved and recommended projects contained in any safety survey report or amendment thereto authorized by Section 2-3.12 of this Act and will deter and prevent unauthorized entry or activities upon school property by unknown or dangerous persons, assure early detection and advance warning of any such actual or attempted unauthorized entry or activities and help assure the continued safety of pupils and school staff if any such unauthorized entry or activity is attempted or occurs; the district may levy a tax or issue bonds as provided in subsection (a) of this Section.

(e) If a school district does not need funds for other fire prevention and safety projects, including the completion of approved and recommended projects contained in any safety survey report or amendments thereto authorized by Section 2-3.12 of this Act, and it is determined after a public hearing (which is preceded by at least one published notice (i) occurring at least 7 days prior to the hearing in a newspaper of general circulation within the school district and (ii) setting forth the time, date, place, and general subject matter of the hearing) that there is a substantial, immediate, and otherwise unavoidable threat to the health, safety, or welfare of pupils due to disrepair of school sidewalks, playgrounds, parking lots, or school bus turnarounds and repairs must be made; then the district may levy a tax or issue bonds as provided in subsection (a) of this Section.

(f) For purposes of this Section a school district may replace a school building or build additions to replace portions of a building when it is determined that the effectuation of the recommendations for the existing building will cost more than the replacement costs. Such determination shall be based on a comparison of estimated costs made by an architect or engineer licensed in the State of Illinois. The new building or addition shall be equivalent in area (square feet) and comparable in purpose and grades served and may be on the same site or another site. Such replacement may only be done upon order of the regional superintendent of schools and the approval of the State Superintendent of Education.

(g) The filing of a certified copy of the resolution levying the tax when accompanied by the certificates of the regional superintendent of schools and State Superintendent of Education shall be the authority of the county clerk to extend such tax.

(h) The county clerk of the county in which any school district levying a tax under the authority of this Section is located, in reducing raised levies, shall not consider any such tax as a part of the general levy for school purposes and shall not include the same in the limitation of any other tax rate which may be extended.

Such tax shall be levied and collected in like manner as all other taxes of school districts, subject to the provisions contained in this Section.

(i) The tax rate limit specified in this Section may be increased to .10% upon the approval of a proposition to effect such increase by a majority of the electors voting on that proposition at a regular scheduled election. Such proposition may be initiated by resolution of the school board and shall be certified by the secretary to the proper election authorities for submission in accordance with the general election law.

(j) When taxes are levied by any school district for fire prevention, safety, energy conservation, and school security purposes as specified in this Section, and the purposes for which the taxes have been levied are accomplished and paid in full, and there remain funds on hand in the Fire Prevention and Safety Fund from the proceeds of the taxes levied, including interest earnings thereon, the school board by resolution shall use such excess and other board restricted funds, excluding bond proceeds and earnings from such proceeds, as follows:

(1) for other authorized fire prevention, safety, energy conservation, and school security purposes and for required safety inspections; or

(2) for transfer to the Operations and Maintenance Fund for the purpose of abating an equal amount of operations and maintenance purposes taxes.

Notwithstanding subdivision (2) of this subsection (j) and subsection (k) of this Section, through June 30, 2019 ~~2016~~, the school board may, by proper resolution following a public hearing set by the school board or the president of the school board (that is preceded (i) by at least one published notice over the name of the clerk or secretary of the board, occurring at least 7 days and not more than 30 days prior to the hearing, in a newspaper of general circulation within the school district and (ii) by posted notice over the name of the clerk or secretary of the board, at least 48 hours before the hearing, at the principal office of the school board or at the building where the hearing is to be held if a principal office does not exist, with both notices setting forth the time, date, place, and subject matter of the hearing), transfer surplus life safety taxes and interest earnings thereon to the Operations and Maintenance Fund for building repair work.

(k) If any transfer is made to the Operation and Maintenance Fund, the secretary of the school board shall within 30 days notify the county clerk of the amount of that transfer and direct the clerk to abate the taxes to be extended for the purposes of operations and maintenance authorized under Section 17-2 of this Act by an amount equal to such transfer.

(l) If the proceeds from the tax levy authorized by this Section are insufficient to complete the work approved under this Section, the school board is authorized to sell bonds without referendum under the provisions of this Section in an amount that, when added to the proceeds of the tax levy authorized by this Section, will allow completion of the approved work.

(m) Any bonds issued pursuant to this Section shall bear interest at a rate not to exceed the maximum rate authorized by law at the time of the making of the contract, shall mature within 20 years from date, and shall be signed by the president of the school board and the treasurer of the school district.

(n) In order to authorize and issue such bonds, the school board shall adopt a resolution fixing the amount of bonds, the date thereof, the maturities thereof, rates of interest thereof, place of payment and denomination, which shall be in denominations of not less than $100 and not more than $5,000, and provide for the levy and collection of a direct annual tax upon all the taxable property in the school district sufficient to pay the principal and interest on such bonds to maturity. Upon the filing in the office of the county clerk of the county in which the school district is located of a certified copy of the resolution, it is the duty of the county clerk to extend the tax therefor in addition to and in excess of all other taxes heretofore or hereafter authorized to be levied by such school district.

(o) After the time such bonds are issued as provided for by this Section, if additional alterations or reconstructions are required to be made because of surveys conducted by an architect or engineer licensed in the State of Illinois, the district may levy a tax at a rate not to exceed .05% per year upon all the taxable property of the district or issue additional bonds, whichever action shall be the most feasible.

(p) This Section is cumulative and constitutes complete authority for the issuance of bonds as provided in this Section notwithstanding any other statute or law to the contrary.

(q) With respect to instruments for the payment of money issued under this Section either before, on, or after the effective date of Public Act 86-004 (June 6, 1989), it is, and always has been, the intention of the General Assembly (i) that the Omnibus Bond Acts are, and always have been, supplementary grants of power to issue instruments in accordance with the Omnibus Bond Acts, regardless of any provision of this Act that may appear to be or to have been more restrictive than those Acts, (ii) that the provisions of this Section are not a limitation on the supplementary authority granted by the Omnibus Bond Acts, and (iii) that instruments issued under this Section within the supplementary authority granted by the Omnibus Bond Acts are not invalid because of any provision of this Act that may appear to be or to have been more restrictive than those Acts.

(r) When the purposes for which the bonds are issued have been accomplished and paid for in full and there remain funds on hand from the proceeds of the bond sale and interest earnings therefrom, the board shall, by resolution, use such excess funds in accordance with the provisions of Section 10-22.14 of this Act.

(s) Whenever any tax is levied or bonds issued for fire prevention, safety, energy conservation, and school security purposes, such proceeds shall be deposited and accounted for separately within the Fire Prevention and Safety Fund.

(Source: P.A. 98-26, eff. 6-21-13; 98-1066, eff. 8-26-14; 99-143, eff. 7-27-15.)

(105 ILCS 5/17-2A) (from Ch. 122, par. 17-2A)

Sec. 17-2A. Interfund Transfers.

(a) The school board of any district having a population of less than 500,000 inhabitants may, by proper resolution following a public hearing set by the school board or the president of the school board (that is preceded (i) by at least one published notice over the name of the clerk or secretary of the board, occurring at least 7 days and not more than 30 days prior to the hearing, in a newspaper of general circulation within the school district and (ii) by posted notice over the name of the clerk or secretary of the board, at least 48 hours before the hearing, at the principal office of the school board or at the building where the hearing is to be held if a principal office does not exist, with both notices setting forth the time, date, place, and subject matter of the hearing), transfer money from (1) the Educational Fund to the Operations and Maintenance Fund or the Transportation Fund, (2) the Operations and Maintenance Fund to the Educational Fund or the Transportation Fund, or (3) the Transportation Fund to the Educational Fund or the Operations and Maintenance Fund of said district, provided that, except during the period from July 1, 2003 through June 30, 2019 ~~2016~~, such transfer is made solely for the purpose of meeting one-time, non-recurring expenses. Except during the period from July 1, 2003 through June 30, 2019 ~~2016~~ and except as otherwise provided in subsection (b) of this Section, any other permanent interfund transfers authorized by any provision or judicial interpretation of this Code for which the transferee fund is not precisely and specifically set forth in the provision of this Code authorizing such transfer shall be made to the fund of the school district most in need of the funds being transferred, as determined by resolution of the school board.

(b) Notwithstanding subsection (a) of this Section or any other provision of this Code to the contrary, the school board of any school district (i) that is subject to the Property Tax Extension Limitation Law, (ii) that has a population of less than 500,000 inhabitants, (iii) that is levying at its maximum tax rate, (iv) whose total equalized assessed valuation has declined 20% in the prior 2 years, (v) in which 80% or more of its students receive free or reduced-price lunch, and (vi) that had an equalized assessed valuation of less than $207 million but more than $203 million in the 2011 levy year may annually, until July 1, 2016, transfer money from any fund of the district, other than the Illinois Municipal Retirement Fund and the Bonds and Interest Fund, to the educational fund, the operations and maintenance fund, or the transportation fund of the district by proper resolution following a public hearing set by the school board or the president of the school board, with notice as provided in subsection (a) of this Section, so long as the district meets the qualifications set forth in this subsection (b) on the effective date of this amendatory Act of the 98th General Assembly even if the district does not meet those qualifications at the time a given transfer is made.

(Source: P.A. 98-26, eff. 6-21-13; 98-131, eff. 1-1-14.)

(105 ILCS 5/17-3.6 new)

Sec. 17-3.6. Educational purposes tax rate for school districts subject to Property Tax Extension Limitation Law. Notwithstanding the provisions, requirements, or limitations of this Code or any other law, any tax levied for educational purposes by a school district subject to the Property Tax Extension Limitation Law for the 2015 levy year or any subsequent levy year may be extended at a rate exceeding the rate established for educational purposes by referendum or this Code, provided that the rate does not cause the school district to exceed the limiting rate applicable to the school district under the Property Tax Extension Limitation Law for that levy year.

(105 ILCS 5/18-4.3) (from Ch. 122, par. 18-4.3)

Sec. 18-4.3. Summer school grants. Through fiscal year 2016, grants ~~Grants~~ shall be determined for pupil attendance in summer schools conducted under Sections 10-22.33A and 34-18 and approved under Section 2-3.25 in the following manner.

The amount of grant for each accredited summer school attendance pupil shall be obtained by dividing the total amount of apportionments determined under Section 18-8.05 by the actual number of pupils in average daily attendance used for such apportionments. The number of credited summer school attendance pupils shall be determined (a) by counting clock hours of class instruction by pupils enrolled in grades 1 through 12 in approved courses conducted at least 60 clock hours in summer sessions; (b) by dividing such total of clock hours of class instruction by 4 to produce days of credited pupil attendance; (c) by dividing such days of credited pupil attendance by the actual number of days in the regular term as used in computation in the general apportionment in Section 18-8.05; and (d) by multiplying by 1.25.

The amount of the grant for a summer school program approved by the State Superintendent of Education for children with disabilities, as defined in Sections 14-1.02 through 14-1.07, shall be determined in the manner contained above except that average daily membership shall be utilized in lieu of average daily attendance.

In the case of an apportionment based on summer school attendance or membership pupils, the claim therefor shall be presented as a separate claim for the particular school year in which such summer school session ends. On or before November 1 of each year the superintendent of each eligible school district shall certify to the State Superintendent of Education the claim of the district for the summer session just ended. Failure on the part of the school board to so certify shall constitute a forfeiture of its right to such payment. The State Superintendent of Education shall transmit to the Comptroller no later than December 15th of each year vouchers for payment of amounts due school districts for summer school. The State Superintendent of Education shall direct the Comptroller to draw his warrants for payments thereof by the 30th day of December. If the money appropriated by the General Assembly for such purpose for any year is insufficient, it shall be apportioned on the basis of claims approved.

However, notwithstanding the foregoing provisions, for each fiscal year the money appropriated by the General Assembly for the purposes of this Section shall only be used for grants for approved summer school programs for those children with disabilities served pursuant to Section 14-7.02 or 14-7.02b of this Code.

No funding shall be provided to school districts under this Section after fiscal year 2016.

(Source: P.A. 93-1022, eff. 8-24-04.)

(105 ILCS 5/18-8.05)

Sec. 18-8.05. Basis for apportionment of general State financial aid and supplemental general State aid to the common schools for the 1998-1999 through the 2015-2016 ~~and subsequent~~ school years.

(A) General Provisions.

(1) The provisions of this Section relating to the calculation and apportionment of general State financial aid and supplemental general State aid apply to the 1998-1999 through the 2015-2016 ~~and subsequent~~ school years. The system of general State financial aid provided for in this Section is designed to assure that, through a combination of State financial aid and required local resources, the financial support provided each pupil in Average Daily Attendance equals or exceeds a prescribed per pupil Foundation Level. This formula approach imputes a level of per pupil Available Local Resources and provides for the basis to calculate a per pupil level of general State financial aid that, when added to Available Local Resources, equals or exceeds the Foundation Level. The amount of per pupil general State financial aid for school districts, in general, varies in inverse relation to Available Local Resources. Per pupil amounts are based upon each school district's Average Daily Attendance as that term is defined in this Section.

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

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

(a) Any school district which fails for any given school year to maintain school as required by law, or to maintain a recognized school is not eligible to file for such school year any claim upon the Common School Fund. In case of nonrecognition of one or more attendance centers in a school district otherwise operating recognized schools, the claim of the district shall be reduced in the proportion which the Average Daily Attendance in the attendance center or centers bear to the Average

Daily Attendance in the school district. A "recognized school" means any public school which meets the standards as established for recognition by the State Board of Education. A school district or attendance center not having recognition status at the end of a school term is entitled to receive State aid payments due upon a legal claim which was filed while it was recognized.

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

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

(d) (Blank).

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

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

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

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

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

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

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

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

(B) Foundation Level.

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

(2) For the 1998-1999 school year, the Foundation Level of support is $4,225. For the 1999-2000 school year, the Foundation Level of support is $4,325. For the 2000-2001 school year, the Foundation Level of support is $4,425. For the 2001-2002 school year and 2002-2003 school year, the Foundation Level of support is $4,560. For the 2003-2004 school year, the Foundation Level of support is $4,810. For the 2004-2005 school year, the Foundation Level of support is $4,964. For the 2005-2006 school year, the Foundation Level of support is $5,164. For the 2006-2007 school year, the Foundation Level of support is $5,334. For the 2007-2008 school year, the Foundation Level of support is $5,734. For the 2008-2009 school year, the Foundation Level of support is $5,959.

(3) For the 2009-2010 school year and each school year thereafter, the Foundation Level of support is $6,119 or such greater amount as may be established by law by the General Assembly.

(C) Average Daily Attendance.

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

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

calculated or the average of the attendance data for the 3 preceding school years, whichever is greater. The Average Daily Attendance figures utilized in subsection (H) shall be the requisite attendance data for the school year immediately preceding the school year for which general State aid is being calculated.

(D) Available Local Resources.

(1) For purposes of calculating general State aid pursuant to subsection (E), a representation of Available Local Resources per pupil, as that term is defined and determined in this subsection, shall be utilized. Available Local Resources per pupil shall include a calculated dollar amount representing local school district revenues from local property taxes and from Corporate Personal Property Replacement Taxes, expressed on the basis of pupils in Average Daily Attendance. Calculation of Available Local Resources shall exclude any tax amnesty funds received as a result of Public Act 93-26.

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

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

For partial elementary unit districts created pursuant to Article 11E of this Code, local property tax revenues per pupil shall be calculated as the product of the equalized assessed valuation for property within the partial elementary unit district for elementary purposes, as defined in Article 11E of this Code, multiplied by 2.06% and divided by the district's Average Daily Attendance figure, plus the product of the equalized assessed valuation for property within the partial elementary unit district for high school purposes, as defined in Article 11E of this Code, multiplied by 0.94% and divided by the district's Average Daily Attendance figure.

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

(E) Computation of General State Aid.

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

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

(3) For any school district for which Available Local Resources per pupil is equal to or greater than the product of 0.93 times the Foundation Level and less than the product of 1.75 times the Foundation Level, the general State aid per pupil shall be a decimal proportion of the Foundation Level derived using a linear algorithm. Under this linear algorithm, the calculated general State aid per pupil shall decline in direct linear fashion from 0.07 times the Foundation Level for a school district with Available Local Resources equal to the product of 0.93 times the Foundation Level, to 0.05 times the Foundation Level for a school district with Available Local Resources equal to the product of 1.75 times the Foundation Level. The allocation of general State aid for school districts subject to this paragraph 3 shall be the calculated general State aid per pupil figure multiplied by the Average Daily Attendance of the school district.

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

(5) The amount of general State aid allocated to a school district for the 1999-2000 school year meeting the requirements set forth in paragraph (4) of subsection (G) shall be increased by an amount equal to the general State aid that would have been received by the district for the 1998-1999 school year by utilizing

the Extension Limitation Equalized Assessed Valuation as calculated in paragraph (4) of subsection (G) less the general State aid allotted for the 1998-1999 school year. This amount shall be deemed a one time increase, and shall not affect any future general State aid allocations.

(F) Compilation of Average Daily Attendance.

(1) Each school district shall, by July 1 of each year, submit to the State Board of Education, on forms prescribed by the State Board of Education, attendance figures for the school year that began in the preceding calendar year. The attendance information so transmitted shall identify the average daily attendance figures for each month of the school year. Beginning with the general State aid claim form for the 2002-2003 school year, districts shall calculate Average Daily Attendance as provided in subdivisions (a), (b), and (c) of this paragraph (1).

(a) In districts that do not hold year-round classes, days of attendance in August shall be added to the month of September and any days of attendance in June shall be added to the month of May.

(b) In districts in which all buildings hold year-round classes, days of attendance in July and August shall be added to the month of September and any days of attendance in June shall be added to the month of May.

(c) In districts in which some buildings, but not all, hold year-round classes, for the non-year-round buildings, days of attendance in August shall be added to the month of September and any days of attendance in June shall be added to the month of May. The average daily attendance for the year-round buildings shall be computed as provided in subdivision (b) of this paragraph (1). To calculate the Average Daily Attendance for the district, the average daily attendance for the year-round buildings shall be multiplied by the days in session for the non-year-round buildings for each month and added to the monthly attendance of the non-year-round buildings.

Except as otherwise provided in this Section, days of attendance by pupils shall be counted only for sessions of not less than 5 clock hours of school work per day under direct supervision of: (i) teachers, or (ii) non-teaching personnel or volunteer personnel when engaging in non-teaching duties and supervising in those instances specified in subsection (a) of Section 10-22.34 and paragraph 10 of Section 34-18, with pupils of legal school age and in kindergarten and grades 1 through 12. Days of attendance by pupils through verified participation in an e-learning program approved by the State Board of Education under Section 10-20.56 of the Code shall be considered as full days of attendance for purposes of this Section.

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

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

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

(b) (Blank).

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

(d) A session of 3 or more clock hours may be counted as a day of attendance (1) when the remainder of the school day or at least 2 hours in the evening of that day is utilized for an in-service training program for teachers, up to a maximum of 5 days per school year, provided a district conducts an in-service training program for teachers in accordance with Section 10-22.39 of this Code; or, in lieu of 4 such days, 2 full days may be used, in which event each such day may be counted as a day required for a legal school calendar pursuant to Section 10-19 of this Code; (1.5) when, of the 5 days allowed under item (1), a maximum of 4 days are used for parent-teacher conferences, or, in lieu of 4 such days, 2 full days are used, in which case each such day may be counted as a calendar day required under Section 10-19 of this Code, provided that the full-day, parent-teacher conference consists of (i) a minimum of 5 clock hours of parent-teacher conferences, (ii) both a minimum of 2 clock hours of parent-teacher conferences held in the evening following a full day of student attendance, as specified in subsection (F)(1)(c), and a minimum of 3 clock hours of parent-teacher conferences held on the day immediately following evening parent-teacher conferences, or (iii) multiple parent-teacher conferences held in the evenings following full days of student attendance, as specified in subsection (F)(1)(c), in

which the time used for the parent-teacher conferences is equivalent to a minimum of 5 clock hours; and (2) when days in addition to those provided in items (1) and (1.5) are scheduled by a school pursuant to its school improvement plan adopted under Article 34 or its revised or amended school improvement plan adopted under Article 2, provided that (i) such sessions of 3 or more clock hours are scheduled to occur at regular intervals, (ii) the remainder of the school days in which such sessions occur are utilized for in-service training programs or other staff development activities for teachers, and (iii) a sufficient number of minutes of school work under the direct supervision of teachers are added to the school days between such regularly scheduled sessions to accumulate not less than the number of minutes by which such sessions of 3 or more clock hours fall short of 5 clock hours. Any full days used for the purposes of this paragraph shall not be considered for computing average daily attendance. Days scheduled for in-service training programs, staff development activities, or parent-teacher conferences may be scheduled separately for different grade levels and different attendance centers of the district.

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

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

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

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

(i) On the days when the assessment that includes a college and career ready determination is administered under subsection (c) of Section 2-3.64a-5 of this Code, the day of attendance for a pupil whose school day must be shortened to accommodate required testing procedures may be less than 5 clock hours and shall be counted towards the 176 days of actual pupil attendance required under Section 10-19 of this Code, provided that a sufficient number of minutes of school work in excess of 5 clock hours are first completed on other school days to compensate for the loss of school work on the examination days.

(j) Pupils enrolled in a remote educational program established under Section 10-29 of this Code may be counted on the basis of one-fifth day of attendance for every clock hour of instruction attended in the remote educational program, provided that, in any month, the school district may not claim for a student enrolled in a remote educational program more days of attendance than the maximum number of days of attendance the district can claim (i) for students enrolled in a building holding year-round classes if the student is classified as participating in the remote educational program on a year-round schedule or (ii) for students enrolled in a building not holding year-round classes if the student is not classified as participating in the remote educational program on a year-round schedule.

(G) Equalized Assessed Valuation Data.

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

The Department of Revenue shall add to the equalized assessed value of all taxable property of each school district situated entirely or partially within a county that is or was subject to the provisions of Section 15-176 or 15-177 of the Property Tax Code (a) an amount equal to the total amount by which the

homestead exemption allowed under Section 15-176 or 15-177 of the Property Tax Code for real property situated in that school district exceeds the total amount that would have been allowed in that school district if the maximum reduction under Section 15-176 was (i) $4,500 in Cook County or $3,500 in all other counties in tax year 2003 or (ii) $5,000 in all counties in tax year 2004 and thereafter and (b) an amount equal to the aggregate amount for the taxable year of all additional exemptions under Section 15-175 of the Property Tax Code for owners with a household income of $30,000 or less. The county clerk of any county that is or was subject to the provisions of Section 15-176 or 15-177 of the Property Tax Code shall annually calculate and certify to the Department of Revenue for each school district all homestead exemption amounts under Section 15-176 or 15-177 of the Property Tax Code and all amounts of additional exemptions under Section 15-175 of the Property Tax Code for owners with a household income of $30,000 or less. It is the intent of this paragraph that if the general homestead exemption for a parcel of property is determined under Section 15-176 or 15-177 of the Property Tax Code rather than Section 15-175, then the calculation of Available Local Resources shall not be affected by the difference, if any, between the amount of the general homestead exemption allowed for that parcel of property under Section 15-176 or 15-177 of the Property Tax Code and the amount that would have been allowed had the general homestead exemption for that parcel of property been determined under Section 15-175 of the Property Tax Code. It is further the intent of this paragraph that if additional exemptions are allowed under Section 15-175 of the Property Tax Code for owners with a household income of less than $30,000, then the calculation of Available Local Resources shall not be affected by the difference, if any, because of those additional exemptions.

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

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

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

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

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

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

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

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

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

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

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

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

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

If a school district is subject to property tax extension limitations as imposed under the Property Tax Extension Limitation Law, the State Board of Education shall calculate the Extension Limitation Equalized Assessed Valuation of that district. For the 1999-2000 school year, the Extension Limitation Equalized Assessed Valuation of a school district as calculated by the State Board of Education shall be equal to the product of the district's 1996 Equalized Assessed Valuation and the district's Extension Limitation Ratio. Except as otherwise provided in this paragraph for a school district that has approved or does approve an increase in its limiting rate, for the 2000-2001 school year and each school year thereafter, the Extension Limitation Equalized Assessed Valuation of a school district as calculated by the State Board of Education shall be equal to the product of the Equalized Assessed Valuation last used in the calculation of general State aid and the district's Extension Limitation Ratio. If the Extension Limitation Equalized Assessed Valuation of a school district as calculated under this subsection (G)(3) is less than the district's equalized assessed valuation as calculated pursuant to subsections (G)(1) and (G)(2), then for purposes of calculating the district's general State aid for the Budget Year pursuant to subsection (E), that Extension Limitation Equalized Assessed Valuation shall be utilized to calculate the district's Available Local Resources under subsection (D). For the 2009-2010 school year and each school year thereafter, if a school district has approved or does approve an increase in its limiting rate, pursuant to Section 18-190 of the Property Tax Code, affecting the Base Tax Year, the Extension Limitation Equalized Assessed Valuation of the school district, as calculated by the State Board of Education, shall be equal to the product of the Equalized Assessed Valuation last used in the calculation of general State aid times an amount equal to one plus the percentage increase, if any, in the Consumer Price Index for all Urban Consumers for all items published by the United States Department of Labor for the 12-month calendar year preceding the Base Tax Year, plus the Equalized Assessed Valuation of new property, annexed property, and recovered tax increment value and minus the Equalized Assessed Valuation of disconnected property. New property and recovered tax increment value shall have the meanings set forth in the Property Tax Extension Limitation Law.

Partial elementary unit districts created in accordance with Article 11E of this Code shall not be eligible for the adjustment in this subsection (G)(3) until the fifth year following the effective date of the reorganization.

(3.5) For the 2010-2011 school year and each school year thereafter, if a school district's boundaries span multiple counties, then the Department of Revenue shall send to the State Board of Education, for the purpose of calculating general State aid, the limiting rate and individual rates by purpose for the county that contains the majority of the school district's Equalized Assessed Valuation.

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

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

(H) Supplemental General State Aid.

(1) In addition to the general State aid a school district is allotted pursuant to subsection (E), qualifying school districts shall receive a grant, paid in conjunction with a district's payments of general State aid, for supplemental general State aid based upon the concentration level of children from low-income households within the school district. Supplemental State aid grants provided for school districts under this subsection shall be appropriated for distribution to school districts as part of the same line item in which the general State financial aid of school districts is appropriated under this Section.

(1.5) This paragraph (1.5) applies only to those school years preceding the 2003-2004 school year. For purposes of this subsection (H), the term "Low-Income Concentration Level" shall be the low-income eligible pupil count from the most recently available federal census divided by the Average Daily Attendance of the school district. If, however, (i) the percentage decrease from the 2 most recent federal censuses in the low-income eligible pupil count of a high school district with fewer than 400 students exceeds by 75% or more the percentage change in the total low-income eligible pupil count of contiguous elementary school districts, whose boundaries are coterminous with the high school district, or (ii) a high school district within 2 counties and serving 5 elementary school districts, whose boundaries are coterminous with the high school district, has a percentage decrease from the 2 most recent federal censuses in the low-income eligible pupil count and there is a percentage increase in the total low-income eligible pupil count of a majority of the elementary school districts in excess of 50% from the 2 most recent federal censuses, then the high school district's low-income eligible pupil count from the earlier federal census shall be the number used as the low-income eligible pupil count for the high school district, for purposes of this subsection (H). The changes made to this paragraph (1) by Public Act 92-28 shall apply to supplemental general State aid grants for school years preceding the 2003-2004 school year that are paid in fiscal year 1999 or thereafter and to any State aid payments made in fiscal year 1994 through fiscal year 1998 pursuant to subsection 1(n) of Section 18-8 of this Code (which was repealed on July 1, 1998), and any high school district that is affected by Public Act 92-28 is entitled to a recomputation of its supplemental general State aid grant or State aid paid in any of those fiscal years. This recomputation shall not be affected by any other funding.

(1.10) This paragraph (1.10) applies to the 2003-2004 school year and each school year thereafter through the 2015-2016 school year. For purposes of this subsection (H), the term "Low-Income Concentration Level" shall, for each fiscal year, be the low-income eligible pupil count as of July 1 of the immediately preceding fiscal year (as determined by the Department of Human Services based on the number of pupils who are eligible for at least one of the following low income programs: Medicaid, the Children's Health Insurance Program, TANF, or Food Stamps, excluding pupils who are eligible for services provided by the Department of Children and Family Services, averaged over the 2 immediately preceding fiscal years for fiscal year 2004 and over the 3 immediately preceding fiscal years for each fiscal year thereafter) divided by the Average Daily Attendance of the school district.

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

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

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

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

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

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

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

(2.5) Supplemental general State aid pursuant to this subsection (H) shall be provided as follows for the 2002-2003 school year:

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

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

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

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

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

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

(2.10) Except as otherwise provided, supplemental general State aid pursuant to this subsection (H) shall be provided as follows for the 2003-2004 school year and each school year thereafter:

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

(b) For any school district with a Low Income Concentration Level greater than 15%, the grant for each school year shall be $294.25 added to the product of $2,700 and the square of the Low Income Concentration Level, all multiplied by the low income eligible pupil count.

For the 2003-2004 school year and each school year thereafter through the 2008-2009 school year only, the grant shall be no less than the grant for the 2002-2003 school year. For the 2009-2010 school year only, the grant shall be no less than the grant for the 2002-2003 school year multiplied by 0.66. For the 2010-2011 school year only, the grant shall be no less than the grant for the 2002-2003 school year multiplied by 0.33. Notwithstanding the provisions of this paragraph to the contrary, if for any school year supplemental general State aid grants are prorated as provided in paragraph (1) of this subsection (H), then the grants under this paragraph shall be prorated.

For the 2003-2004 school year only, the grant shall be no greater than the grant received during the 2002-2003 school year added to the product of 0.25 multiplied by the difference between the grant amount calculated under subsection (a) or (b) of this paragraph (2.10), whichever is applicable, and the grant received during the 2002-2003 school year. For the 2004-2005 school year only, the grant shall be no greater than the grant received during the 2002-2003 school year added to the product of 0.50 multiplied by the difference between the grant amount calculated under subsection (a) or (b) of this paragraph (2.10), whichever is applicable, and the grant received during the 2002-2003 school year. For the 2005-2006 school year only, the grant shall be no greater than the grant received during the 2002-2003 school year added to the product of 0.75 multiplied by the difference between the grant amount calculated under subsection (a) or (b) of this paragraph (2.10), whichever is applicable, and the grant received during the 2002-2003 school year.

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

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

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

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

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

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

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

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

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

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

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

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

(I) (Blank).

(J) (Blank).

(K) Grants to Laboratory and Alternative Schools.

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

As used in this Section, "laboratory school" means a public school which is created and operated by a public university and approved by the State Board of Education. The governing board of a public university which receives funds from the State Board under this subsection (K) or subsection (i) of Section 18-8.15 of this Code may not increase the number of students enrolled in its laboratory school from a single district, if that district is already sending 50 or more students, except under a mutual agreement between the school board of a student's district of residence and the university which operates the

laboratory school. A laboratory school may not have more than 1,000 students, excluding students with disabilities in a special education program.

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

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

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

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

(2) (Blank).

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

(M) Education Funding Advisory Board.

The Education Funding Advisory Board, hereinafter in this subsection (M) referred to as the "Board", is hereby created. The Board shall consist of 5 members who are appointed by the Governor, by and with the advice and consent of the Senate. The members appointed shall include representatives of education, business, and the general public. One of the members so appointed shall be designated by the Governor at the time the appointment is made as the chairperson of the Board. The initial members of the Board may be appointed any time after the effective date of this amendatory Act of 1997. The regular term of each member of the Board shall be for 4 years from the third Monday of January of the year in which the term of the member's appointment is to commence, except that of the 5 initial members appointed to serve on the Board, the member who is appointed as the chairperson shall serve for a term that commences on the date of his or her appointment and expires on the third Monday of January, 2002, and the remaining 4 members, by lots drawn at the first meeting of the Board that is held after all 5 members are appointed, shall determine 2 of their number to serve for terms that commence on the date of their respective appointments and expire on the third Monday of January, 2001, and 2 of their number to serve for terms that commence on the date of their respective appointments and expire on the third Monday of January, 2000. All members appointed to serve on the Board shall serve until their respective successors are appointed and confirmed. Vacancies shall be filled in the same manner as original appointments. If a vacancy in membership occurs at a time when the Senate is not in session, the Governor shall make a temporary appointment until the next meeting of the Senate, when he or she shall appoint, by and with the advice and consent of the Senate, a person to fill that membership for the unexpired term. If the Senate is not in session when the initial appointments are made, those appointments shall be made as in the case of vacancies.

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

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

For school years after the 2000-2001 school year <u>through the 2015-2016 school year</u>, the Education Funding Advisory Board, in consultation with the State Board of Education, shall make recommendations

as provided in this subsection (M) to the General Assembly for the foundation level under subdivision (B)(3) of this Section and for the supplemental general State aid grant level under subsection (H) of this Section for districts with high concentrations of children from poverty. The recommended foundation level shall be determined based on a methodology which incorporates the basic education expenditures of low-spending schools exhibiting high academic performance. The Education Funding Advisory Board shall make such recommendations to the General Assembly on January 1 of odd numbered years, beginning January 1, 2001. After the 2015-2016 school year, the Education Funding Advisory Board shall make recommendations pursuant to subsection (k) of Section 18-8.15 of this Code.

(N) (Blank).

(O) References.

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

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

(P) Public Act 93-838 and Public Act 93-808 make inconsistent changes to this Section. Under Section 6 of the Statute on Statutes there is an irreconcilable conflict between Public Act 93-808 and Public Act 93-838. Public Act 93-838, being the last acted upon, is controlling. The text of Public Act 93-838 is the law regardless of the text of Public Act 93-808.

(Q) State Fiscal Year 2015 Payments.

For payments made for State fiscal year 2015, the State Board of Education shall, for each school district, calculate that district's pro-rata share of a minimum sum of $13,600,000 or additional amounts as needed from the total net General State Aid funding as calculated under this Section that shall be deemed attributable to the provision of special educational facilities and services, as defined in Section 14-1.08 of this Code, in a manner that ensures compliance with maintenance of State financial support requirements under the federal Individuals with Disabilities Education Act. Each school district must use such funds only for the provision of special educational facilities and services, as defined in Section 14-1.08 of this Code, and must comply with any expenditure verification procedures adopted by the State Board of Education.

(Source: P.A. 98-972, eff. 8-15-14; 99-2, eff. 3-26-15; 99-194, eff. 7-30-15.)

(105 ILCS 5/18-8.10)

Sec. 18-8.10. Fast growth grants.

(a) If there has been an increase in a school district's student population over the most recent 2 school years of (i) over 1.5% in a district with over 10,000 pupils in average daily attendance (as defined in Section 18-8.05 or 18-8.15 of this Code) or (ii) over 7.5% in any other district, then the district is eligible for a grant under this Section, subject to appropriation.

(b) The State Board of Education shall determine a per pupil grant amount for each school district. The total grant amount for a district for any given school year shall equal the per pupil grant amount multiplied by the difference between the number of pupils in average daily attendance for the 2 most recent school years.

(c) Funds for grants under this Section must be appropriated to the State Board of Education in a separate line item for this purpose. If the amount appropriated in any fiscal year is insufficient to pay all grants for a school year, then the amount appropriated shall be prorated among eligible districts. As soon as possible after funds have been appropriated to the State Board of Education, the State Board of Education shall distribute the grants to eligible districts.

(d) If a school district intentionally reports incorrect average daily attendance numbers to receive a grant under this Section, then the district shall be denied State aid in the same manner as State aid is denied for intentional incorrect reporting of average daily attendance numbers under Section 18-8.05 or 18-8.15 of this Code.

(Source: P.A. 93-1042, eff. 10-8-04.)

(105 ILCS 5/18-8.15 new)

Sec. 18-8.15. Basis for apportionment of primary State financial aid to the common schools for the 2016-2017 school year.

(a) General provisions.

(1) The provisions of this Section apply to the 2016-2017 school year. The system of primary State financial aid provided for in this Section is designed to ensure that, through a combination of State financial aid and required local resources, the financial support provided each pupil in attendance equals or exceeds a prescribed per pupil Foundation Level, with adjustments to the Foundation Level based on each school district's pupil characteristics. This formula approach imputes a level of per pupil Available Local Resources and provides for the basis to calculate a per pupil level of primary State financial aid that, when added to Available Local Resources, equals or exceeds the school district's adjusted Foundation Level. The amount of per pupil primary State financial aid for school districts, in general, varies in inverse relation to Available Local Resources.

(2) To address decreases in State funding resulting from this amendatory Act of the 99th General Assembly, the amount of primary State aid provided to a school district shall be subject to increase through supplemental grants as provided in subsection (h) of this Section. Any supplemental grants provided for school districts under subsection (h) of this Section shall be appropriated for distribution to school districts as part of the same line item in which the primary State financial aid of school districts is appropriated under this Section.

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

(A) Any school district that fails, for any given school year, to maintain school as required by law or to maintain a recognized school is not eligible to receive financial assistance under this Section. In case of non-recognition of one or more attendance centers in a school district otherwise operating recognized schools, the claim of the district shall be reduced in the proportion that the enrollment in the attendance center or centers bears to the enrollment in the school district. A "recognized school" means any public school that meets the standards established for recognition by the State Board of Education. A school district or attendance center not having recognition status at the end of a school term is entitled to receive State aid payments due upon a legal claim that was filed while it was recognized.

(B) School district claims filed under this Section are subject to Sections 18-9 and 18-12 of this Code, except as otherwise provided in this Section.

(C) If a school district operates a full-year school under Section 10-19.1 of this Code, the primary State aid to the school district shall be determined by the State Board of Education in accordance with this Section as near as may be applicable.

(4) Subject to the requirements of subsection (j) of this Section, the school board of any district receiving any of the grants provided for in this Section may apply those funds to any fund so received for which that school board is authorized to make expenditures by law.

(5) As used in this Section, the following terms, when capitalized, shall have the meanings ascribed in this paragraph (5):

"Additional Weight" means a number added to 1.0 to calculate the District Weighted Average in accordance with subsection (b) of this Section. Each Additional Weight is calculated using the Weighting Factors and Weighting Percentages in paragraph (5) of subsection (b) of this Section.

"Adequacy Grant Loss" means the product of (i) the absolute value of the lesser loss of a school district's Base Year Loss or Current Year Loss and (ii) the school district's Prior Year ADA.

"Adequacy Target" means, for a particular school district, the product of $8,672 and the school district's District Weighted Average.

"Adequacy Target Percent" means, for a particular school district, the percentage figure resulting from dividing the school district's operating expense per pupil by its Adequacy Target.

"Adjusted Flat Grant Level" means, for each school district not subject to property tax extension limitations as imposed under the Property Tax Extension Limitation Law, the Flat Grant Level multiplied by the percentage, if any, of which the school district's combined tax rate for educational and operations and maintenance purposes is of the maximum combined tax rates for educational and operations and maintenance purposes specified for that type of school district under Section 17-2 of this Code. For a school district subject to property tax extension limitations as imposed under the Property Tax Extension Limitation Law or a school district whose combined tax rate for educational and operations and maintenance purposes is at least the maximum combined tax rates for educational and operations and maintenance purposes specified for that type of school district under Section 17-2 of this Code, the Adjusted Flat Grant Level is equal to the Flat Grant Level.

"Alternative School" means a public school that is created and operated by a regional superintendent of schools and approved by the State Board of Education.

"Available Local Resources Per Pupil" means a computation of local financial support, calculated on the basis of Average Daily Attendance and derived as provided pursuant to subsection (d) of this Section.

"Average Daily Attendance" or "ADA" means the count of pupils in attendance derived as provided pursuant to subsection (c) of this Section.

"Base Tax Year" means the property tax levy year used to calculate the Budget Year allocation of primary State aid.

"Base Tax Year's Extension" means the product of the equalized assessed valuation utilized by the county clerk in the Base Tax Year multiplied by the limiting rate as calculated by the county clerk and defined in the Property Tax Extension Limitation Law.

"Base Year Loss" means the amount, if any, by which a school district's per-pupil primary State aid allotment in the 2016-2017 school year is less than its Per-pupil Hold Harmless State Funding, after accounting for any supplemental grants to the school district pursuant to paragraphs (2) and (3) of subsection (h) of this Section.

"Budget Year" means the school year for which primary State aid is calculated and awarded under subsection (e) of this Section.

"Corporate Personal Property Replacement Taxes" means funds paid to school districts pursuant to "An Act in relation to the abolition of ad valorem personal property tax and the replacement of revenues lost thereby, and amending and repealing certain Acts and parts of Acts in connection therewith", certified August 14, 1979, as amended (Public Act 81-1st S.S.-1).

"Current Year Loss" means the amount, if any, by which a school district's per-pupil primary State aid allotment in any school year after the 2016-2017 school year is less than its Per-pupil Hold Harmless State Funding, after accounting for any supplemental grants to the school district pursuant to paragraphs (2) and (3) of subsection (h) of this Section.

"DHS Low-income Eligible Count" means the low-income eligible pupil count as determined by the Department of Human Services (based on the number of pupils who are eligible for at least one of the following low-income programs: Medicaid, the Children's Health Insurance Program, TANF, or the Supplemental Nutrition Assistance Program, excluding pupils who are eligible for services provided by the Department of Children and Family Services) averaged over the 3 immediately preceding fiscal years, based on the count as of July 1 of each fiscal year.

"District Weighted Average" means a figure used to derive a school district's Per-pupil Aid level, calculated pursuant to subsection (b) of this Section.

"English Learner Pupil" means an English learner, as defined in Section 14C-2 of this Code, participating in a program of transitional bilingual education or a transitional program of instruction meeting the requirements of Article 14C of this Code.

"Extension Limitation Equalized Assessed Valuation" means a figure calculated by the State Board of Education pursuant to paragraph (2) of subsection (h) of this Section for school districts subject to property tax extension limitations as imposed under the Property Tax Extension Limitation Law.

"Extension Limitation Ratio" means a numerical ratio in which the numerator is the Base Tax Year's Tax Extension and the denominator is the Preceding Tax Year's Tax Extension.

"Flat Grant Level" means a dollar amount equal to 3.0% of a school district's Weighted Foundation Level.

"Foundation Level" means a prescribed level of per pupil financial support, as provided for in subsection (b) of this Section.

"Gifted Pupil" means a pupil in kindergarten through grade 8 receiving services through a program for gifted and talented children that has been approved by a school board and that is described on a school district's Internet website.

"Hold Harmless State Funding" means the amount of State funds allotted to a school district, Laboratory School, or Alternative School during the 2015-2016 school year pursuant to the following Sections of this Code, as calculated by the State Board of Education: Sections 18-8.05; 14-7.02b; 14-7.03, but only with respect to reimbursement for children from foster family homes; 14-13.01, except for reimbursement of the cost of transportation pursuant to that Section; 14C-12; and 18-4.3. For a school district organized under Article 34 of this Code, "Hold Harmless State Funding" also includes the funds allotted to the school district pursuant to Section 1D-1 of this Code attributable to funding programs authorized by the Sections of this Code listed in this definition.

"Laboratory School" means a public school that is created and operated by a public university and approved by the State Board of Education.

"Low-income Pupil" means a pupil from a household with a household income level at or below 185% of the poverty guidelines updated periodically in the Federal Register by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2).

"Operating Tax Rate" means all school district property taxes extended for all purposes, except bond and interest, summer school, rent, capital improvement, and vocational education building purposes.

"Per-pupil Aid" means a school district's Weighted Foundation Level less its Available Local Resources Per Pupil.

"Per-pupil Hold Harmless State Funding" means a school district's Hold Harmless State Funding, divided by the school district's Average Daily Attendance figure as calculated pursuant to subsection (F) of Section 18-8.05 of this Code during the 2015-2016 school year.

"Preceding Tax Year" means the property tax levy year immediately preceding the Base Tax Year.

"Preceding Tax Year's Tax Extension" means the product of the equalized assessed valuation utilized by the county clerk in the Preceding Tax Year multiplied by the Operating Tax Rate.

"Prior Year ADA" means the number of pupils within the count of pupils in attendance used for Average Daily Attendance calculations for the school year immediately preceding the school year for which primary State aid is calculated and awarded under subsection (e) of this Section.

"PTELL EAV floor school district" means either (i) a school district with an Adequacy Target Percent of 100% or higher (as calculated pursuant to paragraph (4) of subsection (h) of this Section, notwithstanding any limitations in that paragraph on the school years in which adequacy grants are administered) or (ii) a school district with an Adequacy Target Percent of less than 100% if the school district has an Operating Tax Rate that is 95% or lower than the applicable statewide weighted-average Operating Tax Rate for that type of school district (as calculated pursuant to paragraph (4) of subsection (h) of this Section, notwithstanding any limitations in that paragraph on the school years in which adequacy grants are administered).

"PTELL PSA Adjustment" means the amount of primary State aid a school district would receive under subsection (e) of this Section if the Extension Limitation Equalized Assessed Valuation was used for calculating the school district's primary State aid for the Budget Year instead of the district's equalized assessed valuation as calculated pursuant to paragraphs (1) and (2) of subsection (g) of this Section.

"Residential Boarding School Program" means a residential school for students in jeopardy of academic failure and impacted by one or more adverse childhood experiences. A residential program includes:

(A) a remedial, regular, and gifted curriculum for school grades 2 through 8;

(B) a residential component focused on social and emotional well-being, safety, and life skills;

(C) extracurricular activities, including a military leadership program, vocational education program, music and art, athletics, and cultural events;

(D) health and mental health services;

(E) tutoring and a learning resource center that provides individualized and small group instruction;

(F) community service, volunteering, and service learning activities;

(G) a parent partnering program, which includes family therapy (if needed), home visits, and parental support and education and promotes familial integration into all aspects of programming;

(H) programs that are preventative for students, diverting them from such outcomes as:

(i) reliance on social service programs;

(ii) dangerous behaviors;

(iii) untreated or unmanaged mental and medical illnesses;

(iv) unemployment;

(v) crime; and

(vi) involvement with the justice system;

(I) year-round programming, including summer camp and academic enrichment; and

(J) Professional development focused on language arts and reading standards, mathematics standards, science standards, technology standards, and developmental or life skill standards using innovative and best practices for all students.

"Special Education Summer School Pupil" means a child with disabilities participating in a summer school program meeting the fiscal year 2016 eligibility requirements for a summer school grant under Section 18-4.3 of this Code.

"Statewide weighted-average" means an average calculation for all school districts in this State in which a weighting is assigned to each school district's quantity in the average calculation based on its Prior Year ADA.

"Total Primary State Aid" means the amount of primary State aid allotted to a school district pursuant to subsection (e) of this Section and any supplemental grants allotted pursuant to paragraphs (2), (3), and (4) of subsection (h) of this Section.

"Weighted Foundation Level" means the Foundation Level multiplied by the District Weighted Average.

"Weighted Foundation Level Budget" means, for a particular school district, the Weighted Foundation Level multiplied by the ADA.

"Weighting Factor" means, for each Additional Weight classification in paragraph (5) of subsection (b) of this Section, the amount multiplied by the Weighting Percentage to calculate the Additional Weight figure.

"Weighting Percentage" means, for each Additional Weight classification in paragraph (5) of subsection (b) of this Section, the amount multiplied by the Weighting Factor to calculate the Additional Weight figure.

(b) Foundation Level; weighting for district pupil characteristics.

(1) The Foundation Level is a figure established by this State representing the minimum level of per pupil financial support that should be available to provide for the basic education of each pupil in Average Daily Attendance in a public school in this State. Then, for each school district, the Foundation Level is weighted in accordance with the Additional Weights set forth in paragraph (5) of this subsection (b) to account for the pupil characteristics within that school district, and, if applicable, a Regionalization Factor determined pursuant to paragraph (6) of this subsection (b) is applied to account for regional variation in wages. As set forth in this Section, each school district is assumed to exert a sufficient local taxing effort such that, in combination with the aggregate of primary State financial aid provided the district, an aggregate of State and local resources are available to meet the basic education needs of pupils in the district.

(2) Subject to paragraph (3) of this subsection (b), for the 2016-2017 school year and each school year thereafter, the Foundation Level of support is $6,119 or such greater amount as may be established by law by the General Assembly.

(3) If the appropriation in any fiscal year for primary State aid and the supplemental grants provided for in paragraphs (2) and (3) of subsection (h) of this Section is insufficient to pay the amounts required under the calculations set forth in this Section, then the State Board of Education shall adjust the Foundation Level to an amount so that the appropriation is sufficient to pay all primary State aid and the supplemental grants provided for in paragraphs (2) through (4) of subsection (h) of this Section.

(4) For each school district, the Foundation Level shall be adjusted by multiplying the Foundation Level by a District Weighted Average figure, resulting in the school district's Weighted Foundation Level. The District Weighted Average figure for a particular school district shall be a number equal to 1.0 plus each of the Additional Weights described in paragraph (5) of this subsection (b) applicable to that district. In addition, if applicable for a particular school district pursuant to paragraph (6) of this subsection (b), the 1.0 figure and each Additional Weight shall be multiplied by a Regionalization Factor to determine its District Weighted Average calculation. For each Additional Weight, the figure included in the District Weighted Average prior to the application of any Regionalization Factor is the product of the Weighting Factor multiplied by the Weighting Percentage, as both are specified in paragraph (5) of this subsection (b). For each school district, the State Board of Education shall publicly report the district's District Weighted Average, Weighted Foundation Level, Additional Weights, Regionalization Factor multiplier, amount of the Weighted Foundation Level Budget attributable to each Additional Weight on an aggregate and per-student basis, and amount of primary State aid received attributable to each Additional Weight on an aggregate and per-student basis.

(5) Additional Weights:

(A) English Learner Pupils:

(i) Weighting Factor of 0.20; and

(ii) Weighting Percentage equal to the Prior Year ADA of English Learner Pupils, divided by the Prior Year ADA for all pupils.

(B) Low-Income Pupils: The higher of the weights determined through the following 2 methods:

(i) Regular low-income method:

(I) Weighting Factor of 0.25; and

(II) Weighting Percentage equal to the DHS Low-income Eligible Count, divided by the Prior Year ADA for all pupils.

(ii) Low-income concentration method:

(I) Weighting Factor of 0.80 multiplied by the Weighting Percentage as calculated in accordance with the regular low-income method, provided that the Weighting Factor pursuant to this method shall not exceed 0.75; and

(II) Weighting Percentage equal to the Weighting Percentage as calculated in accordance with the regular low-income method.

(C) Children with disabilities:

(i) Weighting Factor of 1.0; and

(ii) Weighting Percentage equal to the higher of the percentages in the following items as applicable to each school district:

(I) a Weighting Percentage established by the State Board of Education prior to the start of each State fiscal year representative of the statewide weighted-average percentage of students with disabilities based on the most recent data collected by the State Board of Education; and

(II) Weighting Percentage under this item (II) for any school district that demonstrates, in accordance with requirements established by the State Board of Education, that the percentage of its students with disabilities exceeds the representative statewide weighted-average percentage established pursuant to item (I) of this clause (ii). For any such school district, the Weighting Percentage shall equal the lesser of (i) the Prior Year ADA of the district's students with disabilities (as verified by the State Board of Education) divided by the Prior Year ADA for all pupils and (ii) the representative statewide weighted-average percentage established pursuant to item (I) of this clause (ii) plus 5 percentage points.

(D) Special Education Summer School Pupils:

(i) Weighting Factor of 0.03; and

(ii) Weighting Percentage equal to the Prior Year ADA of Special Education Summer School Pupils, divided by the Prior Year ADA for all pupils.

(E) Gifted Pupils:

(i) Weighting Factor of 0.01; and

(ii) Weighting Percentage equal to the Prior Year ADA of Gifted Pupils, divided by the Prior Year ADA for all pupils, provided that the Prior Year ADA of Gifted Pupils used for such calculation shall not exceed 5% of the Prior Year ADA for pupils in kindergarten through grade 8.

(F) Pupils in Kindergarten Providing a Full Day of Attendance Through Grade 3:

(i) Weighting Factor of 0.05; and

(ii) Weighting Percentage equal to the Prior Year ADA of pupils in kindergarten providing a full day of attendance through grade 3, divided by the Prior Year ADA for all pupils.

(G) Pupils in Grade 9:

(i) Weighting Factor of 0.15; and

(ii) Weighting Percentage equal to the Prior Year ADA of pupils in grade 9, divided by the Prior Year ADA for all pupils.

(6) For each school district with a Regionalization Index Value higher than the statewide weighted-average Regionalization Index Value, the base value of 1.0 and each Additional Weight included in the calculation of its District Weighted Average shall be multiplied by a Regionalization Factor calculated in accordance with this paragraph (6). The Regionalization Factor shall equal the school district's Regionalization Index Value divided by the statewide weighted-average Regionalization Index Value for the most recent year that the data is compiled. For purposes of this paragraph (6), "Regionalization Index Value" means the Comparable Wage Index developed for the National Center for Education Statistics and published for each school district. This Index measures systematic, regional variations in the salaries of college graduates who are not educators. The State Board of Education may contract for the calculation of the Comparable Wage Index using the same methodology if the Comparable Wage Index developed for the National Center for Education Statistics becomes unavailable. For any school district that does not have a Comparable Wage Index, the State Board of Education shall estimate a Regionalization Index Value using reasonably available information.

(c) Average Daily Attendance.

(1) For purposes of calculating primary State aid pursuant to subsection (e) of this Section, an Average Daily Attendance figure shall be utilized. The Average Daily Attendance figure for formula calculation purposes shall be the monthly average of the total number of pupils in attendance for each school district, as further averaged for the best 3 months of pupil attendance for each school district. In compiling the figures for the number of pupils in attendance, school districts and the State Board of Education shall, for purposes of primary State aid funding, conform attendance figures to the requirements of subsection (f) of this Section.

(2) The Average Daily Attendance figures utilized in subsections (d) and (e) of this Section shall be the requisite attendance data for the school year immediately preceding the school year for which primary State aid is being calculated or the average of the attendance data for the 3 preceding school years, whichever is greater. The Average Daily Attendance figures utilized for subsection (b) of this Section shall be the requisite attendance data for the school year immediately preceding the school year for which primary State aid is being calculated.

(d) Available Local Resources Per Pupil.

(1) For purposes of calculating primary State aid pursuant to subsection (e) of this Section, a representation of Available Local Resources Per Pupil, as that term is defined and determined in this subsection (d), shall be utilized. Available Local Resources Per Pupil shall include a calculated dollar

amount representing school district revenues from local property taxes and from Corporate Personal Property Replacement Taxes, expressed on the basis of pupils in Average Daily Attendance.

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

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

For partial elementary unit districts created pursuant to Article 11E of this Code, local property tax revenues per pupil shall be calculated as the product of the equalized assessed valuation for property within the partial elementary unit district for elementary purposes, as defined in Article 11E of this Code, multiplied by 2.06% and divided by the district's Average Daily Attendance figure, plus the product of the equalized assessed valuation for property within the partial elementary unit district for high school purposes, as defined in Article 11E of this Code, multiplied by 0.94% and divided by the district's Average Daily Attendance figure.

(4) The Corporate Personal Property Replacement Taxes paid to each school district during the calendar year one year before the calendar year in which a school year begins, divided by the Average Daily Attendance figure for that district, shall be added to the local property tax revenues per pupil as derived by the application of paragraph (3) of this subsection (d). The sum of these per pupil figures for each school district shall constitute Available Local Resources Per Pupil as that term is utilized in subsection (e) of this Section in the calculation of primary State aid.

(e) Computation of primary State aid.

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

(2) Subject to paragraph (4) of this subsection (e), for any school district for which the Per-pupil Aid is more than the Flat Grant Level, primary State aid for that district shall be in an amount equal to its Per-pupil Aid multiplied by its Average Daily Attendance figure.

(3) Subject to paragraph (4) of this subsection (e), for any school district for which the Per-pupil Aid is equal to or less than the Flat Grant Level, primary State aid for that district shall be in an amount equal to the Adjusted Flat Grant Level multiplied by the district's Average Daily Attendance figure.

(4) From financial assistance provided to school districts under this Section, the State Board of Education shall withhold the following amounts for the following purposes:

(A) For each school district with an Additional Weight for Pupils of Limited English-speaking Ability, the State Board of Education shall withhold an amount not exceeding one and one-half percent of the district's Weighted Foundation Level Budget attributable to Pupils of Limited English-speaking Ability for (i) State Board of Education staff for administration and (ii) contractual services by a not-for-profit entity for technical assistance, professional development, and other support to school districts and educators for services for these pupils. To be eligible to receive the contract under clause (ii) of this subdivision (A), the not-for-profit entity must have experience providing such services in a school district having a population exceeding 500,000; one or more school districts in any of the counties of Lake, McHenry, DuPage, Kane, and Will; and one or more school districts elsewhere in this State.

(B) The State Board of Education shall withhold an amount not exceeding one-half percent of each school district's Weighted Foundation Level Budget attributable to children with disabilities and Special Education Summer School Pupils for State Board of Education staff and contractual services for administration, professional development, and support to school districts for services for children with disabilities. The State Board of Education shall use a portion of the withheld amounts for developing or supporting electronic individualized educational programs.

(f) Compilation of Average Daily Attendance.

(1) Each school district shall, on or before July 1 of each year, submit to the State Board of Education, in a manner prescribed by the State Board of Education, attendance figures for the school year that began in the preceding calendar year. The attendance information so transmitted shall identify the Average Daily Attendance figures for each month of the school year. School districts shall calculate Average Daily Attendance as provided in subdivisions (A), (B), and (C) of this paragraph (1).

(A) In districts that do not hold year-round classes, days of attendance in August shall be added to the month of September and any days of attendance in June shall be added to the month of May.

(B) In districts in which all buildings hold year-round classes, days of attendance in July and August shall be added to the month of September and any days of attendance in June shall be added to the month of May.

(C) In districts in which some buildings, but not all, hold year-round classes, for the non-year-round buildings, days of attendance in August shall be added to the month of September and any days of attendance in June shall be added to the month of May. The Average Daily Attendance for the year-round buildings shall be computed as provided in subdivision (B) of this paragraph (1). To calculate the Average Daily Attendance for the district, the Average Daily Attendance for the year-round buildings shall be multiplied by the days in session for the non-year-round buildings for each month and added to the monthly attendance of the non-year-round buildings.

(2) For the 2016-2017 school year, days of attendance by pupils shall be counted in accordance with paragraphs (1) and (2) of subsection (F) of Section 18-8.05 of this Code.

(g) Equalized assessed valuation data.

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

The Department of Revenue shall add to the equalized assessed value of all taxable property of each school district situated entirely or partially within a county that is or was subject to the provisions of Section 15-176 or 15-177 of the Property Tax Code (A) an amount equal to the total amount by which the homestead exemption allowed under Section 15-176 or 15-177 of the Property Tax Code for real property situated in that school district exceeds the total amount that would have been allowed in that school district if the maximum reduction under Section 15-176 was $5,000 and (B) an amount equal to the aggregate amount for the taxable year of all additional exemptions under Section 15-175 of the Property Tax Code for owners with a household income of $30,000 or less. The county clerk of any county that is or was subject to the provisions of Section 15-176 or 15-177 of the Property Tax Code shall annually calculate and certify to the Department of Revenue for each school district all homestead exemption amounts under Section 15-176 or 15-177 of the Property Tax Code and all amounts of additional exemptions under Section 15-175 of the Property Tax Code for owners with a household income of $30,000 or less. It is the intent of this paragraph that if the general homestead exemption for a parcel of property is determined under Section 15-176 or 15-177 of the Property Tax Code rather than Section 15-175, then the calculation of Available Local Resources Per Pupil shall not be affected by the difference, if any, between the amount of the general homestead exemption allowed for that parcel of property under Section 15-176 or 15-177 of the Property Tax Code and the amount that would have been allowed had the general homestead exemption for that parcel of property been determined under Section 15-175 of the Property Tax Code. It is further the intent of this paragraph that if additional exemptions are allowed under Section 15-175 of the Property Tax Code for owners with a household income of less than $30,000, then the calculation of Available Local Resources Per Pupil shall not be affected by the difference, if any, because of those additional exemptions.

This equalized assessed valuation, as adjusted further by the requirements of this subsection (g), shall be utilized in the calculation of Available Local Resources Per Pupil.

(2) The equalized assessed valuation in paragraph (1) of this subsection (g) shall be adjusted, as applicable, in the following manner:

(A) For the purposes of calculating primary State aid under this Section, with respect to any part of a school district within a redevelopment project area in respect to which a municipality has adopted tax increment allocation financing pursuant to the Tax Increment Allocation Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11 of the Illinois Municipal Code, or the Industrial Jobs Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the Illinois Municipal Code, no part of the current equalized assessed valuation of real property located in any such project area that is attributable to an increase above the total initial equalized assessed valuation of such property shall be used as part of the equalized assessed valuation of the district, until such time as all redevelopment project costs have been paid, as provided in Section 11-74.4-8 of the Tax Increment Allocation Redevelopment Act or in Section 11-74.6-35 of the Industrial Jobs Recovery Law. For the purpose of the equalized assessed valuation of the district, the total initial equalized assessed valuation or the current equalized assessed valuation, whichever is lower, shall be used until such time as all redevelopment project costs have been paid.

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

(3) If a school district's boundaries span multiple counties, then the Department of Revenue shall send to the State Board of Education, for the purpose of calculating primary State aid, the limiting rate and individual rates by purpose for the county that contains the majority of the school district's Equalized Assessed Valuation.

(h) Supplemental grants.

(1) The Total Primary State Aid a school district is allotted pursuant to this Section shall be subject to adjustment as provided in this subsection (h). Any supplemental grants allotted to school districts pursuant to this subsection (h) shall be paid in conjunction with the school district's payments of primary State aid. When calculating the supplemental grants for a particular school district under this Section, the State Board of Education shall first calculate the supplemental grant, if any, under paragraph (2) of this subsection (h) for school districts subject to property tax extension limitations. The State Board of Education shall next calculate the supplemental grant under paragraph (3) of this subsection (h) if the school district has a per-pupil loss exceeding $1,000. The State Board of Education shall then calculate the amount of the adequacy grant, if any, to the school district under paragraph (4) of this subsection (h). Finally, the State Board of Education shall calculate the supplemental grants specified in paragraph (5) of this subsection (h).

(2) If a school district is subject to property tax extension limitations as imposed under the Property Tax Extension Limitation Law, a school district shall receive a supplemental grant pursuant to this paragraph (2) to account for the difference between its Extension Limitation Equalized Assessed Valuation and the school district's equalized assessed valuation as calculated under paragraphs (1) and (2) of subsection (g) of this Section. The State Board of Education shall calculate the Extension Limitation Equalized Assessed Valuation of each district subject to property tax extension limitations as imposed under the Property Tax Extension Limitation Law. Except as otherwise provided in this paragraph (2) for a school district that has approved or does approve an increase in its limiting rate, the "Extension Limitation Equalized Assessed Valuation" of a school district as calculated by the State Board of Education shall be equal to the product of the equalized assessed valuation last used in the calculation of general State aid under Section 18-8.05 of this Code or primary State aid under this Section and the district's Extension Limitation Ratio. If a school district has approved or does approve an increase in its limiting rate, pursuant to Section 18-190 of the Property Tax Code, affecting the Base Tax Year, the Extension Limitation Equalized Assessed Valuation of the school district, as calculated by the State Board of Education, shall be equal to the product of the equalized assessed valuation last used in the calculation of general State aid pursuant to Section 18-8.05 of this Code or primary State aid pursuant to this Section times an amount equal to one plus the percentage increase, if any, in the Consumer Price Index for all Urban Consumers for all items published by the United States Department of Labor for the 12-month calendar year preceding the Base Tax Year, plus the equalized assessed valuation of new property, annexed property, and recovered tax increment value and minus the equalized assessed valuation of disconnected property. New property and recovered tax increment value shall have the meanings set forth in the Property Tax Extension Limitation Law. Notwithstanding anything to the contrary contained in this paragraph (2), a PTELL EAV floor school district's Extension Limitation Equalized Assessed Valuation shall not be less than 85% of the district's equalized assessed valuation as calculated pursuant to paragraphs (1) and (2) of subsection (g) of this Section.

If the Extension Limitation Equalized Assessed Valuation of a school district as calculated under this paragraph (2) is less than the district's equalized assessed valuation as calculated pursuant to paragraphs (1) and (2) of subsection (g) of this Section, then the school district shall receive a supplemental grant equal to its PTELL PSA Adjustment as calculated by the State Board of Education.

(3) Notwithstanding anything to the contrary contained in this Section, if a school district's per-pupil primary State aid allotment is less than its Per-pupil Hold Harmless State Funding by an amount exceeding $1,000, then the amount of primary State aid allotted to the school district shall be increased by a supplemental grant pursuant to this paragraph (3). The primary State aid supplemental grant shall equal an amount sufficient to raise the school district's per-pupil primary State aid allotment to an amount that is $1,000 less than the school district's Per-pupil Hold Harmless State Funding. For purposes of this paragraph (3), a school district's per-pupil primary State aid allotment shall be calculated by the State

Board of Education as the sum of the primary State aid allotted to the school district pursuant to subsection (e) of this Section and any supplemental grants pursuant to this paragraph (3) and paragraph (2) of this subsection (h), divided by the school district's Average Daily Attendance figure.

(4) The State Board of Education shall administer the distribution of adequacy grants in accordance with this paragraph (4). Each school district with an Adequacy Target percent of less than 110% shall receive a supplemental adequacy grant calculated in accordance with subdivision (A) of this paragraph (4), subject to appropriations for such grants. For purposes of calculating a school district's Adequacy Target percent, a school district's operating expense per pupil shall be the most recent figure calculated by the State Board of Education as of the start of the fiscal year for which the calculations in this paragraph (4) apply.

A school district with an Adequacy Target percent of not more than 100% shall receive a supplemental adequacy grant equal to its Adequacy Grant Loss. A school district with an Adequacy Target percent of more than 100% but less than 110% shall receive a supplemental adequacy grant equal to the product of its Adequacy Grant Loss and a percent figure calculated as follows: 110% less the school district's Adequacy Target percent, with the resulting percent figure multiplied by 10. A school district with an Adequacy Target percent of 110% or higher shall not receive a supplemental adequacy grant pursuant to this paragraph (4).

(5) Notwithstanding anything to the contrary contained in this Section, the Total Primary State Aid allotted to a school district for the 2016-2017 school year shall be subject to increase through supplemental grants as follows:

If, for the 2016-2017 school year, the Total Primary State Aid is less than Hold Harmless State Funding, then the amount of primary State aid allotted to the school district shall be increased by a supplemental grant in the amount of 100% of the difference between Hold Harmless State Funding and Total Primary State Aid.

(i) Grants to Laboratory and Alternative Schools. In calculating the amount to be paid to the governing board of a public university that operates a Laboratory School or to any Alternative School that is operated by a regional superintendent of schools, the State Board of Education shall require, by rule, such reporting requirements as it deems necessary. Each Laboratory and Alternative School shall file, on forms provided by the State Superintendent of Education, an annual State aid claim that states the Average Daily Attendance of the school's students by month. The best 3 months' Average Daily Attendance shall be computed for each school. The primary State aid entitlement shall be computed by multiplying the applicable Average Daily Attendance by 105% of the Foundation Level. If, for the 2016-2017 school year, the primary State aid entitlement for a Laboratory School or Alternative School calculated under this subsection (i) is less than the Hold Harmless State Funding, the school shall receive a supplemental grant of 100% of the difference in the 2016-2017 school year.

(j) District improvement plans, attendance center distributions, and special education maintenance of State financial support.

(1) Each school district making insufficient annual progress, as determined by the State Board of Education, in the educational performance of Low-income Pupils, English Learner Pupils, or children with disabilities shall demonstrate, in accordance with requirements adopted by the State Board of Education, how local and State funds will be used for strategies that give priority to meeting the educational needs of each such category of pupils for which the school district is making insufficient annual progress. For each such category of pupils, budget information submitted in accordance with State Board of Education requirements must demonstrate that the combined amount of local funds and primary State aid funds budgeted for strategies that give priority to that category of pupils is proportionate or higher, on either an aggregate or per-pupil basis, to the proportion of the Weighted Foundation Level Budget attributable to that category of pupils. The State Board of Education may adopt exceptions to the requirement for proportionate or higher budgeting to address small pupil subgroup populations, changes in pupil enrollment, or extraordinary expenditures required for any school year. The State Board of Education may also adopt exceptions to the requirement for proportionate or higher budgeting for any school district to implement district-wide or school-wide strategies if the school district or school has a high percentage of pupils in any particular category relative to statewide averages and the district can demonstrate in its plan that a district-wide or school-wide strategy is more likely to achieve the district's educational objectives for a category of pupils than a targeted strategy. If a school district fails to adhere to proportionate or higher budgeting in accordance with this paragraph (1), the school district must take corrective action in accordance with requirements adopted by the State Board of Education. If corrective action is not taken, the State Board of Education shall deduct, from primary State aid payments otherwise due the district, an amount equal to the amount by which the district failed to adhere to the proportionate or higher requirement.

(2) School districts with an Average Daily Attendance of 50,000 or more shall be required to distribute, from funds available pursuant to this Section, no less than $261,000,000 in accordance with the following requirements:

(A) The required amounts shall be distributed to the attendance centers within the district in proportion to the number of Low-income Pupils enrolled at each attendance center during the current school year.

(B) The distribution of these portions of primary State aid among attendance centers according to these requirements shall not be compensated for or contravened by adjustments of the total of other funds appropriated to any attendance centers, and the board of education shall utilize funding from one or several sources in order to fully implement this paragraph (2) annually prior to the opening of school.

(C) Each attendance center shall be provided, by the school district, with a distribution of other funds to which the attendance center is entitled under law in order that the primary State aid provided by application of this paragraph (2) supplements rather than supplants the other funds provided by the school district to the attendance centers.

(D) Funds received by an attendance center pursuant to this paragraph (2) shall be used by the attendance center at the discretion of the principal and local school council for programs to improve educational opportunities at qualifying schools through the following programs and services: early childhood education, reduced class size or improved adult to student classroom ratios, enrichment programs, remedial assistance, attendance improvement, and other educationally beneficial expenditures that supplement the regular and basic programs as determined by the State Board of Education. Funds provided shall not be expended for any political or lobbying purposes as defined by rule of the State Board.

(E) Each district subject to the provisions of this paragraph (2) shall submit an acceptable plan to meet the educational needs of disadvantaged children, in compliance with the requirements of this subdivision (E), to the State Board of Education prior to July 15 of each year. This plan shall be consistent with the decisions of local school councils concerning the school expenditure plans developed in accordance with subdivision 4 of Section 34-2.3 of this Code. The State Board shall approve or reject the plan within 60 days after its submission. If the plan is rejected, the district shall give written notice of an intent to modify the plan within 15 days after the notification of rejection and then submit a modified plan within 30 days after the date of the written notice of an intent to modify. Districts may amend approved plans pursuant to rules adopted by the State Board of Education.

Upon notification by the State Board of Education that the district has not submitted a plan prior to July 15 or a modified plan within the time period specified in this subdivision (E), the State aid funds affected by that plan or modified plan shall be withheld by the State Board of Education until a plan or modified plan is submitted.

If the district fails to distribute State aid to attendance centers in accordance with an approved plan, the plan for the following year shall allocate funds, in addition to the funds otherwise required by this paragraph (2), to those attendance centers that were underfunded during the previous year in amounts equal to such underfunding.

For purposes of determining compliance with this paragraph (2) in relation to the requirements of attendance center funding, each district subject to the provisions of this paragraph (2) shall submit as a separate document, on or before December 1 of each year, a report of expenditure data for the prior year in addition to any modification of its current plan. If it is determined that there has been a failure to comply with the expenditure provisions of this paragraph (2) regarding contravention or supplanting, the State Superintendent of Education shall, within 60 days after receipt of the report, notify the district and any affected local school council. The district shall, within 45 days after receipt of that notification, inform the State Superintendent of Education of the remedial or corrective action to be taken, whether by amendment of the current plan, if feasible, or by adjustment in the plan for the following year. Failure to provide the expenditure report or the notification of remedial or corrective action in a timely manner shall result in a withholding of the affected funds.

The State Board of Education shall adopt rules to implement the provisions of this paragraph (2). No funds shall be released under this paragraph (2) to any district that has not submitted a plan that has been approved by the State Board of Education.

(3) Each fiscal year, the State Board of Education shall calculate for each school district an amount of its Total Primary State Aid funding that shall be deemed attributable to the provision of special educational facilities and services, as defined in Section 14-1.08 of this Code, in a manner that ensures compliance with maintenance of State financial support requirements under the federal Individuals with Disabilities Education Act. A school district must use such funds only for the provision of special educational facilities and services, as defined in Section 14-1.08 of this Code, and must comply with any expenditure verification procedures adopted by the State Board of Education.

(k) Average Daily Attendance count adjustment for residential boarding school within identified school district. For the purposes of providing unique educational opportunities to dependents or youths who are academic underperformers or who could become academic underperformers due to circumstances, but who have the potential to progress to high-performers who are high school and college bound, a school district may include eligible students that attend a Residential Boarding School Program within that same district within the district's Average Daily Attendance count should both parties deem appropriate.

As used in this subsection (k), "eligible student" means a student who is entitled to attend school, is at risk of academic failure, is currently enrolled in grades 1 through 8, is from a family who is low income, and meets at least one of the following additional risk factors:

(1) The student is in foster care or has been declared an adjudicated dependent by the court.

(2) The student's head of household is not the student's custodial parent.

(3) The student has been residing in a household that receives a housing voucher or has been determined eligible for public housing assistance or is homeless.

(4) The student is from an impoverished community.

(5) A member of the student's immediate family has been incarcerated.

(6) The student has experienced or is experiencing traumatic events identified as adverse childhood experiences that directly impact his or her educational success, such as:

(A) abuse or neglect;

(B) bullying or exclusion;

(C) poverty or homelessness;

(D) discrimination;

(E) a household with substance abuse;

(F) witnessing or being a victim of violence;

(G) household mental illness; and

(H) divorce, deportation, or other family separation.

(l) References. From July 1, 2016 to June 30, 2017, references in other laws to general State aid funds or calculations under Section 18-8.05 of this Code shall be deemed to be references to primary State aid funds or calculations under this Section.

(m) No funding or requirements under this Section shall be provided to or required by school districts pursuant to this Section after fiscal year 2017. All funding for school districts shall be pursuant to the Evidence-Based Model as provided in Section 18-8.20.

(105 ILCS 5/18-8.20 new)

Sec. 18-8.20. Evidence-based funding for student success for the 2017-2018 and subsequent school years.

(a) The purpose of this Section is to ensure that, by June 30, 2027, this State has a kindergarten through grade 12 public education system with the capacity to ensure the educational development of all persons to the limits of their capacities in accordance with Section 1 of Article 10 of the Constitution of the State of Illinois. To accomplish that objective, this Section creates a method of funding public education that is evidence-based; is sufficient to ensure every student receives a meaningful opportunity to learn irrespective of race, ethnicity, sexual orientation, gender, or community-income level; and is sustainable and predictable. When fully funded under this Section, every school shall have the resources, based on what the evidence indicates is needed, to:

(1) provide all students with a high quality education that offers the academic, enrichment, social and emotional support, technical, and vocational programs that will allow them to become competitive workers, responsible parents, productive citizens of this State, and active members of our national democracy;

(2) ensure all students receive the education they need to graduate from high school with the skills required to pursue post-secondary education or training or a career;

(3) reduce, with a goal of eliminating, the achievement gap between high-performing and low-performing students by raising the performance of at-risk students and not by reducing standards; and

(4) ensure this State satisfies its obligation to assume the primary responsibility to fund public education and simultaneously relieve the disproportionate burden placed on local property taxes to fund schools.

(b) For purposes of this Section:

"Assessments" means those benchmark, progress monitoring, formative, diagnostic, and other assessments, in addition to the State accountability assessment, that assist teachers' needs in understanding the skills and meeting the needs of the students they serve.

"Assistant principal" means a school administrator duly endorsed to be employed as an assistant principal in this State.

"At-risk student" means a student who is at risk of not meeting the Illinois Learning Standards or not graduating from elementary or high school and who demonstrates a need for vocational support or social services beyond that provided by the regular school program. All students included in an organizational unit's Low-Income Count, as well as all EL and disabled students attending the organizational unit, shall be considered at-risk students under this Section.

"Average Student Enrollment" or "ASE" means, for an organizational unit in a given school year, the greater of the total students shown as enrolled in the organizational unit on the State Board of Education's fall and spring enrollment counts in the immediately preceding school year or the average number of students shown as enrolled in the organizational unit on the State Board's fall and spring enrollment counts for the immediately preceding 3 school years.

"Base Adequacy Level" means, for each organizational unit, that amount of total educational funding determined in accordance with paragraph (2) of subsection (c) of this Section, which amount is predicated on both the number and characteristics of the students who attend the organizational unit and the evidence-based educational factors required to meet the learning needs of such students.

"Central office" means individual administrators and support service personnel charged with managing the instructional programs, business and operations, and security of the school district in which an organizational unit is situated.

"Comparable Wage Index" or "CWI" means the regional cost differentiation metric initially developed by the National Center for Education Statistics, as most recently updated in 2013, by Texas A & M University. The CWI utilized under this Section shall, for the first 3 years following the effective date of this Section, be determined as provided in the Texas A & M University study. The CWI for each organizational unit shall be determined by comparing the index for the region and counties in which the organizational unit is located against the median index in this State, where the median value is set at 1.0. Thereafter, the State Board shall re-determine the CWI using a similar methodology to that identified in the Texas A & M University study, no less frequently than once every 5 years.

"Computer technology and equipment" means computers, servers, notebooks, network equipment, copiers, printers, instructional software, security software, curriculum management courseware, and other materials identified by the State Board of Education.

"Core subject" means mathematics; science; reading, English, writing, and language arts; history and social studies; world languages; and subjects taught as Advanced Placement in high schools.

"Core teacher" means a regular classroom teacher in elementary schools and teachers of a core subject in middle and high schools.

"EAV" means equalized assessed valuation.

"Employee benefits" means health, dental, and vision insurance offered to employees of an organizational unit, the costs associated with statutorily required payment of the normal cost of the organizational unit's teacher pensions, Social Security employer contributions, and Illinois Municipal Retirement Fund employer contributions.

"English learner" or "EL" means the greater of the prior school year or the 3-year average of students in grades K through 12 whose native tongue is a language other than English and who have not obtained an overall composite proficiency level of 5.0, a reading proficiency level of 4.2, and a writing proficiency level of 4.2 on the prior year ACCESS test or an equivalent assessment for EL students.

"Extended day" means academic and enrichment programs provided to students outside the regular school day before and after school or during non-instructional times during the school day.

"Full-time equivalent" or "FTE" means the full-time equivalency compensation for staffing the relevant position at an organizational unit, computed in accordance with guidelines prescribed by the State Board.

"Guidance counselor" means a licensed guidance counselor who provides support for all students within an organizational unit.

"Instructional facilitator" means a qualified teacher or licensed teacher leader who facilitates and coaches continuous improvement in classroom instruction; provides instructional support to teachers in the elements of research-based instruction or demonstrates the alignment of instruction with curriculum standards and assessments tools; develops or coordinates instructional programs or strategies; develops and implements training; chooses standards-based instructional materials; provides teachers with an understanding of current research; serves as a mentor, site coach, curriculum specialist, or lead teacher; or otherwise works with fellow teachers, in collaboration, to use data to improve instructional practice or develop model lessons.

"Instructional materials" means relevant instructional materials for student instruction, including, but not limited to, textbooks, consumable workbooks, laboratory equipment, library books, and other materials identified by the State Board of Education.

"Intervention teacher (tutor)" means a licensed teacher providing one-on-one or small group tutoring to students struggling to meet proficiency in core subjects.

"Librarian" means a teacher with an endorsement as a school librarian.

"Local Capacity Ratio" means, for an organizational unit in a given school year, the normal curve equivalent percentage based on the calculation method in paragraph (4) of subsection (c) of this Section, which must never be higher than 90%.

"Local Capacity Target" means, for an organizational unit, that dollar amount that is obtained by multiplying the Base Adequacy Level of the organizational unit by the Local Capacity Ratio for the organizational unit.

"Low-Income Count" means, for an organizational unit in a fiscal year, the higher of the average number of students attending the organizational unit over the prior school year or the immediately preceding 3 school years who, according to the Department of Human Services, at any time over such prior 3-year period were eligible for at least one of the following low-income programs or any successor thereto established under federal law: Medicaid; the Children's Health Insurance Program; Temporary Assistance for Needy Families; or the Supplemental Nutrition Assistance Program.

"Maintenance and operations" means functions such as, but not limited to, custodial services, facility and ground maintenance, facility operations, facility security, and routine facility repairs.

"Net State Contribution" means the aggregate amount of kindergarten through grade 12 education funding an organizational unit would receive from this State annually under this Section if fully funded, as determined under paragraph (4) of subsection (c) of this Section. Per pupil, "Net State Contribution" means the Net State Contribution to an organizational unit for a school year, divided by the applicable ASE of the organizational unit for the school year.

"Nurse" means an individual licensed as a school nurse, registered nurse, or licensed practical nurse in this State, in accordance with the rules established for nursing services regulated by the State Board of Education, who is an employee of and is available to provide health care-related services for all students of an organizational unit.

"Organizational unit" means any public school district that is recognized as such by the State Board of Education and that contains elementary schools typically serving kindergarten through 5th grades, middle schools typically serving 6th through 8th grades, or high schools typically serving 9th through 12th grades. The General Assembly acknowledges that the actual grade levels served by a particular organizational unit may vary slightly from what is typical. "Organizational unit" specifically includes laboratory schools operated in accordance with subsection (K) of Section 18-8.05 of this Code.

"Principal" means a school administrator duly endorsed to be employed as a principal in this State.

"Professional development" means training programs for licensed staff in schools, including, but not limited to, programs that assist in implementing new curriculum programs, provide data focused or academic assessment data training to help staff identify a student's weaknesses and strengths, target interventions, improve instruction, encompass instructional strategies for EL, gifted, or at-risk students, address inclusivity, cultural sensitivity, or implicit bias, or otherwise provide professional support for licensed staff in areas identified by the State Board of Education.

"Prototypical" means 450 students for an elementary school, 450 students for a middle school, and 600 students for a high school.

"Pupil support staff" means a nurse, psychologist, social worker, family liaison personnel, or other staff member who provides support to at-risk or struggling students.

"School site staff" means the primary school secretary and any additional clerical personnel assigned to the school under the funding matrices set forth in this Section.

"Special education" means programs for students with moderate disabilities categorized comparably as either high-incidence or low-cost. Special education services for students may be in self-contained classrooms or as part of the regular education classroom.

"Specialist teacher" means a teacher who provides instruction in subject areas not included in core subjects, including, but not limited to, art, music, physical education, health, driver education, career-technical education, and such other subject areas as may be mandated by State law or identified by the State Board of Education from time to time.

"State Board" means the State Board of Education.

"Student activities" means non-credit producing after-school programs, including, but not limited to, clubs, bands, sports, and other activities established by the school board of the organizational unit.

"Substitute teacher" means an individual teacher or teaching assistant who is employed by an organizational unit and is temporarily serving the organizational unit on a per diem or per period-assignment basis replacing another staff member.

"Summer school" means academic and enrichment programs provided to students during the summer months outside of the regular school year.

"Supervisory aide" means a non-licensed staff member who helps in supervising students of an organizational unit, but does so outside of the classroom, in situations such as, but not limited to, monitoring hallways and playgrounds, supervising lunchrooms, or supervising students when being transported in buses serving the organizational unit.

"Winsorization" means the transformation of statistics by limiting extreme values in the statistical data to reduce the effect of possible outliers. In the determination of the Local Capacity Index, this is used when calculating the mean and standard deviation of statewide EAV to adequacy ratios. The winsorization is set at the 10th percentile and the 90th percentile.

(c) The Evidence-Based Model under this Section shall be applied to all organizational units in this State. The Evidence-Based Model uses academic research to identify the resources and educational programs that are necessary to improve student success, improve academic performance, and close achievement gaps. The Evidence-Based Model reflects a research-based consensus on what constitutes best practices and reflects strategies found in schools that have achieved success in raising the academic achievement of students. When fully funded, the Evidence-Based Model ensures all schools have the resources necessary to enable all students the opportunity to achieve the proficiency standards established by this State.

(1) The annual investment needed to provide an adequate education to all students who attend an organizational unit in this State shall be the aggregate dollar value obtained by adding the funding amounts applicable to all organizational units as identified in paragraph (2) of this subsection (c), as those factors relate to the student composition and ASE of all organizational units. By utilizing this research-based approach, State education funding when this Section is fully funded shall be adequate and equitable; shall not be dependent on where students reside; shall be based on the cost of those educational practices that the evidence indicates have a statistically meaningful correlation to enhancing student achievement over time; and shall include such other necessary costs associated with the operation of a school or the education of children, such as, but not limited to, operational and maintenance costs, that are naturally incident thereto.

Funding amounts in the first year of the implementation of this Section shall not be less than all grades K through 12 education funding in the immediately prior funding year other than for regular and special education transportation and special education tuition.

(2) The Base Adequacy Level for each organizational unit for a school year shall be the aggregate dollar value obtained by adding the funding amounts applicable to the organizational unit for the school year, as determined in accordance with the following:

(A) Core class size investments. Each organizational unit shall receive the funding required to support that number of FTE core teacher positions as is needed to keep the respective class sizes of the organizational unit to a maximum of 15 students each for grades kindergarten through 3 and 25 students each for grades 4 through 12. The number of FTE core teacher positions shall be determined by dividing the ASE of the organizational unit for grades kindergarten through 3 by 15 and grades 4 through 12 by 25.

(B) Specialist teacher investments. Each organizational unit shall receive the funding needed to cover that number of FTE specialist teacher positions that correspond to the following percentages:

(i) if the organizational unit operates an elementary or middle school, then 20% of the number of the organizational unit's core teachers as determined under subdivision (A) of this paragraph (2); and

(ii) if such organizational unit operates a high school, then 33 1/3% of the number of the organizational unit's core teachers.

(C) Instructional facilitator investments. Each organizational unit shall receive the funding needed to cover one FTE instructional facilitator position for every 200 students attending the organizational unit.

(D) Core intervention teacher (tutor) investments. Each organizational unit shall receive the funding needed to cover one FTE teacher position for each prototypical elementary, middle, and high school. Additional FTE teacher positions shall be pro-rata funded based on ASE in excess of the ASE for each prototypical school.

(E) Substitute teacher investments. Each organizational unit shall receive the funding needed to cover substitute teacher costs that is equal to 5% of the aggregate required teaching days of full-time equivalent core, specialist, and intervention teachers, school nurses, special education teachers and aides, instructional facilitators, and summer school and extended-day teacher positions, as determined under this paragraph (2), at a salary rate of 33.3% of the average salary for each teacher position and 33.33% of the average salary of each instructional assistant position.

(F) Core guidance counselor investments. Each organizational unit shall receive the funding needed to cover one FTE guidance counselor for each 450 ASE elementary students, plus one FTE

guidance counselor for each 250 ASE middle school students, plus one FTE guidance counselor for each 250 ASE high school students.

(G) Nurse investments. Each organizational unit shall receive the funding needed to cover one FTE nurse for each 750 ASE across all grade levels it serves.

(H) Supervisory aide investments. Each organizational unit shall receive the funding needed to cover one FTE for each 225 ASE elementary students, plus one FTE for each 225 ASE middle school students, plus one FTE for each 200 ASE high school students.

(I) Librarian investments. Each organizational unit shall receive the funding needed to cover one FTE librarian for each prototypical elementary school and one FTE aide or media technician for every 300 ASE.

(J) Principal investments. Each organizational unit shall receive the funding needed to cover one FTE principal position for each prototypical elementary school, plus one FTE principal position for each prototypical middle school, plus one FTE principal position for each prototypical high school. Additional FTE principal positions shall be pro-rata funded based on ASE in excess of the ASE for each prototypical school.

(K) Assistant principal investments. Each organizational unit shall receive the funding needed to cover one FTE assistant principal position for each prototypical elementary school, plus one FTE assistant principal position for each prototypical middle school, plus one FTE assistant principal position for each prototypical high school.

(L) School site staff investments. Each organizational unit shall receive the funding needed to cover one FTE position for each 225 ASE elementary students, plus one FTE position for each 225 ASE middle school students, plus one FTE position for each 200 ASE high school students.

(M) Gifted investments. Each organizational unit shall receive $40 per ASE.

(N) Professional development investments. Each organizational unit shall receive $125 per ASE student for trainers and other professional development-related expenses for supplies and materials.

(O) Instructional material investments. Each organizational unit shall receive $190 per ASE student to cover instructional material costs.

(P) Assessment investments. Each organizational unit shall receive $25 per ASE student to cover assessment costs.

(Q) Computer technology and equipment investments. Each organizational unit shall receive $571 per ASE student to cover computer technology and equipment costs.

(R) Student activities investments. Each organizational unit shall receive the following funding amounts to cover student activities: $100 per ASE student in elementary school, plus $200 per ASE student in middle school, plus $675 per ASE student in high school.

(S) Maintenance and operations investments. Each organizational unit shall receive $1,038 per ASE student for day-to-day maintenance and operations expenditures, including salary, supplies, and materials, as well as purchased services, but excluding employee benefits.

(T) Central office investments. Each organizational unit shall receive $742 per ASE student to cover central office operations, including administrators and classified personnel charged with managing the instructional programs, business and operations of the school district, and security personnel.

(U) Employee benefit investments. Each organizational unit shall receive 30% of its total payroll, excluding substitute teachers and student activities investments, to cover benefit costs. For central office and maintenance and operations investments, the benefit calculation shall be based upon the salary component of each investment. For central office, the proportion of salary is equal to $368.48 and for maintenance and operations, the proportion of salary is equal to $352.92. If at any time the responsibility for funding the employer's normal cost of teacher pensions is assigned to school districts, then that percentage shall be increased to account therefor. For any fiscal year in which a school district having a population exceeding 500,000 inhabitants is responsible for paying the employer's normal cost of teacher pensions, the district shall receive the percentage of its total payroll that is statutorily required to cover employee annual normal costs in addition to the 30% specified in this subdivision (U).

(V) Additional investments in low-income students. In addition to and not in lieu of all other funding under this paragraph (2), each organizational unit shall receive funding based on the average teacher salary for grades K through 12 to cover the costs of:

(i) one FTE intervention teacher (tutor) position for every 125 Low-Income Count students;

(ii) one FTE pupil support staff position for every 125 Low-Income Count students;

(iii) one FTE extended day teacher position for every 120 Low-Income Count students; and

(iv) one FTE summer school teacher position for every 120 Low-Income Count students.

(W) Additional investments in EL students. In addition to and not in lieu of all other funding under this paragraph (2), each organizational unit shall receive funding based on the average teacher salary for grades K through 12 to cover the costs of:

(i) one FTE intervention teacher (tutor) position for every 125 EL students;

(ii) one FTE pupil support staff position for every 125 EL students;

(iii) one FTE extended day teacher position for every 120 EL students;

(iv) one FTE summer school teacher position for every 120 EL students; and

(v) one FTE core teacher position for every 100 EL students.

(X) Special education investments. Each organizational unit shall receive funding to cover special education as follows:

(i) one FTE teacher position for every 141 ASE elementary, middle, and high school students;

(ii) one-half of one FTE teacher aide for every 141 ASE elementary, middle, and high school students;

(iii) one FTE psychologist position for every 1,000 ASE elementary, middle, and high school students.

(3) Average salaries and the Comparable Wage Index are as follows:

(A) Following are the average salaries to be utilized when determining the FTE costs for the relevant position. For purposes of this paragraph (3), "teacher" includes core teachers, specialist and elective teachers, instructional facilitators, tutors, EL teachers, extended-day teachers, and summer school teachers. Where specific grade data is not required under item (2) of subsection (c) of this Section, the average salary for corresponding positions shall apply.

(i) Teacher for grades K through 8, $60,578.

(ii) Teacher for grades 9 through 12, $67,565.

(iii) Teacher for grades K through 12, $64,072.

(iv) Guidance counselor for grades K through 8, $68,887.

(v) Guidance counselor for grades 9 through 12, $74,674.

(vi) Guidance counselor for grades K through 12, $71,781.

(vii) Social worker, $64,647.

(viii) Psychologist, $71,058.

(ix) Librarian or media technician, $68,919.

(x) Nurse, $56,139.

(xi) Principal, $104,135.

(xii) Assistant principal, $91,080.

(xiii) School secretary, $30,000.

(xiv) School clerical staff, $25,000.

(xv) Non-instructional assistant, $25,000.

(xvi) Substitute teacher, $118.64 per day.

(xvii) Substitute aide, $46.29 per day.

(B) Salaries for all school and district-level staffing categories set forth in subdivision (A) of this paragraph (3) shall be used for determining the Base Adequacy Level for organizational units for the first 5 school years following the effective date of this Section and are based upon average statewide salary levels for the 2015-2016 school year. The State Superintendent of Education shall adjust the statewide average salary for each staffing category at least once every 5 school years beginning with the 2022-2023 school year and continuing thereafter, and the adjusted salaries shall be the salaries utilized for determining Base Adequacy Levels of organizational units in the applicable succeeding school years. Each such redetermination shall include appropriate adjustments for each staffing category as reasonably determined by the State Superintendent.

Each year after the initial determination of salaries under subdivision (A) of this paragraph (3) and this subdivision (B), the then most current, annual Bureau of Labor Statistics' national Employment Cost Index for civilian workers in educational services in elementary and secondary schools shall be applied, on a cumulative basis, to the salary averages before using them to compute the applicable FTE position cost, except in years in which the State Superintendent recalibrates all such salaries, as provided in this subdivision (B).

(C) Before assigning any salary amount identified under subdivision (A) or (B) of this paragraph (3) for determining the Base Adequacy Level of an organizational unit, the State Superintendent of Education shall further adjust the salary amount for each staffing category by applying thereto the Comparable Wage Index for the organizational unit.

(4) An EAV to adequacy ratio is the primary input in determining the Local Capacity Target for each organizational unit. The steps for calculating the Local Capacity Target are as follows:

(A) An organizational unit's Local Capacity Ratio in a given year shall be the percentage obtained by dividing the organizational unit's EAV for such year, where the EAV shall be the average of the organizational unit's EAV over the immediately preceding 3 years or its EAV in the immediately preceding year if the EAV is 10% less than the 3-year average, by the organizational unit's Base Adequacy Level for the year, as determined under paragraph (3) of this subsection (c). In the event of organizational unit reorganization, consolidation, or annexation, the most current EAV shall be used in the first year, the average of a 2-year EAV for the second year, and a 3-year average EAV for the third year.

(B) The Local Capacity Ratio of an organizational unit determined under subdivision (A) of this paragraph (4) shall be adjusted to reflect the number of grades the organizational unit serves. For organizational units that serve grades kindergarten through 12 (unit districts), the Local Capacity Ratio shall be multiplied by one. For organizational units serving grades kindergarten through 8 (elementary districts), the Local Capacity Ratio shall be multiplied by 9/13. For organizational units serving grades 9 through 12 (high school districts), the Local Capacity Ratio shall be multiplied by 4/13. In the event a district or organizational unit has a different grade configuration, a comparable adjustment shall be made based on the grades served.

(C) The Local Capacity Ratio, as adjusted in item (B) of this paragraph (4), shall be used to determine a percentage of local capacity using standard normal distribution. To eliminate the effect of extreme values impacting the mean and standard deviation, the array of Local Capacity Ratios are winsorized based on 10%/90%. Each organizational unit's adjusted winsorized Local Capacity Ratio shall be converted to a normal curve equivalent score to determine each organizational unit's relative position to all other organizational units in this State. The normal curve equivalent score for each organizational unit shall be calculated using the standard normal distribution of the score in relation to the mean and adjusted winsorized Local Capacity Ratios of all organization units. Should the value assigned to any organizational unit be in excess of 90%, the value shall be adjusted to 90%.

(D) For such laboratory schools operated in accordance with subsection (K) of Section 18-8.05 of this Code, the Base Adequacy Level of each organizational unit shall be determined in accordance with paragraph (2) of this subsection (c). The Local Capacity Target shall be set at 10% in recognition of the absence of EAV and resources from the State university that are allocated to the laboratory school.

(5) The Net State Contribution Target for the amount of kindergarten through grade 12 funding to be paid by this State shall be the sum of the dollar amounts of the Base Adequacy Level for each organizational unit, reduced by the sum of the school district's Local Capacity Target for the school year, plus the district's corporate personal property replacement tax revenue received in the prior school year. No federal funding shall be considered when determining the Net State Contribution Target under paragraph (4) of this subsection (c). The Net State Contribution Target per pupil made by this State to an organizational unit in a given year shall mean the Net State Contribution Target for that year divided by the organizational unit's ASE in that year.

(6) If the initial Net State Contribution Target per pupil that would be made to a school district in the first fiscal year in which education funding is implemented in accordance with this Section would be less than the aggregate amount of per pupil kindergarten through grade 12 funding, including funding for general State aid, primary State aid and supplemental grants under Section 18-8.15 of this Code, special education personnel, special education children, special education summer school, EL and bilingual education, and driver education, the district received from this State in the immediately preceding fiscal year (to be referred to as the Minimum Per Pupil Funding Level), then in the first and subsequent 4 school years of implementation of this Section, the school district shall receive an amount of education funding from this State equal to its then current ASE multiplied by the Minimum Per Pupil Funding Level.

(7) In the event that the General Assembly and the Governor decrease the amount of the appropriation for this Section in any fiscal year after implementation of this Section, the organizational units receiving Tier 1 and Tier 2 funding, as determined under paragraph (8) of this subsection (c), shall be held harmless by establishing a Base Funding Guarantee equal to the per pupil kindergarten through grade funding received in accordance with this Section in the prior fiscal year. Reduction shall be made to the Base Funding Minimum of organizational units in Tier 3 and Tier 4 on a per pupil basis equivalent to the total number of the ASE in Tier 3-funded and Tier 4-funded organizational units divided by the total reduction in State funding. The Base Funding Minimum as reduced shall continue to be applied to Tier 3 and Tier 4 organizational units and adjusted by the relative formula when increases in appropriations for this Section resume. In no event shall State funding reductions to organizational units in Tier 3 or Tier 4 exceed an amount that would be less than the Base Funding Minimum established in the first year of implementation of this Section. Should additional reductions be required, all school districts shall receive a reduction by a per pupil amount equal to the aggregate additional appropriation reduction divided by the total ASE of all organizational units.

(8) Equitable distribution of State appropriations for this Section that are in excess of the aggregate appropriations for general State aid, primary State aid and supplemental grants under Section 18-8.15 of this Code, special education personnel, special education child funding, special education summer school, EL and bilingual education, and driver education for the prior fiscal year or funding for this Section in the prior fiscal year shall be established by the following formula:

(A) An organizational unit's Preliminary Resources are determined by summing the Local Capacity Target plus corporate personal property replacement taxes plus the Base Funding Minimum. An organizational unit's Preliminary Resource Ratio is the Preliminary Organizational Resources divided by the Base Adequacy Level.

(B) All organizational units shall be placed into one of 4 funding tiers, with the exception that all Tier 1 units are also included in Tier 2. Funding tiers are defined as follows:

(i) Tier 1: All organizational units with an organizational resource ratio of less than 0.60.

(ii) Tier 2: All organizational units with an organizational resource ratio of less than 0.90, including Tier 1 units.

(iii) Tier 3: All organizational units with an organizational resource ratio equal to or greater than 0.90 and less than 1.0.

(iv) Tier 4: All organizational units with an organizational resource ratio equal to or greater than 1.0.

(C) Annual additional appropriations to fund this Section in excess of prior fiscal year appropriations are applied to funding tiers as follows:

(i) 33% to Tier 1. Tier 1 funding shall be equal to Tier 1 Funding Gap times Tier 1 Funding Allocation Rate where the Tier 1 Funding Allocation Rate is determined by the total amount of Tier 1 funding divided by the aggregate funding gap for all Tier 1 organizational units, and where the Tier 1 Funding Gap equals the Tier 1 Target Ratio (0.60) times the Base Adequacy Level minus Preliminary Resources. Should the Funding Allocation Rate be higher than 1.0, then the Rate shall be adjusted to 1.0. In the event that all organizational units achieve the Tier 1 Target Ratio of 0.60, any remaining resources shall be allocated to Tier 2.

(ii) 66% to Tier 2. Tier 2 funding will be distributed to all Tier 1 and Tier 2 organizational units using the following formula: the Tier 2 Funding Gap times Tier 2 Allocation Rate, where the Funding Gap equals the Tier 2 Target Ratio (0.90) times the (Base Adequacy Level minus Preliminary Resources plus Tier 1 Funding) and where the Tier 2 Allocation Rate is Tier 2 Available Funding divided by the Total Tier 2 (and Tier 1) Funding Gap. Should the Allocation Rate be higher than 1.0 then the Rate shall be adjusted to 1.0. Should the Tier 2 Funding Allocation Rate be adjusted to 1.0, resources shall be allocated to Tier 2 organizational units on a per pupil basis until all units achieve the Tier 2 Target Ratio of 0.90. In the event that all organizational units achieve the Tier 2 Target Ratio of 0.90, any remaining resources shall be allocated to Tier 3 and Tier 4.

(iii) 0.9% to Tier 3 or additional excess resources from Tier 2. Tier 3 funding shall be determined by multiplying a Tier 3 Allocation Rate by the Base Adequacy Gap of each organizational unit, where the Tier 3 Allocation Rate is equal to Total Tier 3 Available Funding divided by the Total Tier 3 Adequacy Funding Target (the sum of all Base Adequacy Levels for all Tier 3 organizational units).

(iv) 0.1% to Tier 4. Tier 4 funding is based on a Tier 4 Allocation Rate that is equal to Total Tier 4 Available Funding divided by the Total Tier 4 Base Adequacy Level and times each organizational unit's Base Adequacy Level.

(D) Alternative schools, safe schools, special education cooperatives or entities recognized by the State Board of Education as special education cooperatives, vocational cooperatives or entities recognized by the State Board of Education as vocational cooperatives, State-approved charter schools, and alternative learning opportunities program funding entities that received general State aid or categorical funding in the year prior to the effective date of this amendatory Act of the 99th General Assembly shall be placed in Tier 4, and their Base Funding Minimum shall be defined as their Base Adequacy Level. Should any entities recognized by the State Board of Education secure future funding directly from organizational units, the Base Funding Minimum shall be transferred to the organizational unit based on the prior year ASE of the entity.

(d) All school districts in this State must submit annual spending plans by the end of September of each year to the State Board of Education as part of the annual budget process, which shall describe how each organizational unit will utilize funding it receives from this State under this Section. The State Superintendent of Education may, from time to time, identify the requisites for school districts to satisfy when compiling the annual spending plans required under this subsection (d).

No later than January 1, 2018, the State Superintendent of Education shall develop a 5-year strategic plan for all school districts to help in planning for adequacy funding under this Section. The State

Superintendent shall submit the plan to the Governor and the General Assembly, as provided in Section 3.1 of the General Assembly Organization Act. The plan shall include recommendations for:

(1) a framework for collaborative, professional, innovative, and 21st century learning environments using the evidence-based funding model;

(2) ways to prepare and support this State's educators for successful instructional careers;

(3) application and enhancement of the current financial accountability measures and the Illinois Balanced Accountability Measures in relation to elements of the evidence-based funding model; and

(4) implementation of an effective school adequacy funding system based on projected and recommended funding levels from the General Assembly.

(e) The State Superintendent of Education shall calculate the Base Adequacy Level for each organizational unit and Net State Contribution Target for each school district under this Section. The State Superintendent shall also certify the actual amounts of the Net State Contribution Target payable for each eligible district based on the equitable distribution calculation to the district's treasurer, as soon as possible after such amounts are calculated, including any applicable adjusted charge-off increase. No moneys shall be distributed without the approval of the district's school board.

The State Board shall, in accordance with appropriations made by the General Assembly, meet the funding obligations created under this Section.

Annually, the State Board shall calculate and report to each school district the district's aggregate financial adequacy amount, which shall be the sum of the Base Adequacy Level for each organizational unit in the school district. The State Board shall calculate and report separately for each school district the district's total State funds allocated for its students with disabilities. The State Board shall calculate and report separately for each school district the amount of funding and applicable FTE calculated for each factor of the district's Base Adequacy Level amount under paragraph (2) of subsection (c) this Section.

Moneys distributed under this Section shall be calculated on a school year basis, but paid on a fiscal year basis, with payments beginning in August and extending through June. Unless otherwise provided, the moneys appropriated for each fiscal year shall be distributed in 22 equal payments at least 2 times monthly to each school district. The State Board shall publish a yearly distribution schedule at its meeting in June. If moneys appropriated for any fiscal year are distributed other than monthly, the distribution shall be on the same basis for each school district.

School districts with average daily attendance above their ASE in a school year shall be reviewed by the State Board. School districts shall report to the State Board each fall and spring the students housed by the serving school. The fall official counts shall reflect students enrolled in the district on the 20th day of the school year and reported to the State Board's Student Information System no later than October 15th. The spring official counts shall reflect students enrolled in the district on the first Friday in March and reported to State Board's Student Information System no later than April 20th.

(f) A Professional Judgment Panel is created to support the State Board's implementation of this Section and oversee continual recalibration and future study topics. The Panel shall be appointed by the State Superintendent of Education, except as otherwise provided in this subsection (f), supported by State Board personnel, and comprised of geographically diverse representatives from economically diverse districts. In considering whether a district is economically diverse, the State Superintendent of Education shall consider the low-income population and property wealth of school districts and areas. The members of the Panel shall be from organizations representing superintendents, business officials, principals, school board members, regional superintendents of schools, independent school funding experts, whether from academics or from non-governmental organizations with recognized expertise in education funding, and teachers as follows:

(1) Two geographically diverse appointees from economically diverse districts that represent district superintendents, recommended by a statewide organization that represents district superintendents.

(2) Two geographically diverse appointees from economically diverse districts that represent school boards, recommended by a statewide organization that represents school boards.

(3) Two geographically diverse appointees from economically diverse districts that represent school business officials, recommended by a statewide organization that represents school business officials.

(4) Two geographically diverse appointees from economically diverse districts that represent school principals, recommended by a statewide organization that represents school principals.

(5) Two geographically diverse appointees that represent teachers, recommended by a statewide organization that represents teachers.

(6) Two geographically diverse appointees that represent teachers, recommended by another statewide organization that represents teachers.

(7) Two geographically diverse appointees that represent regional superintendents of schools, recommended by organizations that represent regional superintendents.

(8) Two independent experts selected solely by the State Superintendent.

(9) Two independent experts recommended by public universities in this State.

(10) One member recommended by a statewide organization that represent parents.

(11) Two geographically diverse representatives recommended by collective impact organizations that represent major metropolitan areas or geographic areas in Illinois.

(12) One member from a statewide organization focused on research-based education policy to support a school system that prepares all students for college, a career, and democratic citizenship.

In addition to those Panel members appointed by the State Superintendent, 4 legislative liaisons shall be appointed, one by the Speaker of the House of Representatives, one by the President of the Senate, one by the Minority Leader of the House of Representatives, and one by the Minority Leader of the Senate.

The Professional Judgment Panel shall study and review the implementation and effect of the evidence-based funding model under this Section. On an annual basis, the State Superintendent of Education shall recalibrate the following per pupil elements of the Base Adequacy Level and applied to the formulas, based on the Panel's study of average expenses as reported in the most recent annual financial report:

(A) gifted under subdivision (M) of paragraph (2) of subsection (c) of this Section;

(B) instructional materials under subdivision (O) of paragraph (2) of subsection (c) of this Section;

(C) assessment under subdivision (P) of paragraph (2) of subsection (c) of this Section;

(D) student activities under subdivision (R) of paragraph (2) of subsection (c) of this Section;

(E) maintenance and operations under subdivision (S) of paragraph (2) of subsection (c) of this Section; and

(F) central office under subdivision (T) of paragraph (2) of subsection (c) of this Section.

On a periodic basis, the Panel shall study all of the following elements and make recommendations to the General Assembly and the Governor for modification of this Section:

(i) Average salaries under subdivision (A) of paragraph (3) of subsection (c) of this Section, to be annually modified by the Bureau of Labor Statistics' national Employment Cost Index for civilian workers in educational services in elementary and secondary schools, with a new study every 5 years.

(ii) The Comparable Wage Index under subdivision (C) of paragraph (3) of subsection (c) of this Section, to be studied by the Panel and reestablished by the State Superintendent every 5 years.

(iii) Maintenance and operations. Within 5 years after the implementation of this Section, the Panel shall make recommendations for the further study of maintenance and operations costs, including capital maintenance costs, and recommend any additional reporting data required from organizational units.

(iv) "At-risk student" definition. Within 5 years after the implementation of this Section, the Panel shall make recommendations for the further study and determination of an "at-risk student" definition to be recommended for future consideration by the General Assembly and the Governor.

(v) Benefits, to be studied within 5 years after the implementation of this Section.

(vi) Technology. The per pupil target for technology shall be reviewed every 3 years to determine whether current allocations are sufficient to develop 21st century learning in all classrooms in this State. Recommendations shall be made to the General Assembly and the Governor no later than 3 years after the implementation of this Section.

(vii) Base Funding Minimum. Per paragraph (6) of subsection (c) of this Section, a review of the Base Funding Minimum shall be made, and recommendations for continuance or modification of the Base Funding Minimum shall be made to the General Assembly and the Governor within 5 years after the implementation of this Section.

(viii) Local Capacity Target. Within 3 years after the implementation of this Section, the Panel shall make recommendations for any additional data desired to analyze possible modifications to the Local Capacity Target, to be based on measures in addition to solely EAV and to be completed within 5 years after implementation of this Section.

(ix) Funding for alternative schools, laboratory schools, safe schools, and alternative learning opportunity programs. By the beginning of the 2020-2021 school year, the Panel shall study and make recommendations to the General Assembly and the Governor regarding the funding levels for alternative schools, laboratory schools, safe schools, and alternative learning opportunity programs in this State.

(x) Funding for college and career acceleration strategies. By the beginning of the 2020-2021 school year, the Panel shall study and make recommendations to the General Assembly and the Governor regarding funding levels to support college and career acceleration strategies in high school that have been demonstrated to result in improved secondary and postsecondary outcomes, including Advanced Placement, dual-credit opportunities, and college and career pathway systems.

(xi) Special education investments. By the beginning of the 2020-2021 school year, the Panel shall study and make recommendations to the General Assembly and the Governor on whether and how to account for disability types within the special education funding category.

(g) Each fiscal year, the State Board of Education shall calculate for each organizational unit an amount of State funds received pursuant to this Section that shall be deemed attributable to the provision of special educational facilities and services, as defined in Section 14-1.08 of this Code, in a manner that ensures compliance with maintenance of State financial support requirements under the federal Individuals with Disabilities Education Act. An organizational unit must use such funds only for the provision of special educational facilities and services, as defined in Section 14-1.08 of this Code, and must comply with any expenditure verification procedures adopted by the State Board of Education.

(h) On and after July 1, 2017, references in other laws to general or primary State aid funds or calculations under Sections 18-8.05 or 18-8.15 of this Code shall be deemed to be references to State funds provided or calculations made under this Section.

(105 ILCS 5/18-9) (from Ch. 122, par. 18-9)

Sec. 18-9. Requirement for special equalization and supplementary State aid. If property comprising an aggregate assessed valuation equal to 6% or more of the total assessed valuation of all taxable property in a school district is owned by a person or corporation that is the subject of bankruptcy proceedings or that has been adjudged bankrupt and, as a result thereof, has not paid taxes on the property, then the district may amend its general State aid or primary State aid claim (i) back to the inception of the bankruptcy, not to exceed 6 years, in which time those taxes were not paid and (ii) for each succeeding year that those taxes remain unpaid, by adding to the claim an amount determined by multiplying the assessed valuation of the property on which taxes have not been paid due to the bankruptcy by the lesser of the total tax rate for the district for the tax year for which the taxes are unpaid or the applicable rate used in calculating the district's general State aid under paragraph (3) of subsection (D) of Section 18-8.05 of this Code or primary State aid under paragraph (3) of subsection (d) of Section 18-8.15 of this Code, as applicable. If at any time a district that receives additional State aid under this Section receives tax revenue from the property for the years that taxes were not paid, the district's next claim for State aid shall be reduced in an amount equal to the taxes paid on the property, not to exceed the additional State aid received under this Section. Claims under this Section shall be filed on forms prescribed by the State Superintendent of Education, and the State Superintendent of Education, upon receipt of a claim, shall adjust the claim in accordance with the provisions of this Section. Supplementary State aid for each succeeding year under this Section shall be paid beginning with the first general State aid or primary State aid claim paid after the district has filed a completed claim in accordance with this Section.

(Source: P.A. 95-496, eff. 8-28-07.)

(105 ILCS 5/18-12) (from Ch. 122, par. 18-12)

Sec. 18-12. Dates for filing State aid claims. The school board of each school district shall require teachers, principals, or superintendents to furnish from records kept by them such data as it needs in preparing and certifying to the regional superintendent its school district report of claims provided in Sections 18-8.05 through 18-9 as required by the State Superintendent of Education. The district claim shall be based on the latest available equalized assessed valuation and tax rates, as provided in Section 18-8.05 or 18-8.15 and shall use the average daily attendance as determined by the method outlined in Section 18-8.05 or 18-8.15 and shall be certified and filed with the regional superintendent by June 21 for districts with an official school calendar end date before June 15 or within 2 weeks following the official school calendar end date for districts with a school year end date of June 15 or later. The regional superintendent shall certify and file with the State Superintendent of Education district State aid claims by July 1 for districts with an official school calendar end date before June 15 or no later than July 15 for districts with an official school calendar end date of June 15 or later. Failure to so file by these deadlines constitutes a forfeiture of the right to receive payment by the State until such claim is filed and vouchered for payment. The regional superintendent of schools shall certify the county report of claims by July 15; and the State Superintendent of Education shall voucher for payment those claims to the State Comptroller as provided in Section 18-11.

Except as otherwise provided in this Section, if any school district fails to provide the minimum school term specified in Section 10-19, the State aid claim for that year shall be reduced by the State Superintendent of Education in an amount equivalent to 1/176 or .56818% for each day less than the number of days required by this Code.

If the State Superintendent of Education determines that the failure to provide the minimum school term was occasioned by an act or acts of God, or was occasioned by conditions beyond the control of the school district which posed a hazardous threat to the health and safety of pupils, the State aid claim need not be reduced.

If a school district is precluded from providing the minimum hours of instruction required for a full day of attendance due to an adverse weather condition or a condition beyond the control of the school district that poses a hazardous threat to the health and safety of students, then the partial day of attendance may

be counted if (i) the school district has provided at least one hour of instruction prior to the closure of the school district, (ii) a school building has provided at least one hour of instruction prior to the closure of the school building, or (iii) the normal start time of the school district is delayed.

If, prior to providing any instruction, a school district must close one or more but not all school buildings after consultation with a local emergency response agency or due to a condition beyond the control of the school district, then the school district may claim attendance for up to 2 school days based on the average attendance of the 3 school days immediately preceding the closure of the affected school building or, if approved by the State Board of Education, utilize the provisions of an e-learning program for the affected school building as prescribed in Section 10-20.56 of this Code. The partial or no day of attendance described in this Section and the reasons therefore shall be certified within a month of the closing or delayed start by the school district superintendent to the regional superintendent of schools for forwarding to the State Superintendent of Education for approval.

Other than the utilization of any e-learning days as prescribed in Section 10-20.56 of this Code, no exception to the requirement of providing a minimum school term may be approved by the State Superintendent of Education pursuant to this Section unless a school district has first used all emergency days provided for in its regular calendar.

If the State Superintendent of Education declares that an energy shortage exists during any part of the school year for the State or a designated portion of the State, a district may operate the school attendance centers within the district 4 days of the week during the time of the shortage by extending each existing school day by one clock hour of school work, and the State aid claim shall not be reduced, nor shall the employees of that district suffer any reduction in salary or benefits as a result thereof. A district may operate all attendance centers on this revised schedule, or may apply the schedule to selected attendance centers, taking into consideration such factors as pupil transportation schedules and patterns and sources of energy for individual attendance centers.

Electronically submitted State aid claims shall be submitted by duly authorized district or regional individuals over a secure network that is password protected. The electronic submission of a State aid claim must be accompanied with an affirmation that all of the provisions of Sections 18-8.05 through 18-9, 10-22.5, and 24-4 of this Code are met in all respects.

(Source: P.A. 99-194, eff. 7-30-15.)

(105 ILCS 5/26-16)

Sec. 26-16. Graduation incentives program.

(a) The General Assembly finds that it is critical to provide options for children to succeed in school. The purpose of this Section is to provide incentives for and encourage all Illinois students who have experienced or are experiencing difficulty in the traditional education system to enroll in alternative programs.

(b) Any student who is below the age of 20 years is eligible to enroll in a graduation incentives program if he or she:

(1) is considered a dropout pursuant to Section 26-2a of this Code;

(2) has been suspended or expelled pursuant to Section 10-22.6 or 34-19 of this Code;

(3) is pregnant or is a parent;

(4) has been assessed as chemically dependent; or

(5) is enrolled in a bilingual education or LEP program.

(c) The following programs qualify as graduation incentives programs for students meeting the criteria established in this Section:

(1) Any public elementary or secondary education graduation incentives program established by a school district or by a regional office of education.

(2) Any alternative learning opportunities program established pursuant to Article 13B of this Code.

(3) Vocational or job training courses approved by the State Superintendent of Education that are available through the Illinois public community college system. Students may apply for reimbursement of 50% of tuition costs for one course per semester or a maximum of 3 courses per school year. Subject to available funds, students may apply for reimbursement of up to 100% of tuition costs upon a showing of employment within 6 months after completion of a vocational or job training program. The qualifications for reimbursement shall be established by the State Superintendent of Education by rule.

(4) Job and career programs approved by the State Superintendent of Education that are available through Illinois-accredited private business and vocational schools. Subject to available funds, pupils may apply for reimbursement of up to 100% of tuition costs upon a showing of employment within 6 months after completion of a job or career program. The State Superintendent of Education

shall establish, by rule, the qualifications for reimbursement, criteria for determining reimbursement amounts, and limits on reimbursement.

(5) Adult education courses that offer preparation for high school equivalency testing.

(d) Graduation incentives programs established by school districts are entitled to claim general State aid and primary State aid, subject to Sections 13B-50, 13B-50.5, and 13B-50.10 of this Code. Graduation incentives programs operated by regional offices of education are entitled to receive general State aid and primary State aid at the foundation level of support per pupil enrolled. A school district must ensure that its graduation incentives program receives supplemental general State aid, transportation reimbursements, and special education resources, if appropriate, for students enrolled in the program.

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

(105 ILCS 5/27-8.1) (from Ch. 122, par. 27-8.1)

Sec. 27-8.1. Health examinations and immunizations.

(1) In compliance with rules and regulations which the Department of Public Health shall promulgate, and except as hereinafter provided, all children in Illinois shall have a health examination as follows: within one year prior to entering kindergarten or the first grade of any public, private, or parochial elementary school; upon entering the sixth and ninth grades of any public, private, or parochial school; prior to entrance into any public, private, or parochial nursery school; and, irrespective of grade, immediately prior to or upon entrance into any public, private, or parochial school or nursery school, each child shall present proof of having been examined in accordance with this Section and the rules and regulations promulgated hereunder. Any child who received a health examination within one year prior to entering the fifth grade for the 2007-2008 school year is not required to receive an additional health examination in order to comply with the provisions of Public Act 95-422 when he or she attends school for the 2008-2009 school year, unless the child is attending school for the first time as provided in this paragraph.

A tuberculosis skin test screening shall be included as a required part of each health examination included under this Section if the child resides in an area designated by the Department of Public Health as having a high incidence of tuberculosis. Additional health examinations of pupils, including eye examinations, may be required when deemed necessary by school authorities. Parents are encouraged to have their children undergo eye examinations at the same points in time required for health examinations.

(1.5) In compliance with rules adopted by the Department of Public Health and except as otherwise provided in this Section, all children in kindergarten and the second and sixth grades of any public, private, or parochial school shall have a dental examination. Each of these children shall present proof of having been examined by a dentist in accordance with this Section and rules adopted under this Section before May 15th of the school year. If a child in the second or sixth grade fails to present proof by May 15th, the school may hold the child's report card until one of the following occurs: (i) the child presents proof of a completed dental examination or (ii) the child presents proof that a dental examination will take place within 60 days after May 15th. The Department of Public Health shall establish, by rule, a waiver for children who show an undue burden or a lack of access to a dentist. Each public, private, and parochial school must give notice of this dental examination requirement to the parents and guardians of students at least 60 days before May 15th of each school year.

(1.10) Except as otherwise provided in this Section, all children enrolling in kindergarten in a public, private, or parochial school on or after the effective date of this amendatory Act of the 95th General Assembly and any student enrolling for the first time in a public, private, or parochial school on or after the effective date of this amendatory Act of the 95th General Assembly shall have an eye examination. Each of these children shall present proof of having been examined by a physician licensed to practice medicine in all of its branches or a licensed optometrist within the previous year, in accordance with this Section and rules adopted under this Section, before October 15th of the school year. If the child fails to present proof by October 15th, the school may hold the child's report card until one of the following occurs: (i) the child presents proof of a completed eye examination or (ii) the child presents proof that an eye examination will take place within 60 days after October 15th. The Department of Public Health shall establish, by rule, a waiver for children who show an undue burden or a lack of access to a physician licensed to practice medicine in all of its branches who provides eye examinations or to a licensed optometrist. Each public, private, and parochial school must give notice of this eye examination requirement to the parents and guardians of students in compliance with rules of the Department of Public Health. Nothing in this Section shall be construed to allow a school to exclude a child from attending because of a parent's or guardian's failure to obtain an eye examination for the child.

(2) The Department of Public Health shall promulgate rules and regulations specifying the examinations and procedures that constitute a health examination, which shall include the collection of data relating to obesity (including at a minimum, date of birth, gender, height, weight, blood pressure, and date of exam),

and a dental examination and may recommend by rule that certain additional examinations be performed. The rules and regulations of the Department of Public Health shall specify that a tuberculosis skin test screening shall be included as a required part of each health examination included under this Section if the child resides in an area designated by the Department of Public Health as having a high incidence of tuberculosis. The Department of Public Health shall specify that a diabetes screening as defined by rule shall be included as a required part of each health examination. Diabetes testing is not required.

Physicians licensed to practice medicine in all of its branches, licensed advanced practice nurses, or licensed physician assistants shall be responsible for the performance of the health examinations, other than dental examinations, eye examinations, and vision and hearing screening, and shall sign all report forms required by subsection (4) of this Section that pertain to those portions of the health examination for which the physician, advanced practice nurse, or physician assistant is responsible. If a registered nurse performs any part of a health examination, then a physician licensed to practice medicine in all of its branches must review and sign all required report forms. Licensed dentists shall perform all dental examinations and shall sign all report forms required by subsection (4) of this Section that pertain to the dental examinations. Physicians licensed to practice medicine in all its branches or licensed optometrists shall perform all eye examinations required by this Section and shall sign all report forms required by subsection (4) of this Section that pertain to the eye examination. For purposes of this Section, an eye examination shall at a minimum include history, visual acuity, subjective refraction to best visual acuity near and far, internal and external examination, and a glaucoma evaluation, as well as any other tests or observations that in the professional judgment of the doctor are necessary. Vision and hearing screening tests, which shall not be considered examinations as that term is used in this Section, shall be conducted in accordance with rules and regulations of the Department of Public Health, and by individuals whom the Department of Public Health has certified. In these rules and regulations, the Department of Public Health shall require that individuals conducting vision screening tests give a child's parent or guardian written notification, before the vision screening is conducted, that states, "Vision screening is not a substitute for a complete eye and vision evaluation by an eye doctor. Your child is not required to undergo this vision screening if an optometrist or ophthalmologist has completed and signed a report form indicating that an examination has been administered within the previous 12 months."

(3) Every child shall, at or about the same time as he or she receives a health examination required by subsection (1) of this Section, present to the local school proof of having received such immunizations against preventable communicable diseases as the Department of Public Health shall require by rules and regulations promulgated pursuant to this Section and the Communicable Disease Prevention Act.

(4) The individuals conducting the health examination, dental examination, or eye examination shall record the fact of having conducted the examination, and such additional information as required, including for a health examination data relating to obesity (including at a minimum, date of birth, gender, height, weight, blood pressure, and date of exam), on uniform forms which the Department of Public Health and the State Board of Education shall prescribe for statewide use. The examiner shall summarize on the report form any condition that he or she suspects indicates a need for special services, including for a health examination factors relating to obesity. The individuals confirming the administration of required immunizations shall record as indicated on the form that the immunizations were administered.

(5) If a child does not submit proof of having had either the health examination or the immunization as required, then the child shall be examined or receive the immunization, as the case may be, and present proof by October 15 of the current school year, or by an earlier date of the current school year established by a school district. To establish a date before October 15 of the current school year for the health examination or immunization as required, a school district must give notice of the requirements of this Section 60 days prior to the earlier established date. If for medical reasons one or more of the required immunizations must be given after October 15 of the current school year, or after an earlier established date of the current school year, then the child shall present, by October 15, or by the earlier established date, a schedule for the administration of the immunizations and a statement of the medical reasons causing the delay, both the schedule and the statement being issued by the physician, advanced practice nurse, physician assistant, registered nurse, or local health department that will be responsible for administration of the remaining required immunizations. If a child does not comply by October 15, or by the earlier established date of the current school year, with the requirements of this subsection, then the local school authority shall exclude that child from school until such time as the child presents proof of having had the health examination as required and presents proof of having received those required immunizations which are medically possible to receive immediately. During a child's exclusion from school for noncompliance with this subsection, the child's parents or legal guardian shall be considered in violation of Section 26-1 and subject to any penalty imposed by Section 26-10. This subsection (5) does not apply to dental examinations and eye examinations. If the student is an out-of-state transfer student and does not have the

proof required under this subsection (5) before October 15 of the current year or whatever date is set by the school district, then he or she may only attend classes (i) if he or she has proof that an appointment for the required vaccinations has been scheduled with a party authorized to submit proof of the required vaccinations. If the proof of vaccination required under this subsection (5) is not submitted within 30 days after the student is permitted to attend classes, then the student is not to be permitted to attend classes until proof of the vaccinations has been properly submitted. No school district or employee of a school district shall be held liable for any injury or illness to another person that results from admitting an out-of-state transfer student to class that has an appointment scheduled pursuant to this subsection (5).

(6) Every school shall report to the State Board of Education by November 15, in the manner which that agency shall require, the number of children who have received the necessary immunizations and the health examination (other than a dental examination or eye examination) as required, indicating, of those who have not received the immunizations and examination as required, the number of children who are exempt from health examination and immunization requirements on religious or medical grounds as provided in subsection (8). On or before December 1 of each year, every public school district and registered nonpublic school shall make publicly available the immunization data they are required to submit to the State Board of Education by November 15. The immunization data made publicly available must be identical to the data the school district or school has reported to the State Board of Education.

Every school shall report to the State Board of Education by June 30, in the manner that the State Board requires, the number of children who have received the required dental examination, indicating, of those who have not received the required dental examination, the number of children who are exempt from the dental examination on religious grounds as provided in subsection (8) of this Section and the number of children who have received a waiver under subsection (1.5) of this Section.

Every school shall report to the State Board of Education by June 30, in the manner that the State Board requires, the number of children who have received the required eye examination, indicating, of those who have not received the required eye examination, the number of children who are exempt from the eye examination as provided in subsection (8) of this Section, the number of children who have received a waiver under subsection (1.10) of this Section, and the total number of children in noncompliance with the eye examination requirement.

The reported information under this subsection (6) shall be provided to the Department of Public Health by the State Board of Education.

(7) Upon determining that the number of pupils who are required to be in compliance with subsection (5) of this Section is below 90% of the number of pupils enrolled in the school district, 10% of each State aid payment made pursuant to Section 18-8.05 or 18-8.15 to the school district for such year may be withheld by the State Board of Education until the number of students in compliance with subsection (5) is the applicable specified percentage or higher.

(8) Children of parents or legal guardians who object to health, dental, or eye examinations or any part thereof, to immunizations, or to vision and hearing screening tests on religious grounds shall not be required to undergo the examinations, tests, or immunizations to which they so object if such parents or legal guardians present to the appropriate local school authority a signed Certificate of Religious Exemption detailing the grounds for objection and the specific immunizations, tests, or examinations to which they object. The grounds for objection must set forth the specific religious belief that conflicts with the examination, test, immunization, or other medical intervention. The signed certificate shall also reflect the parent's or legal guardian's understanding of the school's exclusion policies in the case of a vaccine-preventable disease outbreak or exposure. The certificate must also be signed by the authorized examining health care provider responsible for the performance of the child's health examination confirming that the provider provided education to the parent or legal guardian on the benefits of immunization and the health risks to the student and to the community of the communicable diseases for which immunization is required in this State. However, the health care provider's signature on the certificate reflects only that education was provided and does not allow a health care provider grounds to determine a religious exemption. Those receiving immunizations required under this Code shall be provided with the relevant vaccine information statements that are required to be disseminated by the federal National Childhood Vaccine Injury Act of 1986, which may contain information on circumstances when a vaccine should not be administered, prior to administering a vaccine. A healthcare provider may consider including without limitation the nationally accepted recommendations from federal agencies such as the Advisory Committee on Immunization Practices, the information outlined in the relevant vaccine information statement, and vaccine package inserts, along with the healthcare provider's clinical judgment, to determine whether any child may be more susceptible to experiencing an adverse vaccine reaction than the general population, and, if so, the healthcare provider may exempt the child from an immunization or adopt an individualized immunization schedule. The Certificate of Religious Exemption shall be created

by the Department of Public Health and shall be made available and used by parents and legal guardians by the beginning of the 2015-2016 school year. Parents or legal guardians must submit the Certificate of Religious Exemption to their local school authority prior to entering kindergarten, sixth grade, and ninth grade for each child for which they are requesting an exemption. The religious objection stated need not be directed by the tenets of an established religious organization. However, general philosophical or moral reluctance to allow physical examinations, eye examinations, immunizations, vision and hearing screenings, or dental examinations does not provide a sufficient basis for an exception to statutory requirements. The local school authority is responsible for determining if the content of the Certificate of Religious Exemption constitutes a valid religious objection. The local school authority shall inform the parent or legal guardian of exclusion procedures, in accordance with the Department's rules under Part 690 of Title 77 of the Illinois Administrative Code, at the time the objection is presented.

If the physical condition of the child is such that any one or more of the immunizing agents should not be administered, the examining physician, advanced practice nurse, or physician assistant responsible for the performance of the health examination shall endorse that fact upon the health examination form.

Exempting a child from the health, dental, or eye examination does not exempt the child from participation in the program of physical education training provided in Sections 27-5 through 27-7 of this Code.

(9) For the purposes of this Section, "nursery schools" means those nursery schools operated by elementary school systems or secondary level school units or institutions of higher learning.

(Source: P.A. 98-673, eff. 6-30-14; 99-173, eff. 7-29-15; 99-249, eff. 8-3-15; revised 10-21-15.)

(105 ILCS 5/27A-9)

Sec. 27A-9. Term of charter; renewal.

(a) A charter may be granted for a period not less than 5 and not more than 10 school years. A charter may be renewed in incremental periods not to exceed 5 school years.

(b) A charter school renewal proposal submitted to the local school board or the Commission, as the chartering entity, shall contain:

(1) A report on the progress of the charter school in achieving the goals, objectives, pupil performance standards, content standards, and other terms of the initial approved charter proposal; and

(2) A financial statement that discloses the costs of administration, instruction, and other spending categories for the charter school that is understandable to the general public and that will allow comparison of those costs to other schools or other comparable organizations, in a format required by the State Board.

(c) A charter may be revoked or not renewed if the local school board or the Commission, as the chartering entity, clearly demonstrates that the charter school did any of the following, or otherwise failed to comply with the requirements of this law:

(1) Committed a material violation of any of the conditions, standards, or procedures set forth in the charter.

(2) Failed to meet or make reasonable progress toward achievement of the content standards or pupil performance standards identified in the charter.

(3) Failed to meet generally accepted standards of fiscal management.

(4) Violated any provision of law from which the charter school was not exempted.

In the case of revocation, the local school board or the Commission, as the chartering entity, shall notify the charter school in writing of the reason why the charter is subject to revocation. The charter school shall submit a written plan to the local school board or the Commission, whichever is applicable, to rectify the problem. The plan shall include a timeline for implementation, which shall not exceed 2 years or the date of the charter's expiration, whichever is earlier. If the local school board or the Commission, as the chartering entity, finds that the charter school has failed to implement the plan of remediation and adhere to the timeline, then the chartering entity shall revoke the charter. Except in situations of an emergency where the health, safety, or education of the charter school's students is at risk, the revocation shall take place at the end of a school year. Nothing in this amendatory Act of the 96th General Assembly shall be construed to prohibit an implementation timetable that is less than 2 years in duration.

(d) (Blank).

(e) Notice of a local school board's decision to deny, revoke or not to renew a charter shall be provided to the Commission and the State Board. The Commission may reverse a local board's decision if the Commission finds that the charter school or charter school proposal (i) is in compliance with this Article, and (ii) is in the best interests of the students it is designed to serve. The Commission may condition the granting of an appeal on the acceptance by the charter school of funding in an amount less than that

requested in the proposal submitted to the local school board. Final decisions of the Commission shall be subject to judicial review under the Administrative Review Law.

(f) Notwithstanding other provisions of this Article, if the Commission on appeal reverses a local board's decision or if a charter school is approved by referendum, the Commission shall act as the authorized chartering entity for the charter school. The Commission shall approve the charter and shall perform all functions under this Article otherwise performed by the local school board. The State Board shall determine whether the charter proposal approved by the Commission is consistent with the provisions of this Article and, if the approved proposal complies, certify the proposal pursuant to this Article. The State Board shall report the aggregate number of charter school pupils resident in a school district to that district and shall notify the district of the amount of funding to be paid by the State Board to the charter school enrolling such students. The Commission shall require the charter school to maintain accurate records of daily attendance that shall be deemed sufficient to file claims under Section 18-8.05 or 18-8.15 notwithstanding any other requirements of that Section regarding hours of instruction and teacher certification. The State Board shall withhold from funds otherwise due the district the funds authorized by this Article to be paid to the charter school and shall pay such amounts to the charter school.

(g) For charter schools authorized by the Commission, the Commission shall quarterly certify to the State Board the student enrollment for each of its charter schools.

(h) For charter schools authorized by the Commission, the State Board shall pay directly to a charter school any federal or State aid attributable to a student with a disability attending the school.

(Source: P.A. 97-152, eff. 7-20-11; 98-739, eff. 7-16-14.)

(105 ILCS 5/27A-11)

Sec. 27A-11. Local financing.

(a) For purposes of the School Code, pupils enrolled in a charter school shall be included in the pupil enrollment of the school district within which the pupil resides. Each charter school (i) shall determine the school district in which each pupil who is enrolled in the charter school resides, (ii) shall report the aggregate number of pupils resident of a school district who are enrolled in the charter school to the school district in which those pupils reside, and (iii) shall maintain accurate records of daily attendance that shall be deemed sufficient to file claims under Section 18-8 or 18-8.15 notwithstanding any other requirements of that Section regarding hours of instruction and teacher certification.

(b) Except for a charter school established by referendum under Section 27A-6.5, as part of a charter school contract, the charter school and the local school board shall agree on funding and any services to be provided by the school district to the charter school. Agreed funding that a charter school is to receive from the local school board for a school year shall be paid in equal quarterly installments with the payment of the installment for the first quarter being made not later than July 1, unless the charter establishes a different payment schedule. However, if a charter school dismisses a pupil from the charter school after receiving a quarterly payment, the charter school shall return to the school district, on a quarterly basis, the prorated portion of public funding provided for the education of that pupil for the time the student is not enrolled at the charter school. Likewise, if a pupil transfers to a charter school between quarterly payments, the school district shall provide, on a quarterly basis, a prorated portion of the public funding to the charter school to provide for the education of that pupil.

All services centrally or otherwise provided by the school district including, but not limited to, rent, food services, custodial services, maintenance, curriculum, media services, libraries, transportation, and warehousing shall be subject to negotiation between a charter school and the local school board and paid for out of the revenues negotiated pursuant to this subsection (b); provided that the local school board shall not attempt, by negotiation or otherwise, to obligate a charter school to provide pupil transportation for pupils for whom a district is not required to provide transportation under the criteria set forth in subsection (a)(13) of Section 27A-7.

In no event shall the funding be less than 75% or more than 125% of the school district's per capita student tuition multiplied by the number of students residing in the district who are enrolled in the charter school.

It is the intent of the General Assembly that funding and service agreements under this subsection (b) shall be neither a financial incentive nor a financial disincentive to the establishment of a charter school.

The charter school may set and collect reasonable fees. Fees collected from students enrolled at a charter school shall be retained by the charter school.

(c) Notwithstanding subsection (b) of this Section, the proportionate share of State and federal resources generated by students with disabilities or staff serving them shall be directed to charter schools enrolling those students by their school districts or administrative units. The proportionate share of moneys generated under other federal or State categorical aid programs shall be directed to charter schools serving students eligible for that aid.

(d) The governing body of a charter school is authorized to accept gifts, donations, or grants of any kind made to the charter school and to expend or use gifts, donations, or grants in accordance with the conditions prescribed by the donor; however, a gift, donation, or grant may not be accepted by the governing body if it is subject to any condition contrary to applicable law or contrary to the terms of the contract between the charter school and the local school board. Charter schools shall be encouraged to solicit and utilize community volunteer speakers and other instructional resources when providing instruction on the Holocaust and other historical events.

(e) (Blank).

(f) The Commission shall provide technical assistance to persons and groups preparing or revising charter applications.

(g) At the non-renewal or revocation of its charter, each charter school shall refund to the local board of education all unspent funds.

(h) A charter school is authorized to incur temporary, short term debt to pay operating expenses in anticipation of receipt of funds from the local school board.

(Source: P.A. 98-640, eff. 6-9-14; 98-739, eff. 7-16-14; 99-78, eff. 7-20-15.)

(105 ILCS 5/29-5) (from Ch. 122, par. 29-5)

Sec. 29-5. Reimbursement by State for transportation. Any school district, maintaining a school, transporting resident pupils to another school district's vocational program, offered through a joint agreement approved by the State Board of Education, as provided in Section 10-22.22 or transporting its resident pupils to a school which meets the standards for recognition as established by the State Board of Education which provides transportation meeting the standards of safety, comfort, convenience, efficiency and operation prescribed by the State Board of Education for resident pupils in kindergarten or any of grades 1 through 12 who: (a) reside at least 1 1/2 miles as measured by the customary route of travel, from the school attended; or (b) reside in areas where conditions are such that walking constitutes a hazard to the safety of the child when determined under Section 29-3; and (c) are transported to the school attended from pick-up points at the beginning of the school day and back again at the close of the school day or transported to and from their assigned attendance centers during the school day, shall be reimbursed by the State as hereinafter provided in this Section.

The State will pay the cost of transporting eligible pupils less the assessed valuation in a dual school district maintaining secondary grades 9 to 12 inclusive times a qualifying rate of .05%; in elementary school districts maintaining grades K to 8 times a qualifying rate of .06%; and in unit districts maintaining grades K to 12, including optional elementary unit districts and combined high school - unit districts, times a qualifying rate of .07%; provided that for optional elementary unit districts and combined high school - unit districts, assessed valuation for high school purposes, as defined in Article 11E of this Code, must be used. To be eligible to receive reimbursement in excess of 4/5 of the cost to transport eligible pupils, a school district shall have a Transportation Fund tax rate of at least .12%. If a school district does not have a .12% Transportation Fund tax rate, the amount of its claim in excess of 4/5 of the cost of transporting pupils shall be reduced by the sum arrived at by subtracting the Transportation Fund tax rate from .12% and multiplying that amount by the districts equalized or assessed valuation, provided, that in no case shall said reduction result in reimbursement of less than 4/5 of the cost to transport eligible pupils.

The minimum amount to be received by a district is $16 times the number of eligible pupils transported.

When calculating the reimbursement for transportation costs, the State Board of Education may not deduct the number of pupils enrolled in early education programs from the number of pupils eligible for reimbursement if the pupils enrolled in the early education programs are transported at the same time as other eligible pupils.

Any such district transporting resident pupils during the school day to an area vocational school or another school district's vocational program more than 1 1/2 miles from the school attended, as provided in Sections 10-22.20a and 10-22.22, shall be reimbursed by the State for 4/5 of the cost of transporting eligible pupils.

School day means that period of time which the pupil is required to be in attendance for instructional purposes.

If a pupil is at a location within the school district other than his residence for child care purposes at the time for transportation to school, that location may be considered for purposes of determining the 1 1/2 miles from the school attended.

Claims for reimbursement that include children who attend any school other than a public school shall show the number of such children transported.

Claims for reimbursement under this Section shall not be paid for the transportation of pupils for whom transportation costs are claimed for payment under other Sections of this Act.

The allowable direct cost of transporting pupils for regular, vocational, and special education pupil transportation shall be limited to the sum of the cost of physical examinations required for employment as a school bus driver; the salaries of full or part-time drivers and school bus maintenance personnel; employee benefits excluding Illinois municipal retirement payments, social security payments, unemployment insurance payments and workers' compensation insurance premiums; expenditures to independent carriers who operate school buses; payments to other school districts for pupil transportation services; pre-approved contractual expenditures for computerized bus scheduling; the cost of gasoline, oil, tires, and other supplies necessary for the operation of school buses; the cost of converting buses' gasoline engines to more fuel efficient engines or to engines which use alternative energy sources; the cost of travel to meetings and workshops conducted by the regional superintendent or the State Superintendent of Education pursuant to the standards established by the Secretary of State under Section 6-106 of the Illinois Vehicle Code to improve the driving skills of school bus drivers; the cost of maintenance of school buses including parts and materials used; expenditures for leasing transportation vehicles, except interest and service charges; the cost of insurance and licenses for transportation vehicles; expenditures for the rental of transportation equipment; plus a depreciation allowance of 20% for 5 years for school buses and vehicles approved for transporting pupils to and from school and a depreciation allowance of 10% for 10 years for other transportation equipment so used. Each school year, if a school district has made expenditures to the Regional Transportation Authority or any of its service boards, a mass transit district, or an urban transportation district under an intergovernmental agreement with the district to provide for the transportation of pupils and if the public transit carrier received direct payment for services or passes from a school district within its service area during the 2000-2001 school year, then the allowable direct cost of transporting pupils for regular, vocational, and special education pupil transportation shall also include the expenditures that the district has made to the public transit carrier. In addition to the above allowable costs school districts shall also claim all transportation supervisory salary costs, including Illinois municipal retirement payments, and all transportation related building and building maintenance costs without limitation.

Special education allowable costs shall also include expenditures for the salaries of attendants or aides for that portion of the time they assist special education pupils while in transit and expenditures for parents and public carriers for transporting special education pupils when pre-approved by the State Superintendent of Education.

Indirect costs shall be included in the reimbursement claim for districts which own and operate their own school buses. Such indirect costs shall include administrative costs, or any costs attributable to transporting pupils from their attendance centers to another school building for instructional purposes. No school district which owns and operates its own school buses may claim reimbursement for indirect costs which exceed 5% of the total allowable direct costs for pupil transportation.

The State Board of Education shall prescribe uniform regulations for determining the above standards and shall prescribe forms of cost accounting and standards of determining reasonable depreciation. Such depreciation shall include the cost of equipping school buses with the safety features required by law or by the rules, regulations and standards promulgated by the State Board of Education, and the Department of Transportation for the safety and construction of school buses provided, however, any equipment cost reimbursed by the Department of Transportation for equipping school buses with such safety equipment shall be deducted from the allowable cost in the computation of reimbursement under this Section in the same percentage as the cost of the equipment is depreciated.

On or before August 15, annually, the chief school administrator for the district shall certify to the State Superintendent of Education the district's claim for reimbursement for the school year ending on June 30 next preceding. The State Superintendent of Education shall check and approve the claims and prepare the vouchers showing the amounts due for district reimbursement claims. Each fiscal year, the State Superintendent of Education shall prepare and transmit the first 3 vouchers to the Comptroller on the 30th day of September, December and March, respectively, and the final voucher, no later than June 20.

If the amount appropriated for transportation reimbursement is insufficient to fund total claims for any fiscal year, the State Board of Education shall reduce each school district's allowable costs and flat grant amount proportionately to make total adjusted claims equal the total amount appropriated.

For purposes of calculating claims for reimbursement under this Section for any school year beginning July 1, 1998, or thereafter, the equalized assessed valuation for a school district used to compute reimbursement shall be computed in the same manner as it is computed under paragraph (2) of subsection (G) of Section 18-8.05.

All reimbursements received from the State shall be deposited into the district's transportation fund or into the fund from which the allowable expenditures were made.

Notwithstanding any other provision of law, any school district receiving a payment under this Section or under Section 14-7.02, 14-7.02b, or 14-13.01 of this Code may classify all or a portion of the funds that it receives in a particular fiscal year or from general State aid pursuant to Section 18-8.05 of this Code as funds received in connection with any funding program for which it is entitled to receive funds from the State in that fiscal year (including, without limitation, any funding program referenced in this Section), regardless of the source or timing of the receipt. The district may not classify more funds as funds received in connection with the funding program than the district is entitled to receive in that fiscal year for that program. Any classification by a district must be made by a resolution of its board of education. The resolution must identify the amount of any payments or general State aid to be classified under this paragraph and must specify the funding program to which the funds are to be treated as received in connection therewith. This resolution is controlling as to the classification of funds referenced therein. A certified copy of the resolution must be sent to the State Superintendent of Education. The resolution shall still take effect even though a copy of the resolution has not been sent to the State Superintendent of Education in a timely manner. No classification under this paragraph by a district shall affect the total amount or timing of money the district is entitled to receive under this Code. No classification under this paragraph by a district shall in any way relieve the district from or affect any requirements that otherwise would apply with respect to that funding program, including any accounting of funds by source, reporting expenditures by original source and purpose, reporting requirements, or requirements of providing services.

Any school district with a population of not more than 500,000 must deposit all funds received under this Article into the transportation fund and use those funds for the provision of transportation services.

Notwithstanding anything to the contrary contained in this Section, the State Board of Education shall award to a school district having a population exceeding 500,000 inhabitants 3.9% of the funds appropriated by the General Assembly for any fiscal year for purposes of payments to school districts under this Section.

(Source: P.A. 95-903, eff. 8-25-08; 96-1264, eff. 1-1-11.)

(105 ILCS 5/34-2.3) (from Ch. 122, par. 34-2.3)

Sec. 34-2.3. Local school councils - Powers and duties. Each local school council shall have and exercise, consistent with the provisions of this Article and the powers and duties of the board of education, the following powers and duties:

1. (A) To annually evaluate the performance of the principal of the attendance center using a Board approved principal evaluation form, which shall include the evaluation of (i) student academic improvement, as defined by the school improvement plan, (ii) student absenteeism rates at the school, (iii) instructional leadership, (iv) the effective implementation of programs, policies, or strategies to improve student academic achievement, (v) school management, and (vi) any other factors deemed relevant by the local school council, including, without limitation, the principal's communication skills and ability to create and maintain a student-centered learning environment, to develop opportunities for professional development, and to encourage parental involvement and community partnerships to achieve school improvement;

(B) to determine in the manner provided by subsection (c) of Section 34-2.2 and subdivision 1.5 of this Section whether the performance contract of the principal shall be renewed; and

(C) to directly select, in the manner provided by subsection (c) of Section 34-2.2, a new principal (including a new principal to fill a vacancy) -- without submitting any list of candidates for that position to the general superintendent as provided in paragraph 2 of this Section -- to serve under a 4 year performance contract; provided that (i) the determination of whether the principal's performance contract is to be renewed, based upon the evaluation required by subdivision 1.5 of this Section, shall be made no later than 150 days prior to the expiration of the current performance-based contract of the principal, (ii) in cases where such performance contract is not renewed -- a direct selection of a new principal -- to serve under a 4 year performance contract shall be made by the local school council no later than 45 days prior to the expiration of the current performance contract of the principal, and (iii) a selection by the local school council of a new principal to fill a vacancy under a 4 year performance contract shall be made within 90 days after the date such vacancy occurs. A Council shall be required, if requested by the principal, to provide in writing the reasons for the council's not renewing the principal's contract.

1.5. The local school council's determination of whether to renew the principal's contract shall be based on an evaluation to assess the educational and administrative progress made at the school during the principal's current performance-based contract. The local school council shall base its evaluation on (i) student academic improvement, as defined by the school improvement plan, (ii) student absenteeism rates at the school, (iii) instructional leadership, (iv) the effective implementation of programs, policies, or strategies to improve student academic achievement, (v) school management, and (vi) any other factors

deemed relevant by the local school council, including, without limitation, the principal's communication skills and ability to create and maintain a student-centered learning environment, to develop opportunities for professional development, and to encourage parental involvement and community partnerships to achieve school improvement. If a local school council fails to renew the performance contract of a principal rated by the general superintendent, or his or her designee, in the previous years' evaluations as meeting or exceeding expectations, the principal, within 15 days after the local school council's decision not to renew the contract, may request a review of the local school council's principal non-retention decision by a hearing officer appointed by the American Arbitration Association. A local school council member or members or the general superintendent may support the principal's request for review. During the period of the hearing officer's review of the local school council's decision on whether or not to retain the principal, the local school council shall maintain all authority to search for and contract with a person to serve as interim or acting principal, or as the principal of the attendance center under a 4-year performance contract, provided that any performance contract entered into by the local school council shall be voidable or modified in accordance with the decision of the hearing officer. The principal may request review only once while at that attendance center. If a local school council renews the contract of a principal who failed to obtain a rating of "meets" or "exceeds expectations" in the general superintendent's evaluation for the previous year, the general superintendent, within 15 days after the local school council's decision to renew the contract, may request a review of the local school council's principal retention decision by a hearing officer appointed by the American Arbitration Association. The general superintendent may request a review only once for that principal at that attendance center. All requests to review the retention or non-retention of a principal shall be submitted to the general superintendent, who shall, in turn, forward such requests, within 14 days of receipt, to the American Arbitration Association. The general superintendent shall send a contemporaneous copy of the request that was forwarded to the American Arbitration Association to the principal and to each local school council member and shall inform the local school council of its rights and responsibilities under the arbitration process, including the local school council's right to representation and the manner and process by which the Board shall pay the costs of the council's representation. If the local school council retains the principal and the general superintendent requests a review of the retention decision, the local school council and the general superintendent shall be considered parties to the arbitration, a hearing officer shall be chosen between those 2 parties pursuant to procedures promulgated by the State Board of Education, and the principal may retain counsel and participate in the arbitration. If the local school council does not retain the principal and the principal requests a review of the retention decision, the local school council and the principal shall be considered parties to the arbitration and a hearing officer shall be chosen between those 2 parties pursuant to procedures promulgated by the State Board of Education. The hearing shall begin (i) within 45 days after the initial request for review is submitted by the principal to the general superintendent or (ii) if the initial request for review is made by the general superintendent, within 45 days after that request is mailed to the American Arbitration Association. The hearing officer shall render a decision within 45 days after the hearing begins and within 90 days after the initial request for review. The Board shall contract with the American Arbitration Association for all of the hearing officer's reasonable and necessary costs. In addition, the Board shall pay any reasonable costs incurred by a local school council for representation before a hearing officer.

1.10. The hearing officer shall conduct a hearing, which shall include (i) a review of the principal's performance, evaluations, and other evidence of the principal's service at the school, (ii) reasons provided by the local school council for its decision, and (iii) documentation evidencing views of interested persons, including, without limitation, students, parents, local school council members, school faculty and staff, the principal, the general superintendent or his or her designee, and members of the community. The burden of proof in establishing that the local school council's decision was arbitrary and capricious shall be on the party requesting the arbitration, and this party shall sustain the burden by a preponderance of the evidence. The hearing officer shall set the local school council decision aside if that decision, in light of the record developed at the hearing, is arbitrary and capricious. The decision of the hearing officer may not be appealed to the Board or the State Board of Education. If the hearing officer decides that the principal shall be retained, the retention period shall not exceed 2 years.

2. In the event (i) the local school council does not renew the performance contract of the principal, or the principal fails to receive a satisfactory rating as provided in subsection (h) of Section 34-8.3, or the principal is removed for cause during the term of his or her performance contract in the manner provided by Section 34-85, or a vacancy in the position of principal otherwise occurs prior to the expiration of the term of a principal's performance contract, and (ii) the local school council fails to directly select a new principal to serve under a 4 year performance contract, the local school council in such event shall submit to the general superintendent a list of 3 candidates -- listed in the local school council's order of preference

-- for the position of principal, one of which shall be selected by the general superintendent to serve as principal of the attendance center. If the general superintendent fails or refuses to select one of the candidates on the list to serve as principal within 30 days after being furnished with the candidate list, the general superintendent shall select and place a principal on an interim basis (i) for a period not to exceed one year or (ii) until the local school council selects a new principal with 7 affirmative votes as provided in subsection (c) of Section 34-2.2, whichever occurs first. If the local school council fails or refuses to select and appoint a new principal, as specified by subsection (c) of Section 34-2.2, the general superintendent may select and appoint a new principal on an interim basis for an additional year or until a new contract principal is selected by the local school council. There shall be no discrimination on the basis of race, sex, creed, color or disability unrelated to ability to perform in connection with the submission of candidates for, and the selection of a candidate to serve as principal of an attendance center. No person shall be directly selected, listed as a candidate for, or selected to serve as principal of an attendance center (i) if such person has been removed for cause from employment by the Board or (ii) if such person does not hold a valid administrative certificate issued or exchanged under Article 21 and endorsed as required by that Article for the position of principal. A principal whose performance contract is not renewed as provided under subsection (c) of Section 34-2.2 may nevertheless, if otherwise qualified and certified as herein provided and if he or she has received a satisfactory rating as provided in subsection (h) of Section 34-8.3, be included by a local school council as one of the 3 candidates listed in order of preference on any candidate list from which one person is to be selected to serve as principal of the attendance center under a new performance contract. The initial candidate list required to be submitted by a local school council to the general superintendent in cases where the local school council does not renew the performance contract of its principal and does not directly select a new principal to serve under a 4 year performance contract shall be submitted not later than 30 days prior to the expiration of the current performance contract. In cases where the local school council fails or refuses to submit the candidate list to the general superintendent no later than 30 days prior to the expiration of the incumbent principal's contract, the general superintendent may appoint a principal on an interim basis for a period not to exceed one year, during which time the local school council shall be able to select a new principal with 7 affirmative votes as provided in subsection (c) of Section 34-2.2. In cases where a principal is removed for cause or a vacancy otherwise occurs in the position of principal and the vacancy is not filled by direct selection by the local school council, the candidate list shall be submitted by the local school council to the general superintendent within 90 days after the date such removal or vacancy occurs. In cases where the local school council fails or refuses to submit the candidate list to the general superintendent within 90 days after the date of the vacancy, the general superintendent may appoint a principal on an interim basis for a period of one year, during which time the local school council shall be able to select a new principal with 7 affirmative votes as provided in subsection (c) of Section 34-2.2.

2.5. Whenever a vacancy in the office of a principal occurs for any reason, the vacancy shall be filled in the manner provided by this Section by the selection of a new principal to serve under a 4 year performance contract.

3. To establish additional criteria to be included as part of the performance contract of its principal, provided that such additional criteria shall not discriminate on the basis of race, sex, creed, color or disability unrelated to ability to perform, and shall not be inconsistent with the uniform 4 year performance contract for principals developed by the board as provided in Section 34-8.1 of the School Code or with other provisions of this Article governing the authority and responsibility of principals.

4. To approve the expenditure plan prepared by the principal with respect to all funds allocated and distributed to the attendance center by the Board. The expenditure plan shall be administered by the principal. Notwithstanding any other provision of this Act or any other law, any expenditure plan approved and administered under this Section 34-2.3 shall be consistent with and subject to the terms of any contract for services with a third party entered into by the Chicago School Reform Board of Trustees or the board under this Act.

Via a supermajority vote of 7 members of the local school council or 8 members of a high school local school council, the Council may transfer allocations pursuant to Section 34-2.3 within funds; provided that such a transfer is consistent with applicable law and collective bargaining agreements.

Beginning in fiscal year 1991 and in each fiscal year thereafter, the Board may reserve up to 1% of its total fiscal year budget for distribution on a prioritized basis to schools throughout the school system in order to assure adequate programs to meet the needs of special student populations as determined by the Board. This distribution shall take into account the needs catalogued in the Systemwide Plan and the various local school improvement plans of the local school councils. Information about these centrally funded programs shall be distributed to the local school councils so that their subsequent planning and programming will account for these provisions.

Beginning in fiscal year 1991 and in each fiscal year thereafter, from other amounts available in the applicable fiscal year budget, the board shall allocate a lump sum amount to each local school based upon such formula as the board shall determine taking into account the special needs of the student body. The local school principal shall develop an expenditure plan in consultation with the local school council, the professional personnel leadership committee and with all other school personnel, which reflects the priorities and activities as described in the school's local school improvement plan and is consistent with applicable law and collective bargaining agreements and with board policies and standards; however, the local school council shall have the right to request waivers of board policy from the board of education and waivers of employee collective bargaining agreements pursuant to Section 34-8.1a.

The expenditure plan developed by the principal with respect to amounts available from the fund for prioritized special needs programs and the allocated lump sum amount must be approved by the local school council.

The lump sum allocation shall take into account the following principles:

a. Teachers: Each school shall be allocated funds equal to the amount appropriated in the previous school year for compensation for teachers (regular grades kindergarten through 12th grade) plus whatever increases in compensation have been negotiated contractually or through longevity as provided in the negotiated agreement. Adjustments shall be made due to layoff or reduction in force, lack of funds or work, change in subject requirements, enrollment changes, or contracts with third parties for the performance of services or to rectify any inconsistencies with system-wide allocation formulas or for other legitimate reasons.

b. Other personnel: Funds for other teacher certificated and uncertificated personnel paid through non-categorical funds shall be provided according to system-wide formulas based on student enrollment and the special needs of the school as determined by the Board.

c. Non-compensation items: Appropriations for all non-compensation items shall be based on system-wide formulas based on student enrollment and on the special needs of the school or factors related to the physical plant, including but not limited to textbooks, electronic textbooks and the technological equipment necessary to gain access to and use electronic textbooks, supplies, electricity, equipment, and routine maintenance.

d. Funds for categorical programs: Schools shall receive personnel and funds based on, and shall use such personnel and funds in accordance with State and Federal requirements applicable to each categorical program provided to meet the special needs of the student body (including but not limited to, Federal Chapter I, Bilingual, and Special Education).

d.1. Funds for State Title I: Each school shall receive funds based on State and Board requirements applicable to each State Title I pupil provided to meet the special needs of the student body. Each school shall receive the proportion of funds as provided in Section 18-8 or 18-8.15 to which they are entitled. These funds shall be spent only with the budgetary approval of the Local School Council as provided in Section 34-2.3.

e. The Local School Council shall have the right to request the principal to close positions and open new ones consistent with the provisions of the local school improvement plan provided that these decisions are consistent with applicable law and collective bargaining agreements. If a position is closed, pursuant to this paragraph, the local school shall have for its use the system-wide average compensation for the closed position.

f. Operating within existing laws and collective bargaining agreements, the local school council shall have the right to direct the principal to shift expenditures within funds.

g. (Blank).

Any funds unexpended at the end of the fiscal year shall be available to the board of education for use as part of its budget for the following fiscal year.

5. To make recommendations to the principal concerning textbook selection and concerning curriculum developed pursuant to the school improvement plan which is consistent with systemwide curriculum objectives in accordance with Sections 34-8 and 34-18 of the School Code and in conformity with the collective bargaining agreement.

6. To advise the principal concerning the attendance and disciplinary policies for the attendance center, subject to the provisions of this Article and Article 26, and consistent with the uniform system of discipline established by the board pursuant to Section 34-19.

7. To approve a school improvement plan developed as provided in Section 34-2.4. The process and schedule for plan development shall be publicized to the entire school community, and the community shall be afforded the opportunity to make recommendations concerning the plan. At least twice a year the principal and local school council shall report publicly on progress and problems with respect to plan implementation.

8. To evaluate the allocation of teaching resources and other certificated and uncertificated staff to the attendance center to determine whether such allocation is consistent with and in furtherance of instructional objectives and school programs reflective of the school improvement plan adopted for the attendance center; and to make recommendations to the board, the general superintendent and the principal concerning any reallocation of teaching resources or other staff whenever the council determines that any such reallocation is appropriate because the qualifications of any existing staff at the attendance center do not adequately match or support instructional objectives or school programs which reflect the school improvement plan.

9. To make recommendations to the principal and the general superintendent concerning their respective appointments, after August 31, 1989, and in the manner provided by Section 34-8 and Section 34-8.1, of persons to fill any vacant, additional or newly created positions for teachers at the attendance center or at attendance centers which include the attendance center served by the local school council.

10. To request of the Board the manner in which training and assistance shall be provided to the local school council. Pursuant to Board guidelines a local school council is authorized to direct the Board of Education to contract with personnel or not-for-profit organizations not associated with the school district to train or assist council members. If training or assistance is provided by contract with personnel or organizations not associated with the school district, the period of training or assistance shall not exceed 30 hours during a given school year; person shall not be employed on a continuous basis longer than said period and shall not have been employed by the Chicago Board of Education within the preceding six months. Council members shall receive training in at least the following areas:

1. school budgets;

2. educational theory pertinent to the attendance center's particular needs, including the development of the school improvement plan and the principal's performance contract; and

3. personnel selection.

Council members shall, to the greatest extent possible, complete such training within 90 days of election.

11. In accordance with systemwide guidelines contained in the System-Wide Educational Reform Goals and Objectives Plan, criteria for evaluation of performance shall be established for local school councils and local school council members. If a local school council persists in noncompliance with systemwide requirements, the Board may impose sanctions and take necessary corrective action, consistent with Section 34-8.3.

12. Each local school council shall comply with the Open Meetings Act and the Freedom of Information Act. Each local school council shall issue and transmit to its school community a detailed annual report accounting for its activities programmatically and financially. Each local school council shall convene at least 2 well-publicized meetings annually with its entire school community. These meetings shall include presentation of the proposed local school improvement plan, of the proposed school expenditure plan, and the annual report, and shall provide an opportunity for public comment.

13. Each local school council is encouraged to involve additional non-voting members of the school community in facilitating the council's exercise of its responsibilities.

14. The local school council may adopt a school uniform or dress code policy that governs the attendance center and that is necessary to maintain the orderly process of a school function or prevent endangerment of student health or safety, consistent with the policies and rules of the Board of Education. A school uniform or dress code policy adopted by a local school council: (i) shall not be applied in such manner as to discipline or deny attendance to a transfer student or any other student for noncompliance with that policy during such period of time as is reasonably necessary to enable the student to acquire a school uniform or otherwise comply with the dress code policy that is in effect at the attendance center into which the student's enrollment is transferred; and (ii) shall include criteria and procedures under which the local school council will accommodate the needs of or otherwise provide appropriate resources to assist a student from an indigent family in complying with an applicable school uniform or dress code policy. A student whose parents or legal guardians object on religious grounds to the student's compliance with an applicable school uniform or dress code policy shall not be required to comply with that policy if the student's parents or legal guardians present to the local school council a signed statement of objection detailing the grounds for the objection.

15. All decisions made and actions taken by the local school council in the exercise of its powers and duties shall comply with State and federal laws, all applicable collective bargaining agreements, court orders and rules properly promulgated by the Board.

15a. To grant, in accordance with board rules and policies, the use of assembly halls and classrooms when not otherwise needed, including lighting, heat, and attendants, for public lectures, concerts, and other educational and social activities.

15b. To approve, in accordance with board rules and policies, receipts and expenditures for all internal accounts of the attendance center, and to approve all fund-raising activities by nonschool organizations that use the school building.

16. (Blank).

17. Names and addresses of local school council members shall be a matter of public record.

(Source: P.A. 96-1403, eff. 7-29-10.)

(105 ILCS 5/34-8.4)

Sec. 34-8.4. Intervention. The Chicago Schools Academic Accountability Council may recommend to the Chicago School Reform Board of Trustees that any school placed on remediation or probation under Section 34-8.3 or schools that for the 3 consecutive school years of 1992-1993, 1993-1994, and 1994-1995 have met the State Board of Education's category of "does not meet expectations" be made subject to intervention under this Section 34-8.4. In addition to any powers created under this Section, the Trustees shall have all powers created under Section 34-8.3 with respect to schools subjected to intervention.

Prior to subjecting a school to intervention, the Trustees shall conduct a public hearing and make findings of facts concerning the recommendation of the Chicago Schools Academic Accountability Council and the factors causing the failure of the school to adequately perform. The Trustees shall afford an opportunity at the hearing for interested persons to comment about the intervention recommendation. After the hearing has been held and completion of findings of fact, the Trustees shall make a determination whether to subject the school to intervention.

If the Trustees determine that a school shall be subject to intervention under this Section, the Trustees shall develop an intervention implementation plan and shall cause a performance evaluation to be made of each employee at the school. Upon consideration of such evaluations, and consistent with the intervention implementation plan, the Trustees may reassign, layoff, or dismiss any employees at the attendance center, notwithstanding the provisions of Sections 24A-5 and 34-85.

The chief educational officer shall appoint a principal for the school and shall set the terms and conditions of the principal's contract, which in no case may be longer than 2 years. The principal shall select all teachers and non-certified personnel for the school as may be necessary. Any provision of Section 34-8.1 that conflicts with this Section shall not apply to a school subjected to intervention under this Section.

If pursuant to this Section, the general superintendent, with the approval of the board, orders new local school council elections, the general superintendent shall carry out the responsibilities of the local school council for a school subject to intervention until the new local school council members are elected and trained.

Each school year, 5% of the supplemental general State aid or supplemental grant funds distributed to a school subject to intervention during that school year under subsection 5(i)(1)(a) of part A of Section 18-8, ~~or~~ subsection (H) of Section 18-8.05 , or paragraph (2) of subsection (j) of Section 18-8.15 shall be used for employee performance incentives. The Trustees shall prepare a report evaluating the results of any interventions undertaken pursuant to this Section and shall make recommendations concerning implementation of special programs for dealing with underperforming schools on an ongoing basis. This report shall be submitted to the State Superintendent of Education and Mayor of the City of Chicago by January 1, 1999.

(Source: P.A. 89-15, eff. 5-30-95; 89-698, eff. 1-14-97; 90-548, eff. 1-1-98.)

(105 ILCS 5/34-18) (from Ch. 122, par. 34-18)

Sec. 34-18. Powers of the board. The board shall exercise general supervision and jurisdiction over the public education and the public school system of the city, and, except as otherwise provided by this Article, shall have power:

1. To make suitable provision for the establishment and maintenance throughout the year or for such portion thereof as it may direct, not less than 9 months, of schools of all grades and kinds, including normal schools, high schools, night schools, schools for defectives and delinquents, parental and truant schools, schools for the blind, the deaf and persons with physical disabilities, schools or classes in manual training, constructural and vocational teaching, domestic arts and physical culture, vocation and extension schools and lecture courses, and all other educational courses and facilities, including establishing, equipping, maintaining and operating playgrounds and recreational programs, when such programs are conducted in, adjacent to, or connected with any public school under the general supervision and jurisdiction of the board; provided that the calendar for the school term and any changes must be submitted to and approved by the State Board of Education before the calendar or changes may take effect, and provided that in allocating funds from year to year for the operation of all attendance centers within the district, the board shall ensure that supplemental general State aid or supplemental grant funds are allocated and applied in accordance with Section 18-8, ~~or~~ 18-8.05 , or 18-

8.15. To admit to such schools without charge foreign exchange students who are participants in an organized exchange student program which is authorized by the board. The board shall permit all students to enroll in apprenticeship programs in trade schools operated by the board, whether those programs are union-sponsored or not. No student shall be refused admission into or be excluded from any course of instruction offered in the common schools by reason of that student's sex. No student shall be denied equal access to physical education and interscholastic athletic programs supported from school district funds or denied participation in comparable physical education and athletic programs solely by reason of the student's sex. Equal access to programs supported from school district funds and comparable programs will be defined in rules promulgated by the State Board of Education in consultation with the Illinois High School Association. Notwithstanding any other provision of this Article, neither the board of education nor any local school council or other school official shall recommend that children with disabilities be placed into regular education classrooms unless those children with disabilities are provided with supplementary services to assist them so that they benefit from the regular classroom instruction and are included on the teacher's regular education class register;

2. To furnish lunches to pupils, to make a reasonable charge therefor, and to use school funds for the payment of such expenses as the board may determine are necessary in conducting the school lunch program;

3. To co-operate with the circuit court;

4. To make arrangements with the public or quasi-public libraries and museums for the use of their facilities by teachers and pupils of the public schools;

5. To employ dentists and prescribe their duties for the purpose of treating the pupils in the schools, but accepting such treatment shall be optional with parents or guardians;

6. To grant the use of assembly halls and classrooms when not otherwise needed, including light, heat, and attendants, for free public lectures, concerts, and other educational and social interests, free of charge, under such provisions and control as the principal of the affected attendance center may prescribe;

7. To apportion the pupils to the several schools; provided that no pupil shall be excluded from or segregated in any such school on account of his color, race, sex, or nationality. The board shall take into consideration the prevention of segregation and the elimination of separation of children in public schools because of color, race, sex, or nationality. Except that children may be committed to or attend parental and social adjustment schools established and maintained either for boys or girls only. All records pertaining to the creation, alteration or revision of attendance areas shall be open to the public. Nothing herein shall limit the board's authority to establish multi-area attendance centers or other student assignment systems for desegregation purposes or otherwise, and to apportion the pupils to the several schools. Furthermore, beginning in school year 1994-95, pursuant to a board plan adopted by October 1, 1993, the board shall offer, commencing on a phased-in basis, the opportunity for families within the school district to apply for enrollment of their children in any attendance center within the school district which does not have selective admission requirements approved by the board. The appropriate geographical area in which such open enrollment may be exercised shall be determined by the board of education. Such children may be admitted to any such attendance center on a space available basis after all children residing within such attendance center's area have been accommodated. If the number of applicants from outside the attendance area exceed the space available, then successful applicants shall be selected by lottery. The board of education's open enrollment plan must include provisions that allow low income students to have access to transportation needed to exercise school choice. Open enrollment shall be in compliance with the provisions of the Consent Decree and Desegregation Plan cited in Section 34-1.01;

8. To approve programs and policies for providing transportation services to students. Nothing herein shall be construed to permit or empower the State Board of Education to order, mandate, or require busing or other transportation of pupils for the purpose of achieving racial balance in any school;

9. Subject to the limitations in this Article, to establish and approve system-wide curriculum objectives and standards, including graduation standards, which reflect the multi-cultural diversity in the city and are consistent with State law, provided that for all purposes of this Article courses or proficiency in American Sign Language shall be deemed to constitute courses or proficiency in a foreign language; and to employ principals and teachers, appointed as provided in this Article, and fix their compensation. The board shall prepare such reports related to minimal competency testing as may be requested by the State Board of Education, and in addition shall monitor and approve special education and bilingual education programs and policies within the district to assure that appropriate

services are provided in accordance with applicable State and federal laws to children requiring services and education in those areas;

10. To employ non-teaching personnel or utilize volunteer personnel for: (i) non-teaching duties not requiring instructional judgment or evaluation of pupils, including library duties; and (ii) supervising study halls, long distance teaching reception areas used incident to instructional programs transmitted by electronic media such as computers, video, and audio, detention and discipline areas, and school-sponsored extracurricular activities. The board may further utilize volunteer non-certificated personnel or employ non-certificated personnel to assist in the instruction of pupils under the immediate supervision of a teacher holding a valid certificate, directly engaged in teaching subject matter or conducting activities; provided that the teacher shall be continuously aware of the non-certificated persons' activities and shall be able to control or modify them. The general superintendent shall determine qualifications of such personnel and shall prescribe rules for determining the duties and activities to be assigned to such personnel;

10.5. To utilize volunteer personnel from a regional School Crisis Assistance Team (S.C.A.T.), created as part of the Safe to Learn Program established pursuant to Section 25 of the Illinois Violence Prevention Act of 1995, to provide assistance to schools in times of violence or other traumatic incidents within a school community by providing crisis intervention services to lessen the effects of emotional trauma on individuals and the community; the School Crisis Assistance Team Steering Committee shall determine the qualifications for volunteers;

11. To provide television studio facilities in not to exceed one school building and to provide programs for educational purposes, provided, however, that the board shall not construct, acquire, operate, or maintain a television transmitter; to grant the use of its studio facilities to a licensed television station located in the school district; and to maintain and operate not to exceed one school radio transmitting station and provide programs for educational purposes;

12. To offer, if deemed appropriate, outdoor education courses, including field trips within the State of Illinois, or adjacent states, and to use school educational funds for the expense of the said outdoor educational programs, whether within the school district or not;

13. During that period of the calendar year not embraced within the regular school term, to provide and conduct courses in subject matters normally embraced in the program of the schools during the regular school term and to give regular school credit for satisfactory completion by the student of such courses as may be approved for credit by the State Board of Education;

14. To insure against any loss or liability of the board, the former School Board Nominating Commission, Local School Councils, the Chicago Schools Academic Accountability Council, or the former Subdistrict Councils or of any member, officer, agent or employee thereof, resulting from alleged violations of civil rights arising from incidents occurring on or after September 5, 1967 or from the wrongful or negligent act or omission of any such person whether occurring within or without the school premises, provided the officer, agent or employee was, at the time of the alleged violation of civil rights or wrongful act or omission, acting within the scope of his employment or under direction of the board, the former School Board Nominating Commission, the Chicago Schools Academic Accountability Council, Local School Councils, or the former Subdistrict Councils; and to provide for or participate in insurance plans for its officers and employees, including but not limited to retirement annuities, medical, surgical and hospitalization benefits in such types and amounts as may be determined by the board; provided, however, that the board shall contract for such insurance only with an insurance company authorized to do business in this State. Such insurance may include provision for employees who rely on treatment by prayer or spiritual means alone for healing, in accordance with the tenets and practice of a recognized religious denomination;

15. To contract with the corporate authorities of any municipality or the county board of any county, as the case may be, to provide for the regulation of traffic in parking areas of property used for school purposes, in such manner as is provided by Section 11-209 of The Illinois Vehicle Code, approved September 29, 1969, as amended;

16. (a) To provide, on an equal basis, access to a high school campus and student directory information to the official recruiting representatives of the armed forces of Illinois and the United States for the purposes of informing students of the educational and career opportunities available in the military if the board has provided such access to persons or groups whose purpose is to acquaint students with educational or occupational opportunities available to them. The board is not required to give greater notice regarding the right of access to recruiting representatives than is given to other persons and groups. In this paragraph 16, "directory information" means a high school student's name, address, and telephone number.

(b) If a student or his or her parent or guardian submits a signed, written request to

the high school before the end of the student's sophomore year (or if the student is a transfer student, by another time set by the high school) that indicates that the student or his or her parent or guardian does not want the student's directory information to be provided to official recruiting representatives under subsection (a) of this Section, the high school may not provide access to the student's directory information to these recruiting representatives. The high school shall notify its students and their parents or guardians of the provisions of this subsection (b).

(c) A high school may require official recruiting representatives of the armed forces of Illinois and the United States to pay a fee for copying and mailing a student's directory information in an amount that is not more than the actual costs incurred by the high school.

(d) Information received by an official recruiting representative under this Section may be used only to provide information to students concerning educational and career opportunities available in the military and may not be released to a person who is not involved in recruiting students for the armed forces of Illinois or the United States;

17. (a) To sell or market any computer program developed by an employee of the school district, provided that such employee developed the computer program as a direct result of his or her duties with the school district or through the utilization of the school district resources or facilities. The employee who developed the computer program shall be entitled to share in the proceeds of such sale or marketing of the computer program. The distribution of such proceeds between the employee and the school district shall be as agreed upon by the employee and the school district, except that neither the employee nor the school district may receive more than 90% of such proceeds. The negotiation for an employee who is represented by an exclusive bargaining representative may be conducted by such bargaining representative at the employee's request.

(b) For the purpose of this paragraph 17:

(1) "Computer" means an internally programmed, general purpose digital device capable of automatically accepting data, processing data and supplying the results of the operation.

(2) "Computer program" means a series of coded instructions or statements in a form acceptable to a computer, which causes the computer to process data in order to achieve a certain result.

(3) "Proceeds" means profits derived from marketing or sale of a product after deducting the expenses of developing and marketing such product;

18. To delegate to the general superintendent of schools, by resolution, the authority to approve contracts and expenditures in amounts of $10,000 or less;

19. Upon the written request of an employee, to withhold from the compensation of that employee any dues, payments or contributions payable by such employee to any labor organization as defined in the Illinois Educational Labor Relations Act. Under such arrangement, an amount shall be withheld from each regular payroll period which is equal to the pro rata share of the annual dues plus any payments or contributions, and the board shall transmit such withholdings to the specified labor organization within 10 working days from the time of the withholding;

19a. Upon receipt of notice from the comptroller of a municipality with a population of 500,000 or more, a county with a population of 3,000,000 or more, the Cook County Forest Preserve District, the Chicago Park District, the Metropolitan Water Reclamation District, the Chicago Transit Authority, or a housing authority of a municipality with a population of 500,000 or more that a debt is due and owing the municipality, the county, the Cook County Forest Preserve District, the Chicago Park District, the Metropolitan Water Reclamation District, the Chicago Transit Authority, or the housing authority by an employee of the Chicago Board of Education, to withhold, from the compensation of that employee, the amount of the debt that is due and owing and pay the amount withheld to the municipality, the county, the Cook County Forest Preserve District, the Chicago Park District, the Metropolitan Water Reclamation District, the Chicago Transit Authority, or the housing authority; provided, however, that the amount deducted from any one salary or wage payment shall not exceed 25% of the net amount of the payment. Before the Board deducts any amount from any salary or wage of an employee under this paragraph, the municipality, the county, the Cook County Forest Preserve District, the Chicago Park District, the Metropolitan Water Reclamation District, the Chicago Transit Authority, or the housing authority shall certify that (i) the employee has been afforded an opportunity for a hearing to dispute the debt that is due and owing the municipality, the county, the Cook County Forest Preserve District, the Chicago Park District, the Metropolitan Water Reclamation District, the Chicago Transit Authority, or the housing authority and (ii) the employee has received notice of a wage deduction order and has been afforded an opportunity for a hearing to object to the order. For purposes of this paragraph, "net amount" means that part of the salary or wage payment remaining after the deduction of any amounts required by law to be deducted and "debt due and owing" means (i) a specified

sum of money owed to the municipality, the county, the Cook County Forest Preserve District, the Chicago Park District, the Metropolitan Water Reclamation District, the Chicago Transit Authority, or the housing authority for services, work, or goods, after the period granted for payment has expired, or (ii) a specified sum of money owed to the municipality, the county, the Cook County Forest Preserve District, the Chicago Park District, the Metropolitan Water Reclamation District, the Chicago Transit Authority, or the housing authority pursuant to a court order or order of an administrative hearing officer after the exhaustion of, or the failure to exhaust, judicial review;

20. The board is encouraged to employ a sufficient number of certified school counselors to maintain a student/counselor ratio of 250 to 1 by July 1, 1990. Each counselor shall spend at least 75% of his work time in direct contact with students and shall maintain a record of such time;

21. To make available to students vocational and career counseling and to establish 5 special career counseling days for students and parents. On these days representatives of local businesses and industries shall be invited to the school campus and shall inform students of career opportunities available to them in the various businesses and industries. Special consideration shall be given to counseling minority students as to career opportunities available to them in various fields. For the purposes of this paragraph, minority student means a person who is any of the following:

(a) American Indian or Alaska Native (a person having origins in any of the original peoples of North and South America, including Central America, and who maintains tribal affiliation or community attachment).

(b) Asian (a person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent, including, but not limited to, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam).

(c) Black or African American (a person having origins in any of the black racial groups of Africa). Terms such as "Haitian" or "Negro" can be used in addition to "Black or African American".

(d) Hispanic or Latino (a person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race).

(e) Native Hawaiian or Other Pacific Islander (a person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands).

Counseling days shall not be in lieu of regular school days;

22. To report to the State Board of Education the annual student dropout rate and number of students who graduate from, transfer from or otherwise leave bilingual programs;

23. Except as otherwise provided in the Abused and Neglected Child Reporting Act or other applicable State or federal law, to permit school officials to withhold, from any person, information on the whereabouts of any child removed from school premises when the child has been taken into protective custody as a victim of suspected child abuse. School officials shall direct such person to the Department of Children and Family Services, or to the local law enforcement agency if appropriate;

24. To develop a policy, based on the current state of existing school facilities, projected enrollment and efficient utilization of available resources, for capital improvement of schools and school buildings within the district, addressing in that policy both the relative priority for major repairs, renovations and additions to school facilities, and the advisability or necessity of building new school facilities or closing existing schools to meet current or projected demographic patterns within the district;

25. To make available to the students in every high school attendance center the ability to take all courses necessary to comply with the Board of Higher Education's college entrance criteria effective in 1993;

26. To encourage mid-career changes into the teaching profession, whereby qualified professionals become certified teachers, by allowing credit for professional employment in related fields when determining point of entry on teacher pay scale;

27. To provide or contract out training programs for administrative personnel and principals with revised or expanded duties pursuant to this Act in order to assure they have the knowledge and skills to perform their duties;

28. To establish a fund for the prioritized special needs programs, and to allocate such funds and other lump sum amounts to each attendance center in a manner consistent with the provisions of part 4 of Section 34-2.3. Nothing in this paragraph shall be construed to require any additional appropriations of State funds for this purpose;

29. (Blank);

30. Notwithstanding any other provision of this Act or any other law to the contrary, to

contract with third parties for services otherwise performed by employees, including those in a bargaining unit, and to layoff those employees upon 14 days written notice to the affected employees. Those contracts may be for a period not to exceed 5 years and may be awarded on a system-wide basis. The board may not operate more than 30 contract schools, provided that the board may operate an additional 5 contract turnaround schools pursuant to item (5.5) of subsection (d) of Section 34-8.3 of this Code;

31. To promulgate rules establishing procedures governing the layoff or reduction in force of employees and the recall of such employees, including, but not limited to, criteria for such layoffs, reductions in force or recall rights of such employees and the weight to be given to any particular criterion. Such criteria shall take into account factors including, but not be limited to, qualifications, certifications, experience, performance ratings or evaluations, and any other factors relating to an employee's job performance;

32. To develop a policy to prevent nepotism in the hiring of personnel or the selection of contractors;

33. To enter into a partnership agreement, as required by Section 34-3.5 of this Code, and, notwithstanding any other provision of law to the contrary, to promulgate policies, enter into contracts, and take any other action necessary to accomplish the objectives and implement the requirements of that agreement; and

34. To establish a Labor Management Council to the board comprised of representatives of the board, the chief executive officer, and those labor organizations that are the exclusive representatives of employees of the board and to promulgate policies and procedures for the operation of the Council.

The specifications of the powers herein granted are not to be construed as exclusive but the board shall also exercise all other powers that they may be requisite or proper for the maintenance and the development of a public school system, not inconsistent with the other provisions of this Article or provisions of this Code which apply to all school districts.

In addition to the powers herein granted and authorized to be exercised by the board, it shall be the duty of the board to review or to direct independent reviews of special education expenditures and services. The board shall file a report of such review with the General Assembly on or before May 1, 1990.
(Source: P.A. 99-143, eff. 7-27-15.)

(105 ILCS 5/34-18.30)

Sec. 34-18.30. Dependents of military personnel; no tuition charge. If, at the time of enrollment, a dependent of United States military personnel is housed in temporary housing located outside of the school district, but will be living within the district within 60 days after the time of initial enrollment, the dependent must be allowed to enroll, subject to the requirements of this Section, and must not be charged tuition. Any United States military personnel attempting to enroll a dependent under this Section shall provide proof that the dependent will be living within the district within 60 days after the time of initial enrollment. Proof of residency may include, but is not limited to, postmarked mail addressed to the military personnel and sent to an address located within the district, a lease agreement for occupancy of a residence located within the district, or proof of ownership of a residence located within the district. Non-resident dependents of United States military personnel attending school on a tuition-free basis may be counted for the purposes of determining the apportionment of State aid provided under Section 18-8.05 or 18-8.15 of this Code.
(Source: P.A. 95-331, eff. 8-21-07.)

(105 ILCS 5/34-43.1) (from Ch. 122, par. 34-43.1)

Sec. 34-43.1. (A) Limitation of noninstructional costs. It is the purpose of this Section to establish for the Board of Education and the general superintendent of schools requirements and standards which maximize the proportion of school district resources in direct support of educational, program, and building maintenance and safety services for the pupils of the district, and which correspondingly minimize the amount and proportion of such resources associated with centralized administration, administrative support services, and other noninstructional services.

For the 1989-90 school year and for all subsequent school years, the Board of Education shall undertake budgetary and expenditure control actions which limit the administrative expenditures of the Board of Education to levels, as provided for in this Section, which represent an average of the administrative expenses of all school districts in this State not subject to Article 34.

(B) Certification of expenses by the State Superintendent of Education. The State Superintendent of Education shall annually certify, on or before May 1, to the Board of Education and the School Finance Authority, for the applicable school year, the following information:

(1) the annual expenditures of all school districts of the State not subject to Article

34 properly attributable to expenditure functions defined by the rules and regulations of the State Board of Education as: 2210 (Improvement of Instructional Services); 2300 (Support Services - General Administration) excluding, however, 2320 (Executive Administrative Services); 2490 (Other Support Services - School Administration); 2500 (Support Services - Business); 2600 (Support Services - Central);

(2) the total annual expenditures of all school districts not subject to Article 34 attributable to the Education Fund, the Operations, Building and Maintenance Fund, the Transportation Fund and the Illinois Municipal Retirement Fund of the several districts, as defined by the rules and regulations of the State Board of Education; and

(3) a ratio, to be called the statewide average of administrative expenditures, derived by dividing the expenditures certified pursuant to paragraph (B)(1) by the expenditures certified pursuant to paragraph (B)(2).

For purposes of the annual certification of expenditures and ratios required by this Section, the "applicable year" of certification shall initially be the 1986-87 school year and, in sequent years, each succeeding school year.

The State Superintendent of Education shall consult with the Board of Education to ascertain whether particular expenditure items allocable to the administrative functions enumerated in paragraph (B)(1) are appropriately or necessarily higher in the applicable school district than in the rest of the State due to noncomparable factors. The State Superintendent shall also review the relevant cost proportions in other large urban school districts. The State Superintendent shall also review the expenditure categories in paragraph (B)(1) to ascertain whether they contain school-level expenses. If he or she finds that adjustments to the formula are appropriate or necessary to establish a more fair and comparable standard for administrative cost for the Board of Education or to exclude school-level expenses, the State Superintendent shall recommend to the School Finance Authority rules and regulations adjusting particular subcategories in this subsection (B) or adjusting certain costs in determining the budget and expenditure items properly attributable to the functions or otherwise adjust the formula.

(C) Administrative expenditure limitations. The annual budget of the Board of Education, as adopted and implemented, and the related annual expenditures for the school year, shall reflect a limitation on administrative outlays as required by the following provisions, taking into account any adjustments established by the State Superintendent of Education: (1) the budget and expenditures of the Board of Education for the 1989-90 school year shall reflect a ratio of administrative expenditures to total expenditures equal to or less than the statewide average of administrative expenditures for the 1986-87 school year as certified by the State Superintendent of Education pursuant to paragraph (B)(3); (2) for the 1990-91 school year and for all subsequent school years, the budget and expenditures of the Board of Education shall reflect a ratio of administrative expenditures to total expenditures equal to or less than the statewide average of administrative expenditures certified by the State Superintendent of Education for the applicable year pursuant to paragraph (B)(3); (3) if for any school year the budget of the Board of Education reflects a ratio of administrative expenditures to total expenditures which exceeds the applicable statewide average, the Board of Education shall reduce expenditure items allocable to the administrative functions enumerated in paragraph (B)(1) such that the Board of Education's ratio of administrative expenditures to total expenditures is equal to or less than the applicable statewide average ratio.

For purposes of this Section, the ratio of administrative expenditures to the total expenditures of the Board of Education, as applied to the budget of the Board of Education, shall mean: the budgeted expenditure items of the Board of Education properly attributable to the expenditure functions identified in paragraph (B)(1) divided by the total budgeted expenditures of the Board of Education properly attributable to the Board of Education funds corresponding to those funds identified in paragraph (B)(2), exclusive of any monies budgeted for payment to the Public School Teachers' Pension and Retirement System, attributable to payments due from the General Funds of the State of Illinois.

The annual expenditure of the Board of Education for 2320 (Executive Administrative Services) for the 1989-90 school year shall be no greater than the 2320 expenditure for the 1988-89 school year. The annual expenditure of the Board of Education for 2320 for the 1990-91 school year and each subsequent school year shall be no greater than the 2320 expenditure for the immediately preceding school year or the 1988-89 school year, whichever is less. This annual expenditure limitation may be adjusted in each year in an amount not to exceed any change effective during the applicable school year in salary to be paid under the collective bargaining agreement with instructional personnel to which the Board is a party and in benefit costs either required by law or such collective bargaining agreement.

(D) Cost control measures. In undertaking actions to control or reduce expenditure items necessitated by the administrative expenditure limitations of this Section, the Board of Education shall give priority consideration to reductions or cost controls with the least effect upon direct services to students or

instructional services for pupils, and upon the safety and well-being of pupils, and, as applicable, with the particular costs or functions to which the Board of Education is higher than the statewide average.

For purposes of assuring that the cost control priorities of this subsection (D) are met, the State Superintendent of Education shall, with the assistance of the Board of Education, review the cost allocation practices of the Board of Education, and the State Superintendent of Education shall thereafter recommend to the School Finance Authority rules and regulations which define administrative areas which most impact upon the direct and instructional needs of students and upon the safety and well-being of the pupils of the district. No position closed shall be reopened using State or federal categorical funds.

(E) Report of Audited Information. For the 1988-89 school year and for all subsequent school years, the Board of Education shall file with the State Board of Education the Annual Financial Report and its audit, as required by the rules of the State Board of Education. Such reports shall be filed no later than February 15 following the end of the school year of the Board of Education, beginning with the report to be filed no later than February 15, 1990 for the 1988-89 school year.

As part of the required Annual Financial Report, the Board of Education shall provide a detailed accounting of the central level, district, bureau and department costs and personnel included within expenditure functions included in paragraph (B)(1). The nature and detail of the reporting required for these functions shall be prescribed by the State Board of Education in rules and regulations. A copy of this detailed accounting shall also be provided annually to the School Finance Authority and the public. This report shall contain a reconciliation to the board of education's adopted budget for that fiscal year, specifically delineating administrative functions.

If the information required under this Section is not provided by the Board of Education in a timely manner, or is initially or subsequently determined by the State Superintendent of Education to be incomplete or inaccurate, the State Superintendent shall, in writing, notify the Board of Education of reporting deficiencies. The Board of Education shall, within 60 days of such notice, address the reporting deficiencies identified. If the State Superintendent of Education does not receive satisfactory response to these reporting deficiencies within 60 days, the next payment of general State aid or primary State aid due the Board of Education under Section 18-8 or Section 18-8.15, as applicable, and all subsequent payments, shall be withheld by the State Superintendent of Education until the enumerated deficiencies have been addressed.

Utilizing the Annual Financial Report, the State Superintendent of Education shall certify on or before May 1 to the School Finance Authority the Board of Education's ratio of administrative expenditures to total expenditures for the 1988-89 school year and for each succeeding school year. Such certification shall indicate the extent to which the administrative expenditure ratio of the Board of Education conformed to the limitations required in subsection (C) of this Section, taking into account any adjustments of the limitations which may have been recommended by the State Superintendent of Education to the School Finance Authority. In deriving the administrative expenditure ratio of the Chicago Board of Education, the State Superintendent of Education shall utilize the definition of this ratio prescribed in subsection (C) of this Section, except that the actual expenditures of the Board of Education shall be substituted for budgeted expenditure items.

(F) Approval and adjustments to administrative expenditure limitations. The School Finance Authority organized under Article 34A shall monitor the Board of Education's adherence to the requirements of this Section. As part of its responsibility the School Finance Authority shall determine whether the Board of Education's budget for the next school year, and the expenditures for a prior school year, comply with the limitation of administrative expenditures required by this Section. The Board of Education and the State Board of Education shall provide such information as is required by the School Finance Authority in order for the Authority to determine compliance with the provisions of this Section. If the Authority determines that the budget proposed by the Board of Education does not meet the cost control requirements of this Section, the Board of Education shall undertake budgetary reductions, consistent with the requirements of this Section, to bring the proposed budget into compliance with such cost control limitations.

If, in formulating cost control and cost reduction alternatives, the Board of Education believes that meeting the cost control requirements of this Section related to the budget for the ensuing year would impair the education, safety, or well-being of the pupils of the school district, the Board of Education may request that the School Finance Authority make adjustments to the limitations required by this Section. The Board of Education shall specify the amount, nature, and reasons for the relief required and shall also identify cost reductions which can be made in expenditure functions not enumerated in paragraph (B)(1), which would serve the purposes of this Section.

The School Finance Authority shall consult with the State Superintendent of Education concerning the reasonableness from an educational administration perspective of the adjustments sought by the Board of Education. The School Finance Authority shall provide an opportunity for the public to comment upon the

reasonableness of the Board's request. If, after such consultation, the School Finance Authority determines that all or a portion of the adjustments sought by the Board of Education are reasonably appropriate or necessary, the Authority may grant such relief from the provisions of this Section which the Authority deems appropriate. Adjustments so granted apply only to the specific school year for which the request was made.

In the event that the School Finance Authority determines that the Board of Education has failed to achieve the required administrative expenditure limitations for a prior school year, or if the Authority determines that the Board of Education has not met the requirements of subsection (F), the Authority shall make recommendations to the Board of Education concerning appropriate corrective actions. If the Board of Education fails to provide adequate assurance to the Authority that appropriate corrective actions have been or will be taken, the Authority may, within 60 days thereafter, require the board to adjust its current budget to correct for the prior year's shortage or may recommend to the members of the General Assembly and the Governor such sanctions or remedial actions as will serve to deter any further such failures on the part of the Board of Education.

To assist the Authority in its monitoring responsibilities, the Board of Education shall provide such reports and information as are from time to time required by the Authority.

(G) Independent reviews of administrative expenditures. The School Finance Authority may direct independent reviews of the administrative and administrative support expenditures and services and other non-instructional expenditure functions of the Board of Education. The Board of Education shall afford full cooperation to the School Finance Authority in such review activity. The purpose of such reviews shall be to verify specific targets for improved operating efficiencies of the Board of Education, to identify other areas of potential efficiencies, and to assure full and proper compliance by the Board of Education with all requirements of this Section.

In the conduct of reviews under this subsection, the Authority may request the assistance and consultation of the State Superintendent of Education with regard to questions of efficiency and effectiveness in educational administration.

(H) Reports to Governor and General Assembly. On or before May 1, 1991 and no less frequently than yearly thereafter, the School Finance Authority shall provide to the Governor, the State Board of Education, and the members of the General Assembly an annual report, as outlined in Section 34A-606, which includes the following information: (1) documenting the compliance or non-compliance of the Board of Education with the requirements of this Section; (2) summarizing the costs, findings, and recommendations of any reviews directed by the School Finance Authority, and the response to such recommendations made by the Board of Education; and (3) recommending sanctions or legislation necessary to fulfill the intent of this Section.

(Source: P.A. 86-124; 86-1477.)

(105 ILCS 5/34-53) (from Ch. 122, par. 34-53)

Sec. 34-53. Tax levies; Purpose; Rates. For the purpose of establishing and supporting free schools for not fewer than 9 months in each year and defraying their expenses the board may levy annually, upon all taxable property of such district for educational purposes a tax for the fiscal years 1996 and each succeeding fiscal year at a rate of not to exceed the sum of (i) 2.81% ~~3.07%~~ (or such other rate as may be set by law independent of the rate difference described in (ii) below) and (ii) the difference between .50% and the rate per cent of taxes extended for a School Finance Authority organized under Article 34A of the School Code, for the calendar year in which the applicable fiscal year of the board begins as determined by the county clerk and certified to the board pursuant to Section 18-110 of the Property Tax Code, of the value as equalized or assessed by the Department of Revenue for the year in which such levy is made.

For fiscal year 2017 and each succeeding fiscal year, for the purpose of making an employer contribution to the Public School Teachers' Pension and Retirement Fund of Chicago, the board shall levy annually, upon all taxable property located within the district, a tax at the rate of 0.26%. The proceeds from this additional tax shall be paid directly to the Pension Fund. The changes made to this Section by this amendatory Act of the 99th General Assembly: (1) do not authorize an increase in the district's maximum aggregate extension or limiting rate under the Property Tax Extension Limitation Law; and (2) constitute a continuation of the existing total maximum rate under this Section and are not a new rate for the purposes of the Property Tax Extension Limitation Law.

Nothing in this amendatory Act of 1995 shall in any way impair or restrict the levy or extension of taxes pursuant to any tax levies for any purposes of the board lawfully made prior to the adoption of this amendatory Act of 1995.

Notwithstanding any other provision of this Code and in addition to any other methods provided for increasing the tax rate the board may, by proper resolution, cause a proposition to increase the annual tax rate for educational purposes to be submitted to the voters of such district at any general or special election.

The maximum rate for educational purposes shall not exceed 4.00%. The election called for such purpose shall be governed by Article 9 of this Act. If at such election a majority of the votes cast on the proposition is in favor thereof, the Board of Education may thereafter until such authority is revoked in a like manner, levy annually the tax so authorized.

For purposes of this Article, educational purposes for fiscal years beginning in 1995 and each subsequent year shall also include, but not be limited to, in addition to those purposes authorized before this amendatory Act of 1995, constructing, acquiring, leasing (other than from the Public Building Commission of Chicago), operating, maintaining, improving, repairing, and renovating land, buildings, furnishings, and equipment for school houses and buildings, and related incidental expenses, and provision of special education, furnishing free textbooks and instructional aids and school supplies, establishing, equipping, maintaining, and operating supervised playgrounds under the control of the board, school extracurricular activities, and stadia, social center, and summer swimming pool programs open to the public in connection with any public school; making an employer contribution to the Public School Teachers' Pension and Retirement Fund as required by Section 17-129 of the Illinois Pension Code; and providing an agricultural science school, including site development and improvements, maintenance repairs, and supplies. Educational purposes also includes student transportation expenses.

All collections of all taxes levied for fiscal years ending before 1996 under this Section or under Sections 34-53.2, 34-53.3, 34-58, 34-60, or 34-62 of this Article as in effect prior to this amendatory Act of 1995 may be used for any educational purposes as defined by this amendatory Act of 1995 and need not be used for the particular purposes for which they were levied. The levy and extension of taxes pursuant to this Section as amended by this amendatory Act of 1995 shall not constitute a new or increased tax rate within the meaning of the Property Tax Extension Limitation Law or the One-year Property Tax Extension Limitation Law.

The rate at which taxes may be levied for the fiscal year beginning September 1, 1996, for educational purposes shall be the full rate authorized by this Section for such taxes for fiscal years ending after 1995.
(Source: P.A. 88-511; 88-670, eff. 12-2-94; 89-15, eff. 5-30-95.)

Section 950. The Educational Opportunity for Military Children Act is amended by changing Section 25 as follows:

(105 ILCS 70/25)

Sec. 25. Tuition for children of active duty military personnel who are transfer students. If a student who is a child of active duty military personnel is (i) placed with a non-custodial parent and (ii) as a result of placement, must attend a non-resident school district, then the student must not be charged the tuition of the school that the student attends as a result of placement with the non-custodial parent and the student must be counted in the calculation of average daily attendance under Section 18-8.05 or 18-8.15 of the School Code.
(Source: P.A. 98-673, eff. 6-30-14.)

Section 955. The Illinois Public Aid Code is amended by changing Section 5-16.4 as follows:

(305 ILCS 5/5-16.4)

Sec. 5-16.4. Medical Assistance Provider Payment Fund.

(a) There is created in the State treasury the Medical Assistance Provider Payment Fund. Interest earned by the Fund shall be credited to the Fund.

(b) The Fund is created for the purpose of disbursing moneys as follows:

(1) For medical services provided to recipients of aid under Articles V, VI, and XII.

(2) For payment of administrative expenses incurred by the Illinois Department or its agent in performing the activities authorized by this Section.

(3) For making transfers to the General Obligation Bond Retirement and Interest Fund, as those transfers are authorized in the proceedings authorizing debt under the Medicaid Liability Liquidity Borrowing Act, but transfers made under this paragraph (3) may not exceed the principal amount of debt issued under that Act.

Disbursements from the Fund, other than transfers to the General Obligation Bond Retirement and Interest Fund (which shall be made in accordance with the provisions of the Medicaid Liability Liquidity Borrowing Act), shall be by warrants drawn by the State Comptroller upon receipt of vouchers duly executed and certified by the Illinois Department.

(c) The Fund shall consist of the following:

(1) All federal matching funds received by the Illinois Department as a result of expenditures made by the Illinois Department that are attributable to moneys deposited into the Fund.

(2) Proceeds from any short-term borrowing directed to the Fund by the Governor pursuant

to the Medicaid Liability Liquidity Borrowing Act.

(3) Amounts transferred into the Fund under subsection (d) of this Section.

(4) All other moneys received for the Fund from any other source, including interest earned on those moneys.

(d) Beginning July 1, 1995, on the 13th and 26th days of each month the State Comptroller and Treasurer shall transfer from the General Revenue Fund to the Medical Assistance Provider Payment Fund an amount equal to 1/48th of the annual Medical Assistance appropriation to the Department of Healthcare and Family Services (formerly Illinois Department of Public Aid) from the Medical Assistance Provider Payment Fund, plus cumulative deficiencies from those prior transfers. In addition to those transfers, the State Comptroller and Treasurer may transfer from the General Revenue Fund to the Medical Assistance Provider Payment Fund as much as is necessary to pay claims pursuant to the new twice-monthly payment schedule established in Section 5-16.5 and to avoid interest liabilities under the State Prompt Payment Act. No transfers made pursuant to this subsection shall interfere with the timely payment of the general State aid or primary State aid payment made pursuant to Section 18-11 of the School Code.
(Source: P.A. 95-331, eff. 8-21-07.)

Section 995. Savings clause. Any repeal or amendment made by this Act shall not affect or impair any of the following: suits pending or rights existing at the time this Act takes effect; any grant or conveyance made or right acquired or cause of action now existing under any Section, Article, or Act repealed or amended by this Act; the validity of any bonds or other obligations issued or sold and constituting valid obligations of the issuing authority at the time this Act takes effect; the validity of any contract; the validity of any tax levied under any law in effect prior to the effective date of this Act; or any offense committed, act done, penalty, punishment, or forfeiture incurred or any claim, right, power, or remedy accrued under any law in effect prior to the effective date of this Act.

Section 999. Effective date. This Act takes effect upon becoming law.".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILL FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Lightford, **House Bill No. 3190** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

YEAS 31; NAYS 18; Present 8.

The following voted in the affirmative:

Bennett	Holmes	Martinez	Silverstein
Bertino-Tarrant	Hunter	McCann	Stadelman
Clayborne	Hutchinson	McGuire	Steans
Collins	Jones, E.	Mulroe	Sullivan
Cunningham	Koehler	Muñoz	Trotter
Forby	Lightford	Noland	Van Pelt
Haine	Link	Raoul	Mr. President
Harmon	Manar	Sandoval	

The following voted in the negative:

Althoff	Connelly	Murphy, M.	Rose
Anderson	Cullerton, T.	Oberweis	Syverson
Barickman	McCarter	Radogno	Weaver
Bivins	McConchie	Rezin	

Brady	McConnaughay	Righter

The following voted present:

Biss	Hastings	Morrison
Bush	Landek	Murphy, L.
Harris	Luechtefeld	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

JOINT ACTION MOTIONS FILED

The following Joint Action Motions to the Senate Bills listed below have been filed with the Secretary and referred to the Committee on Assignments:

Motion to Concur in House Amendments 1 and 2 to Senate Bill 42
Motion to Concur in House Amendment 1 to Senate Bill 440
Motion to Concur in House Amendments 1 and 2 to Senate Bill 805
Motion to Concur in House Amendment 1 to Senate Bill 2300
Motion to Concur in House Amendments 1 and 2 to Senate Bill 2585
Motion to Concur in House Amendment 1 to Senate Bill 2610
Motion to Concur in House Amendment 1 to Senate Bill 2746
Motion to Concur in House Amendment 1 to Senate Bill 2820

At the hour of 1:42 o'clock p.m., the Chair announced that the Senate stand at recess subject to the call of the Chair.

AFTER RECESS

At the hour of 2:50 o'clock p.m., the Senate resumed consideration of business.
Senator Sullivan, presiding.

PRESENTATION OF RESOLUTION

Senator Morrison offered the following Senate Resolution, which was referred to the Committee on Assignments:

SENATE RESOLUTION NO. 1941

RESOLVED, BY THE SENATE OF THE NINETY-NINTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we urge the Director of Children and Family Services and the Director of Public Health to submit, by January 1, 2017, a joint report to the General Assembly and the Governor that sets forth its transition plan and recommendations regarding the merits of transferring the administration of all child death review teams from the Department of Children and Family Services to the Department of Public Health; and be it further

RESOLVED, That in preparing the joint report, the Directors should consult with knowledgeable experts and other stakeholders in the field, including, but not limited to: (i) pediatricians knowledgeable about child abuse and neglect; (ii) national experts in the area of child abuse, neglect, and child fatality; (iii) members of the Child Death Review Teams; (iv) forensic pathologists; (v) the Office of the Cook County Public Guardian; (vi) the Cook County State's Attorney's Office and offices of State's Attorneys of other counties; and (vii) members of the law enforcement community. In addition, the Directors may

conduct a public hearing or hearings to receive additional information from members of the public; and be it further

RESOLVED, That the joint report shall: (i) make a recommendation regarding the merits of transferring the administration of all child death review teams from the Department of Children and Family Services to the Department of Public Health as well as its proposed transition plan; (ii) make one or more recommendations regarding programmatic changes, if any, that should or should not be made to the administration of child death review teams; and (iii) include suitable draft legislation to implement the recommendations made by the Directors as part of their report; and be it further

RESOLVED, That copies of this resolution be delivered to the Director of Children and Family Services and the Director of Public Health.

MESSAGES FROM THE HOUSE

A message from the House by

Mr. Mapes, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 2882

A bill for AN ACT concerning transportation.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 2882

Passed the House, as amended, May 27, 2016.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 2882

AMENDMENT NO. 1. Amend Senate Bill 2882 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Vehicle Code is amended by changing Section 8-101 as follows:

(625 ILCS 5/8-101) (from Ch. 95 1/2, par. 8-101)

Sec. 8-101. Proof of financial responsibility - Persons who operate motor vehicles in transportation of passengers for hire.

(a) It is unlawful for any person, firm or corporation to operate any motor vehicle along or upon any public street or highway in any incorporated city, town or village in this State for the carriage of passengers for hire, accepting and discharging all such persons as may offer themselves for transportation unless such person, firm or corporation has given, and there is in full force and effect and on file with the Secretary of State of Illinois, proof of financial responsibility provided in this Act.

(b) In addition this Section shall also apply to persons, firms or corporations who are in the business of providing transportation services for minors to or from educational or recreational facilities, except that this Section shall not apply to public utilities subject to regulation under "An Act concerning public utilities," approved June 29, 1921, as amended, or to school buses which are operated by public or parochial schools and are engaged solely in the transportation of the pupils who attend such schools.

(c) This Section also applies to a contract carrier transporting employees in the course of their employment on a highway of this State in a vehicle designed to carry 15 or fewer passengers. As part of proof of financial responsibility, a contract carrier transporting employees, including but not limited to railroad employees, in the course of their employment is required to verify hit and run and uninsured motor vehicle coverage, as provided in Section 143a of the Illinois Insurance Code, and underinsured motor vehicle coverage, as provided in Section 143a-2 of the Illinois Insurance Code, in a total amount of not less than $250,000 per passenger, except that beginning on January 1, 2017 the total amount shall be not less than $500,000 per passenger.

(d) This Section shall not apply to any person participating in a ridesharing arrangement or operating a commuter van, but only during the performance of activities authorized by the Ridesharing Arrangements Act.

(e) If the person operating such motor vehicle is not the owner, then proof of financial responsibility filed hereunder must provide that the owner is primarily liable.
(Source: P.A. 94-319, eff. 1-1-06.)

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

Under the rules, the foregoing **Senate Bill No. 2882**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by
Mr. Mapes, Clerk:
Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:
SENATE BILL NO. 3071
A bill for AN ACT concerning public employee benefits.
Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:
House Amendment No. 1 to SENATE BILL NO. 3071
Passed the House, as amended, May 27, 2016.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 3071

AMENDMENT NO. 1. Amend Senate Bill 3071 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Pension Code is amended by changing Sections 22A-109, 22A-111, 22A-113.1, 22A-113.2, and 22A-113.3 as follows:

(40 ILCS 5/22A-109) (from Ch. 108 1/2, par. 22A-109)

Sec. 22A-109. Membership of board. The board shall consist of the following members:

(1) Five trustees appointed by the Governor with the advice and consent of the Senate who may not hold an elective State office.

(2) The Treasurer.

(3) The Comptroller, who shall represent the State Employees' Retirement System of Illinois.

(4) The Chairperson of the General Assembly Retirement System.

(5) The Chairperson of the Judges Retirement System of Illinois.

The appointive members shall serve for terms of 4 years except that the terms of office of the original appointive members pursuant to this amendatory Act of the 96th General Assembly shall be as follows: One member for a term of 1 year; 1 member for a term of 2 years; 1 member for a term of 3 years; and 2 members for a term of 4 years. Vacancies among the appointive members shall be filled for unexpired terms by appointment in like manner as for original appointments, and appointive members shall continue in office until their successors have been appointed and have qualified.

Notwithstanding any provision of this Section to the contrary, the term of office of each trustee of the Board appointed by the Governor who is sitting on the Board on the effective date of this amendatory Act of the 96th General Assembly is terminated on that effective date. A trustee sitting on the board on the effective date of this amendatory Act of the 96th General Assembly may not hold over in office for more than 60 days after the effective date of this amendatory Act of the 96th General Assembly. Nothing in this Section shall prevent the Governor from making a temporary appointment or nominating a trustee holding office on the day before the effective date of this amendatory Act of the 96th General Assembly.

Each person appointed to membership shall qualify by taking an oath of office before the Secretary of State stating that he will diligently and honestly administer the affairs of the board and will not violate or knowingly permit the violation of any provisions of this Article.

Members of the board shall receive no salary for service on the board but shall be reimbursed for travel expenses incurred while on business for the board according to the standards in effect for members of the Illinois Legislative Research Unit.

A majority of the members of the board shall constitute a quorum. The board shall elect from its membership, biennially, a Chairman, Vice Chairman and a Recording Secretary. These officers, together with one other member elected by the board, shall constitute the executive committee. During the interim

between regular meetings of the board, the executive committee shall have authority to conduct all business of the board and shall report such business conducted at the next following meeting of the board for ratification.

No member of the board shall have any interest in any brokerage fee, commission or other profit or gain arising out of any investment made by the board. This paragraph does not preclude ownership by any member of any minority interest in any common stock or any corporate obligation in which investment is made by the board.

The board shall contract for a blanket fidelity bond in the penal sum of not less than $1,000,000.00 to cover members of the board, the director and all other employees of the board conditioned for the faithful performance of the duties of their respective offices, the premium on which shall be paid by the board. ~~The bond shall be filed with the State Treasurer for safekeeping.~~

(Source: P.A. 96-6, eff. 4-3-09.)

(40 ILCS 5/22A-111) (from Ch. 108 1/2, par. 22A-111)

Sec. 22A-111. The Board shall manage the investments of any pension fund, retirement system, or education fund for the purpose of obtaining a total return on investments for the long term. It also shall perform such other functions as may be assigned or directed by the General Assembly.

The authority of the board to manage pension fund investments and the liability shall begin when there has been a physical transfer of the pension fund investments to the board and placed in the custody of the board's custodian ~~State Treasurer~~.

The authority of the board to manage monies from the education fund for investment and the liability of the board shall begin when there has been a physical transfer of education fund investments to the board and placed in the custody of the board's custodian ~~State Treasurer~~.

The board may not delegate its management functions, but it may, but is not required to, arrange to compensate for personalized investment advisory service for any or all investments under its control with any national or state bank or trust company authorized to do a trust business and domiciled in Illinois, other financial institution organized under the laws of Illinois, or an investment advisor who is qualified under Federal Investment Advisors Act of 1940 and is registered under the Illinois Securities Law of 1953. Nothing contained herein shall prevent the Board from subscribing to general investment research services available for purchase or use by others. The Board shall also have the authority to compensate for accounting services.

This Section shall not be construed to prohibit the Illinois State Board of Investment from directly investing pension assets in public market investments, private investments, real estate investments, or other investments authorized by this Code.

(Source: P.A. 96-1554, eff. 3-18-11.)

(40 ILCS 5/22A-113.1) (from Ch. 108 1/2, par. 22A-113.1)

Sec. 22A-113.1. Investable funds.

Each retirement system under the management of the Illinois State Board of Investment shall report to the board from time to time the amounts of funds available for investment. These amounts shall be transferred immediately to the board's custodian or the custodian's ~~State Treasurer or his~~ authorized agent for the account of the board to be applied for investment by the board. Notice to the Illinois State Board of Investment of each such transfer shall be given by the retirement system as the transfer occurs.

(Source: P.A. 78-646.)

(40 ILCS 5/22A-113.2) (from Ch. 108 1/2, par. 22A-113.2)

Sec. 22A-113.2. Custodian ~~State Treasurer~~.

The securities, funds and other assets transferred to the ~~The~~ Illinois State Board of Investment or otherwise acquired by the board shall be placed in the custody of the board's custodian. The custodian shall ~~State Treasurer who shall serve as official custodian of the board,~~ provide adequate safe deposit facilities therefor and hold all such securities, funds and other assets subject to the order of the board.

As soon as may be practicable, but in no event later than December 31, 2016, the board shall appoint and retain a qualified custodian. Until a custodian has been appointed by the board, the State Treasurer shall serve as official custodian of the board.

The custodian ~~State Treasurer~~ shall furnish a corporate surety bond of such amount as the board designates, which bond shall indemnify the board against any loss that may result from any action or failure to act by the custodian ~~Treasurer~~ or any of the custodian's ~~his~~ agents. All charges incidental to the procuring and giving of such bond shall be paid by the board. The bond shall be in the custody of the board.

(Source: P.A. 77-611.)

(40 ILCS 5/22A-113.3) (from Ch. 108 1/2, par. 22A-113.3)

Sec. 22A-113.3. Investable funds of education foundation. The Illinois Bank Examiners' Education Foundation shall report to the board from time to time the amounts of monies available for investment by the board. These amounts shall be transferred promptly to the board's custodian or the custodian's ~~State Treasurer or his~~ authorized agent for the account of the board to be applied for investment by the board. Notice to the board of each such transfer shall be given by the Illinois Bank Examiners' Education Foundation after the transfer occurs.
(Source: P.A. 84-1127.)

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

Under the rules, the foregoing **Senate Bill No. 3071**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by
Mr. Mapes, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 3095

A bill for AN ACT concerning liquor.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 3095

Passed the House, as amended, May 27, 2016.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 3095

AMENDMENT NO. 1. Amend Senate Bill 3095 by replacing everything after the enacting clause with the following:

"Section 5. The Liquor Control Act of 1934 is amended by changing Section 5-1 as follows:
(235 ILCS 5/5-1) (from Ch. 43, par. 115)
Sec. 5-1. Licenses issued by the Illinois Liquor Control Commission shall be of the following classes:
(a) Manufacturer's license - Class 1. Distiller, Class 2. Rectifier, Class 3. Brewer, Class 4. First Class Wine Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6. First Class Winemaker, Class 7. Second Class Winemaker, Class 8. Limited Wine Manufacturer, Class 9. Craft Distiller, Class 10. Class 1 Brewer, Class 11. Class 2 Brewer,
(b) Distributor's license,
(c) Importing Distributor's license,
(d) Retailer's license,
(e) Special Event Retailer's license (not-for-profit),
(f) Railroad license,
(g) Boat license,
(h) Non-Beverage User's license,
(i) Wine-maker's premises license,
(j) Airplane license,
(k) Foreign importer's license,
(l) Broker's license,
(m) Non-resident dealer's license,
(n) Brew Pub license,
(o) Auction liquor license,
(p) Caterer retailer license,
(q) Special use permit license,
(r) Winery shipper's license.
No person, firm, partnership, corporation, or other legal business entity that is engaged in the manufacturing of wine may concurrently obtain and hold a wine-maker's license and a wine manufacturer's license.

(a) A manufacturer's license shall allow the manufacture, importation in bulk, storage, distribution and sale of alcoholic liquor to persons without the State, as may be permitted by law and to licensees in this State as follows:

Class 1. A Distiller may make sales and deliveries of alcoholic liquor to distillers, rectifiers, importing distributors, distributors and non-beverage users and to no other licensees.

Class 2. A Rectifier, who is not a distiller, as defined herein, may make sales and deliveries of alcoholic liquor to rectifiers, importing distributors, distributors, retailers and non-beverage users and to no other licensees.

Class 3. A Brewer may make sales and deliveries of beer to importing distributors and distributors and may make sales as authorized under subsection (e) of Section 6-4 of this Act.

Class 4. A first class wine-manufacturer may make sales and deliveries of up to 50,000 gallons of wine to manufacturers, importing distributors and distributors, and to no other licensees.

Class 5. A second class Wine manufacturer may make sales and deliveries of more than 50,000 gallons of wine to manufacturers, importing distributors and distributors and to no other licensees.

Class 6. A first-class wine-maker's license shall allow the manufacture of up to 50,000 gallons of wine per year, and the storage and sale of such wine to distributors in the State and to persons without the State, as may be permitted by law. A person who, prior to June 1, 2008 (the effective date of Public Act 95-634) ~~this amendatory Act of the 95th General Assembly~~, is a holder of a first-class wine-maker's license and annually produces more than 25,000 gallons of its own wine and who distributes its wine to licensed retailers shall cease this practice on or before July 1, 2008 in compliance with Public Act 95-634 ~~this amendatory Act of the 95th General Assembly~~.

Class 7. A second-class wine-maker's license shall allow the manufacture of between 50,000 and 150,000 gallons of wine per year, and the storage and sale of such wine to distributors in this State and to persons without the State, as may be permitted by law. A person who, prior to June 1, 2008 (the effective date of Public Act 95-634) ~~this amendatory Act of the 95th General Assembly~~, is a holder of a second-class wine-maker's license and annually produces more than 25,000 gallons of its own wine and who distributes its wine to licensed retailers shall cease this practice on or before July 1, 2008 in compliance with Public Act 95-634 ~~this amendatory Act of the 95th General Assembly~~.

Class 8. A limited wine-manufacturer may make sales and deliveries not to exceed 40,000 gallons of wine per year to distributors, and to non-licensees in accordance with the provisions of this Act.

Class 9. A craft distiller license shall allow the manufacture of up to 30,000 gallons of spirits by distillation for one year after March 1, 2013 (the effective date of Public Act 97-1166) ~~this amendatory Act of the 97th General Assembly~~ and up to 35,000 gallons of spirits by distillation per year thereafter and the storage of such spirits. If a craft distiller licensee is not affiliated with any other manufacturer, then the craft distiller licensee may sell such spirits to distributors in this State and up to 2,500 gallons of such spirits to non-licensees to the extent permitted by any exemption approved by the Commission pursuant to Section 6-4 of this Act.

Any craft distiller licensed under this Act who on July 28, 2010 (the effective date of Public Act 96-1367) ~~this amendatory Act of the 96th General Assembly~~ was licensed as a distiller and manufactured no more spirits than permitted by this Section shall not be required to pay the initial licensing fee.

Class 10. A class 1 brewer license, which may only be issued to a licensed brewer or licensed non-resident dealer, shall allow the manufacture of up to 930,000 gallons of beer per year provided that the class 1 brewer licensee does not manufacture more than a combined 930,000 gallons of beer per year and is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 930,000 gallons of beer per year or any other alcoholic liquor. A class 1 brewer licensee may make sales and deliveries to importing distributors and distributors and to retail licensees in accordance with the conditions set forth in paragraph (18) of subsection (a) of Section 3-12 of this Act.

Class 11. A class 2 brewer license, which may only be issued to a licensed brewer or licensed non-resident dealer, shall allow the manufacture of up to 3,720,000 gallons of beer per year provided that the class 2 brewer licensee does not manufacture more than a combined 3,720,000 gallons of beer per year and is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 3,720,000 gallons of beer per year or any other alcoholic liquor. A class 2 brewer licensee may make sales and deliveries to importing distributors and distributors, but shall not make sales or deliveries to any other licensee. If the State Commission provides prior approval, a class 2 brewer licensee may annually transfer up to 3,720,000 gallons of beer manufactured by that class 2 brewer licensee to the premises of a licensed class 2 brewer wholly owned and operated by the same licensee.

(a-1) A manufacturer which is licensed in this State to make sales or deliveries of alcoholic liquor to licensed distributors or importing distributors and which enlists agents, representatives, or individuals

acting on its behalf who contact licensed retailers on a regular and continual basis in this State must register those agents, representatives, or persons acting on its behalf with the State Commission.

Registration of agents, representatives, or persons acting on behalf of a manufacturer is fulfilled by submitting a form to the Commission. The form shall be developed by the Commission and shall include the name and address of the applicant, the name and address of the manufacturer he or she represents, the territory or areas assigned to sell to or discuss pricing terms of alcoholic liquor, and any other questions deemed appropriate and necessary. All statements in the forms required to be made by law or by rule shall be deemed material, and any person who knowingly misstates any material fact under oath in an application is guilty of a Class B misdemeanor. Fraud, misrepresentation, false statements, misleading statements, evasions, or suppression of material facts in the securing of a registration are grounds for suspension or revocation of the registration. The State Commission shall post a list of registered agents on the Commission's website.

(b) A distributor's license shall allow the wholesale purchase and storage of alcoholic liquors and sale of alcoholic liquors to licensees in this State and to persons without the State, as may be permitted by law. No person licensed as a distributor shall be granted a non-resident dealer's license.

(c) An importing distributor's license may be issued to and held by those only who are duly licensed distributors, upon the filing of an application by a duly licensed distributor, with the Commission and the Commission shall, without the payment of any fee, immediately issue such importing distributor's license to the applicant, which shall allow the importation of alcoholic liquor by the licensee into this State from any point in the United States outside this State, and the purchase of alcoholic liquor in barrels, casks or other bulk containers and the bottling of such alcoholic liquors before resale thereof, but all bottles or containers so filled shall be sealed, labeled, stamped and otherwise made to comply with all provisions, rules and regulations governing manufacturers in the preparation and bottling of alcoholic liquors. The importing distributor's license shall permit such licensee to purchase alcoholic liquor from Illinois licensed non-resident dealers and foreign importers only. No person licensed as an importing distributor shall be granted a non-resident dealer's license.

(d) A retailer's license shall allow the licensee to sell and offer for sale at retail, only in the premises specified in the license, alcoholic liquor for use or consumption, but not for resale in any form. Nothing in Public Act 95-634 ~~this amendatory Act of the 95th General Assembly~~ shall deny, limit, remove, or restrict the ability of a holder of a retailer's license to transfer, deliver, or ship alcoholic liquor to the purchaser for use or consumption subject to any applicable local law or ordinance. Any retail license issued to a manufacturer shall only permit the manufacturer to sell beer at retail on the premises actually occupied by the manufacturer. For the purpose of further describing the type of business conducted at a retail licensed premises, a retailer's licensee may be designated by the State Commission as (i) an on premise consumption retailer, (ii) an off premise sale retailer, or (iii) a combined on premise consumption and off premise sale retailer.

Notwithstanding any other provision of this subsection (d), a retail licensee may sell alcoholic liquors to a special event retailer licensee for resale to the extent permitted under subsection (e).

(e) A special event retailer's license (not-for-profit) shall permit the licensee to purchase alcoholic liquors from an Illinois licensed distributor (unless the licensee purchases less than $500 of alcoholic liquors for the special event, in which case the licensee may purchase the alcoholic liquors from a licensed retailer) and shall allow the licensee to sell and offer for sale, at retail, alcoholic liquors for use or consumption, but not for resale in any form and only at the location and on the specific dates designated for the special event in the license. An applicant for a special event retailer license must (i) furnish with the application: (A) a resale number issued under Section 2c of the Retailers' Occupation Tax Act or evidence that the applicant is registered under Section 2a of the Retailers' Occupation Tax Act, (B) a current, valid exemption identification number issued under Section 1g of the Retailers' Occupation Tax Act, and a certification to the Commission that the purchase of alcoholic liquors will be a tax-exempt purchase, or (C) a statement that the applicant is not registered under Section 2a of the Retailers' Occupation Tax Act, does not hold a resale number under Section 2c of the Retailers' Occupation Tax Act, and does not hold an exemption number under Section 1g of the Retailers' Occupation Tax Act, in which event the Commission shall set forth on the special event retailer's license a statement to that effect; (ii) submit with the application proof satisfactory to the State Commission that the applicant will provide dram shop liability insurance in the maximum limits; and (iii) show proof satisfactory to the State Commission that the applicant has obtained local authority approval.

(f) A railroad license shall permit the licensee to import alcoholic liquors into this State from any point in the United States outside this State and to store such alcoholic liquors in this State; to make wholesale purchases of alcoholic liquors directly from manufacturers, foreign importers, distributors and importing distributors from within or outside this State; and to store such alcoholic liquors in this State; provided

that the above powers may be exercised only in connection with the importation, purchase or storage of alcoholic liquors to be sold or dispensed on a club, buffet, lounge or dining car operated on an electric, gas or steam railway in this State; and provided further, that railroad licensees exercising the above powers shall be subject to all provisions of Article VIII of this Act as applied to importing distributors. A railroad license shall also permit the licensee to sell or dispense alcoholic liquors on any club, buffet, lounge or dining car operated on an electric, gas or steam railway regularly operated by a common carrier in this State, but shall not permit the sale for resale of any alcoholic liquors to any licensee within this State. A license shall be obtained for each car in which such sales are made.

(g) A boat license shall allow the sale of alcoholic liquor in individual drinks, on any passenger boat regularly operated as a common carrier on navigable waters in this State or on any riverboat operated under the Riverboat Gambling Act, which boat or riverboat maintains a public dining room or restaurant thereon.

(h) A non-beverage user's license shall allow the licensee to purchase alcoholic liquor from a licensed manufacturer or importing distributor, without the imposition of any tax upon the business of such licensed manufacturer or importing distributor as to such alcoholic liquor to be used by such licensee solely for the non-beverage purposes set forth in subsection (a) of Section 8-1 of this Act, and such licenses shall be divided and classified and shall permit the purchase, possession and use of limited and stated quantities of alcoholic liquor as follows:

Class 1, not to exceed ..... 500 gallons
Class 2, not to exceed ..... 1,000 gallons
Class 3, not to exceed ..... 5,000 gallons
Class 4, not to exceed ..... 10,000 gallons
Class 5, not to exceed ..... 50,000 gallons

(i) A wine-maker's premises license shall allow a licensee that concurrently holds a first-class wine-maker's license to sell and offer for sale at retail in the premises specified in such license not more than 50,000 gallons of the first-class wine-maker's wine that is made at the first-class wine-maker's licensed premises per year for use or consumption, but not for resale in any form. A wine-maker's premises license shall allow a licensee who concurrently holds a second-class wine-maker's license to sell and offer for sale at retail in the premises specified in such license up to 100,000 gallons of the second-class wine-maker's wine that is made at the second-class wine-maker's licensed premises per year for use or consumption but not for resale in any form. A wine-maker's premises license shall allow a licensee that concurrently holds a first-class wine-maker's license or a second-class wine-maker's license to sell and offer for sale at retail at the premises specified in the wine-maker's premises license, for use or consumption but not for resale in any form, any beer, wine, and spirits purchased from a licensed distributor. Upon approval from the State Commission, a wine-maker's premises license shall allow the licensee to sell and offer for sale at (i) the wine-maker's licensed premises and (ii) at up to 2 additional locations for use and consumption and not for resale. Each location shall require additional licensing per location as specified in Section 5-3 of this Act. A wine-maker's premises licensee shall secure liquor liability insurance coverage in an amount at least equal to the maximum liability amounts set forth in subsection (a) of Section 6-21 of this Act.

(j) An airplane license shall permit the licensee to import alcoholic liquors into this State from any point in the United States outside this State and to store such alcoholic liquors in this State; to make wholesale purchases of alcoholic liquors directly from manufacturers, foreign importers, distributors and importing distributors from within or outside this State; and to store such alcoholic liquors in this State; provided that the above powers may be exercised only in connection with the importation, purchase or storage of alcoholic liquors to be sold or dispensed on an airplane; and provided further, that airplane licensees exercising the above powers shall be subject to all provisions of Article VIII of this Act as applied to importing distributors. An airplane licensee shall also permit the sale or dispensing of alcoholic liquors on any passenger airplane regularly operated by a common carrier in this State, but shall not permit the sale for resale of any alcoholic liquors to any licensee within this State. A single airplane license shall be required of an airline company if liquor service is provided on board aircraft in this State. The annual fee for such license shall be as determined in Section 5-3.

(k) A foreign importer's license shall permit such licensee to purchase alcoholic liquor from Illinois licensed non-resident dealers only, and to import alcoholic liquor other than in bulk from any point outside the United States and to sell such alcoholic liquor to Illinois licensed importing distributors and to no one else in Illinois; provided that (i) the foreign importer registers with the State Commission every brand of alcoholic liquor that it proposes to sell to Illinois licensees during the license period, (ii) the foreign importer complies with all of the provisions of Section 6-9 of this Act with respect to registration of such Illinois licensees as may be granted the right to sell such brands at wholesale, and (iii) the foreign importer

complies with the provisions of Sections 6-5 and 6-6 of this Act to the same extent that these provisions apply to manufacturers.

(l) (i) A broker's license shall be required of all persons who solicit orders for, offer to sell or offer to supply alcoholic liquor to retailers in the State of Illinois, or who offer to retailers to ship or cause to be shipped or to make contact with distillers, rectifiers, brewers or manufacturers or any other party within or without the State of Illinois in order that alcoholic liquors be shipped to a distributor, importing distributor or foreign importer, whether such solicitation or offer is consummated within or without the State of Illinois.

No holder of a retailer's license issued by the Illinois Liquor Control Commission shall purchase or receive any alcoholic liquor, the order for which was solicited or offered for sale to such retailer by a broker unless the broker is the holder of a valid broker's license.

The broker shall, upon the acceptance by a retailer of the broker's solicitation of an order or offer to sell or supply or deliver or have delivered alcoholic liquors, promptly forward to the Illinois Liquor Control Commission a notification of said transaction in such form as the Commission may by regulations prescribe.

(ii) A broker's license shall be required of a person within this State, other than a retail licensee, who, for a fee or commission, promotes, solicits, or accepts orders for alcoholic liquor, for use or consumption and not for resale, to be shipped from this State and delivered to residents outside of this State by an express company, common carrier, or contract carrier. This Section does not apply to any person who promotes, solicits, or accepts orders for wine as specifically authorized in Section 6-29 of this Act.

A broker's license under this subsection (l) shall not entitle the holder to buy or sell any alcoholic liquors for his own account or to take or deliver title to such alcoholic liquors.

This subsection (l) shall not apply to distributors, employees of distributors, or employees of a manufacturer who has registered the trademark, brand or name of the alcoholic liquor pursuant to Section 6-9 of this Act, and who regularly sells such alcoholic liquor in the State of Illinois only to its registrants thereunder.

Any agent, representative, or person subject to registration pursuant to subsection (a-1) of this Section shall not be eligible to receive a broker's license.

(m) A non-resident dealer's license shall permit such licensee to ship into and warehouse alcoholic liquor into this State from any point outside of this State, and to sell such alcoholic liquor to Illinois licensed foreign importers and importing distributors and to no one else in this State; provided that (i) said non-resident dealer shall register with the Illinois Liquor Control Commission each and every brand of alcoholic liquor which it proposes to sell to Illinois licensees during the license period, (ii) it shall comply with all of the provisions of Section 6-9 hereof with respect to registration of such Illinois licensees as may be granted the right to sell such brands at wholesale, and (iii) the non-resident dealer shall comply with the provisions of Sections 6-5 and 6-6 of this Act to the same extent that these provisions apply to manufacturers. <u>No person licensed as a non-resident dealer shall be granted a distributor's or importing distributor's license.</u>

(n) A brew pub license shall allow the licensee to only (i) manufacture up to 155,000 gallons of beer per year only on the premises specified in the license, (ii) make sales of the beer manufactured on the premises or, with the approval of the Commission, beer manufactured on another brew pub licensed premises that is wholly owned and operated by the same licensee to importing distributors, distributors, and to non-licensees for use and consumption, (iii) store the beer upon the premises, (iv) sell and offer for sale at retail from the licensed premises for off-premises consumption no more than 155,000 gallons per year so long as such sales are only made in-person, (v) sell and offer for sale at retail for use and consumption on the premises specified in the license any form of alcoholic liquor purchased from a licensed distributor or importing distributor, and (vi) with the prior approval of the Commission, annually transfer no more than 155,000 gallons of beer manufactured on the premises to a licensed brew pub wholly owned and operated by the same licensee.

A brew pub licensee shall not under any circumstance sell or offer for sale beer manufactured by the brew pub licensee to retail licensees.

A person who holds a class 2 brewer license may simultaneously hold a brew pub license if the class 2 brewer (i) does not, under any circumstance, sell or offer for sale beer manufactured by the class 2 brewer to retail licensees; (ii) does not hold more than 3 brew pub licenses in this State; (iii) does not manufacture more than a combined 3,720,000 gallons of beer per year, including the beer manufactured at the brew pub; and (iv) is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 3,720,000 gallons of beer per year or any other alcoholic liquor.

Notwithstanding any other provision of this Act, a licensed brewer, class 2 brewer, or non-resident dealer who before July 1, 2015 manufactured less than ~~than~~ 3,720,000 gallons of beer per year and held a

brew pub license on or before July 1, 2015 may (i) continue to qualify for and hold that brew pub license for the licensed premises and (ii) manufacture more than 3,720,000 gallons of beer per year and continue to qualify for and hold that brew pub license if that brewer, class 2 brewer, or non-resident dealer does not simultaneously hold a class 1 brewer license and is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 3,720,000 gallons of beer per year or that produces any other alcoholic liquor.

(o) A caterer retailer license shall allow the holder to serve alcoholic liquors as an incidental part of a food service that serves prepared meals which excludes the serving of snacks as the primary meal, either on or off-site whether licensed or unlicensed.

(p) An auction liquor license shall allow the licensee to sell and offer for sale at auction wine and spirits for use or consumption, or for resale by an Illinois liquor licensee in accordance with provisions of this Act. An auction liquor license will be issued to a person and it will permit the auction liquor licensee to hold the auction anywhere in the State. An auction liquor license must be obtained for each auction at least 14 days in advance of the auction date.

(q) A special use permit license shall allow an Illinois licensed retailer to transfer a portion of its alcoholic liquor inventory from its retail licensed premises to the premises specified in the license hereby created, and to sell or offer for sale at retail, only in the premises specified in the license hereby created, the transferred alcoholic liquor for use or consumption, but not for resale in any form. A special use permit license may be granted for the following time periods: one day or less; 2 or more days to a maximum of 15 days per location in any 12 month period. An applicant for the special use permit license must also submit with the application proof satisfactory to the State Commission that the applicant will provide dram shop liability insurance to the maximum limits and have local authority approval.

(r) A winery shipper's license shall allow a person with a first-class or second-class wine manufacturer's license, a first-class or second-class wine-maker's license, or a limited wine manufacturer's license or who is licensed to make wine under the laws of another state to ship wine made by that licensee directly to a resident of this State who is 21 years of age or older for that resident's personal use and not for resale. Prior to receiving a winery shipper's license, an applicant for the license must provide the Commission with a true copy of its current license in any state in which it is licensed as a manufacturer of wine. An applicant for a winery shipper's license must also complete an application form that provides any other information the Commission deems necessary. The application form shall include an acknowledgement consenting to the jurisdiction of the Commission, the Illinois Department of Revenue, and the courts of this State concerning the enforcement of this Act and any related laws, rules, and regulations, including authorizing the Department of Revenue and the Commission to conduct audits for the purpose of ensuring compliance with Public Act 95-634 ~~this amendatory Act~~.

A winery shipper licensee must pay to the Department of Revenue the State liquor gallonage tax under Section 8-1 for all wine that is sold by the licensee and shipped to a person in this State. For the purposes of Section 8-1, a winery shipper licensee shall be taxed in the same manner as a manufacturer of wine. A licensee who is not otherwise required to register under the Retailers' Occupation Tax Act must register under the Use Tax Act to collect and remit use tax to the Department of Revenue for all gallons of wine that are sold by the licensee and shipped to persons in this State. If a licensee fails to remit the tax imposed under this Act in accordance with the provisions of Article VIII of this Act, the winery shipper's license shall be revoked in accordance with the provisions of Article VII of this Act. If a licensee fails to properly register and remit tax under the Use Tax Act or the Retailers' Occupation Tax Act for all wine that is sold by the winery shipper and shipped to persons in this State, the winery shipper's license shall be revoked in accordance with the provisions of Article VII of this Act.

A winery shipper licensee must collect, maintain, and submit to the Commission on a semi-annual basis the total number of cases per resident of wine shipped to residents of this State. A winery shipper licensed under this subsection (r) must comply with the requirements of Section 6-29 of this ~~amendatory~~ Act.

Pursuant to paragraph (5.1) or (5.3) of subsection (a) of Section 3-12, the State Commission may receive, respond to, and investigate any complaint and impose any of the remedies specified in paragraph (1) of subsection (a) of Section 3-12.

(Source: P.A. 98-394, eff. 8-16-13; 98-401, eff. 8-16-13; 98-756, eff. 7-16-14; 99-448, eff. 8-24-15; revised 10-27-15.)

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

Under the rules, the foregoing **Senate Bill No. 3095**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by

Mr. Mapes, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 3162

A bill for AN ACT concerning courts.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 3 to SENATE BILL NO. 3162

Passed the House, as amended, May 27, 2016.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 3 TO SENATE BILL 3162

AMENDMENT NO. 3. Amend Senate Bill 3162 on page 1, by inserting immediately below line 3 the following:

"Section 3. The Counties Code is amended by changing Section 5-39001 as follows:

(55 ILCS 5/5-39001) (from Ch. 34, par. 5-39001)

Sec. 5-39001. Establishment and use; fee. The county board of any county may establish and maintain a county law library, to be located in any county building or privately or publicly owned building at the county seat of government. The term "county building" includes premises leased by the county from a public building commission created under the Public Building Commission Act. After August 2, 1976, the county board of any county may establish and maintain a county law library at the county seat of government and, in addition, branch law libraries in other locations within that county as the county board deems necessary.

The facilities of those libraries shall be freely available to all licensed Illinois attorneys, judges, other public officers of the county, and all members of the public, whenever the court house is open, and may include self-help centers and other legal assistance programs for the public as part of the services it provides on-site and online.

The expense of establishing and maintaining those libraries shall be borne by the county. To defray that expense, including the expense of any attendant self-help centers and legal assistance programs, in any county having established a county law library or libraries, the clerk of all trial courts located at the county seat of government shall charge and collect a county law library fee of $2, and the county board may authorize a county law library fee of not to exceed $21 through December 31, 2021 and $20 on and after January 1, 2022 ~~(i) $18 in 2009, (ii) $19 in 2010, and (iii) $21 in 2011 and thereafter~~, to be charged and collected by the clerks of all trial courts located in the county. The fee shall be paid at the time of filing the first pleading, paper, or other appearance filed by each party in all civil cases, but no additional fee shall be required if more than one party is represented in a single pleading, paper, or other appearance.

Each clerk shall commence those charges and collections upon receipt of written notice from the chairman of the county board that the board has acted under this Division to establish and maintain a law library.

The fees shall be in addition to all other fees and charges of the clerks, assessable as costs, remitted by the clerks monthly to the county treasurer, and retained by the county treasurer in a special fund designated as the County Law Library Fund. Except as otherwise provided in this paragraph, disbursements from the fund shall be by the county treasurer, on order of a majority of the resident circuit judges of the circuit court of the county. In any county with more than 2,000,000 inhabitants, the county board shall order disbursements from the fund and the presiding officer of the county board, with the advice and consent of the county board, may appoint a library committee of not less than 9 members, who, by majority vote, may recommend to the county board as to disbursements of the fund and the operation of the library. In single county circuits with 2,000,000 or fewer inhabitants, disbursements from the County Law Library Fund shall be made by the county treasurer on the order of the chief judge of the circuit court of the county. In those single county circuits, the number of personnel necessary to operate and maintain the county law library shall be set by and those personnel shall be appointed by the chief judge. The county law library personnel shall serve at the pleasure of the appointing authority. The salaries of those personnel shall be fixed by the county board of the county. Orders shall be pre-audited, funds shall be audited by the county auditor, and a report of the orders and funds shall be rendered to the county board and to the judges.

Fees shall not be charged in any criminal or quasi-criminal case, in any matter coming to the clerk on change of venue, or in any proceeding to review the decision of any administrative officer, agency, or body.

No moneys distributed from the County Law Library Fund may be directly or indirectly used for lobbying activities, as defined in Section 2 of the Lobbyist Registration Act or as defined in any ordinance or resolution of a municipality, county, or other unit of local government in Illinois.
(Source: P.A. 98-351, eff. 8-15-13.)"; and

on page 1, by replacing line 5 with the following:

"Sections 27.1a, 27.2, 27.2a, 27.3a, 27.7, and 28 as follows:

(705 ILCS 105/27.1a) (from Ch. 25, par. 27.1a)

Sec. 27.1a. The fees of the clerks of the circuit court in all counties having a population of not more than 500,000 inhabitants in the instances described in this Section shall be as provided in this Section. In those instances where a minimum and maximum fee is stated, the clerk of the circuit court must charge the minimum fee listed and may charge up to the maximum fee if the county board has by resolution increased the fee. The fees shall be paid in advance and shall be as follows:

(a) Civil Cases.

With the following exceptions, the ~~The~~ fee for filing a complaint, petition, or other pleading initiating a civil action~~, with the following exceptions,~~ shall be a minimum of $40 and shall be a maximum of $160 through December 31, 2021 and a maximum of $154 on and after January 1, 2022.

(A) When the amount of money or damages or the value of personal property claimed does not exceed $250, $10.

(B) When that amount exceeds $250 but does not exceed $500, a minimum of $10 and a maximum of $20.

(C) When that amount exceeds $500 but does not exceed $2500, a minimum of $25 and a maximum of $40.

(D) When that amount exceeds $2500 but does not exceed $15,000, a minimum of $25 and a maximum of $75.

(E) For the exercise of eminent domain, a minimum of $45 and a maximum of $150. For each additional lot or tract of land or right or interest therein subject to be condemned, the damages in respect to which shall require separate assessment by a jury, a minimum of $45 and a maximum of $150.

(a-1) Family.

For filing a petition under the Juvenile Court Act of 1987, $25.

For filing a petition for a marriage license, $10.

For performing a marriage in court, $10.

For filing a petition under the Illinois Parentage Act of 2015, $40.

(b) Forcible Entry and Detainer.

In each forcible entry and detainer case when the plaintiff seeks possession only or unites with his or her claim for possession of the property a claim for rent or damages or both in the amount of $15,000 or less, a minimum of $10 and a maximum of $50. When the plaintiff unites his or her claim for possession with a claim for rent or damages or both exceeding $15,000, a minimum of $40 and a maximum of $160.

(c) Counterclaim or Joining Third Party Defendant.

When any defendant files a counterclaim as part of his or her answer or otherwise or joins another party as a third party defendant, or both, the defendant shall pay a fee for each counterclaim or third party action in an amount equal to the fee he or she would have had to pay had he or she brought a separate action for the relief sought in the counterclaim or against the third party defendant, less the amount of the appearance fee, if that has been paid.

(d) Confession of Judgment.

In a confession of judgment when the amount does not exceed $1500, a minimum of $20 and a maximum of $50. When the amount exceeds $1500, but does not exceed $15,000, a minimum of $40 and a maximum of $115. When the amount exceeds $15,000, a minimum of $40 and a maximum of $200.

(e) Appearance.

The fee for filing an appearance in each civil case shall be a minimum of $15 and a maximum of $60, except as follows:

(A) When the plaintiff in a forcible entry and detainer case seeks possession only, a minimum of $10 and a maximum of $50.

(B) When the amount in the case does not exceed $1500, a minimum of $10 and a maximum of $30.

(C) When that amount exceeds $1500 but does not exceed $15,000, a minimum of $15 and a maximum of $60.

(f) Garnishment, Wage Deduction, and Citation.

In garnishment affidavit, wage deduction affidavit, and citation petition when the amount does not exceed $1,000, a minimum of $5 and a maximum of $15; when the amount exceeds $1,000 but does not exceed $5,000, a minimum of $5 and a maximum of $30; and when the amount exceeds $5,000, a minimum of $5 and a maximum of $50.

(g) Petition to Vacate or Modify.

(1) Petition to vacate or modify any final judgment or order of court, except in forcible entry and detainer cases and small claims cases or a petition to reopen an estate, to modify, terminate, or enforce a judgment or order for child or spousal support, or to modify, suspend, or terminate an order for withholding, if filed before 30 days after the entry of the judgment or order, a minimum of $20 and a maximum of $50.

(2) Petition to vacate or modify any final judgment or order of court, except a petition to modify, terminate, or enforce a judgment or order for child or spousal support or to modify, suspend, or terminate an order for withholding, if filed later than 30 days after the entry of the judgment or order, a minimum of $20 and a maximum of $75.

(3) Petition to vacate order of bond forfeiture, a minimum of $10 and a maximum of $40.

(h) Mailing.

When the clerk is required to mail, the fee will be a minimum of $2 and a maximum of $10, plus the cost of postage.

(i) Certified Copies.

Each certified copy of a judgment after the first, except in small claims and forcible entry and detainer cases, a minimum of $2 and a maximum of $10.

(j) Habeas Corpus.

For filing a petition for relief by habeas corpus, a minimum of $60 and a maximum of $100.

(k) Certification, Authentication, and Reproduction.

(1) Each certification or authentication for taking the acknowledgment of a deed or other instrument in writing with the seal of office, a minimum of $2 and a maximum of $6.

(2) Court appeals when original documents are forwarded, under 100 pages, plus delivery and costs, a minimum of $20 and a maximum of $60.

(3) Court appeals when original documents are forwarded, over 100 pages, plus delivery and costs, a minimum of $50 and a maximum of $150.

(4) Court appeals when original documents are forwarded, over 200 pages, an additional fee of a minimum of 20 cents and a maximum of 25 cents per page.

(5) For reproduction of any document contained in the clerk's files:

(A) First page, a minimum of $1 and a maximum of $2.

(B) Next 19 pages, 50 cents per page.

(C) All remaining pages, 25 cents per page.

(l) Remands.

In any cases remanded to the Circuit Court from the Supreme Court or the Appellate Court for a new trial, the clerk shall file the remanding order and reinstate the case with either its original number or a new number. The Clerk shall not charge any new or additional fee for the reinstatement. Upon reinstatement the Clerk shall advise the parties of the reinstatement. A party shall have the same right to a jury trial on remand and reinstatement as he or she had before the appeal, and no additional or new fee or charge shall be made for a jury trial after remand.

(m) Record Search.

For each record search, within a division or municipal district, the clerk shall be entitled to a search fee of a minimum of $4 and a maximum of $6 for each year searched.

(n) Hard Copy.

For each page of hard copy print output, when case records are maintained on an automated medium, the clerk shall be entitled to a fee of a minimum of $4 and a maximum of $6.

(o) Index Inquiry and Other Records.

No fee shall be charged for a single plaintiff/defendant index inquiry or single case

record inquiry when this request is made in person and the records are maintained in a current automated medium, and when no hard copy print output is requested. The fees to be charged for management records, multiple case records, and multiple journal records may be specified by the Chief Judge pursuant to the guidelines for access and dissemination of information approved by the Supreme Court.

(p) (Blank).

(q) Alias Summons.

For each alias summons or citation issued by the clerk, a minimum of $2 and a maximum of $5.

(r) Other Fees.

Any fees not covered in this Section shall be set by rule or administrative order of the Circuit Court with the approval of the Administrative Office of the Illinois Courts.

The clerk of the circuit court may provide additional services for which there is no fee specified by statute in connection with the operation of the clerk's office as may be requested by the public and agreed to by the clerk and approved by the chief judge of the circuit court. Any charges for additional services shall be as agreed to between the clerk and the party making the request and approved by the chief judge of the circuit court. Nothing in this subsection shall be construed to require any clerk to provide any service not otherwise required by law.

(s) Jury Services.

The clerk shall be entitled to receive, in addition to other fees allowed by law, the sum of a minimum of $62.50 and a maximum of $212.50, as a fee for the services of a jury in every civil action not quasi-criminal in its nature and not a proceeding for the exercise of the right of eminent domain and in every other action wherein the right of trial by jury is or may be given by law. The jury fee shall be paid by the party demanding a jury at the time of filing the jury demand. If the fee is not paid by either party, no jury shall be called in the action or proceeding, and the same shall be tried by the court without a jury.

(t) Voluntary Assignment.

For filing each deed of voluntary assignment, a minimum of $10 and a maximum of $20; for recording the same, a minimum of 25 cents and a maximum of 50 cents for each 100 words. Exceptions filed to claims presented to an assignee of a debtor who has made a voluntary assignment for the benefit of creditors shall be considered and treated, for the purpose of taxing costs therein, as actions in which the party or parties filing the exceptions shall be considered as party or parties plaintiff, and the claimant or claimants as party or parties defendant, and those parties respectively shall pay to the clerk the same fees as provided by this Section to be paid in other actions.

(u) Expungement Petition.

The clerk shall be entitled to receive a fee of a minimum of $15 and a maximum of $60 for each expungement petition filed and an additional fee of a minimum of $2 and a maximum of $4 for each certified copy of an order to expunge arrest records.

(v) Probate.

The clerk is entitled to receive the fees specified in this subsection (v), which shall be paid in advance, except that, for good cause shown, the court may suspend, reduce, or release the costs payable under this subsection:

(1) For administration of the estate of a decedent (whether testate or intestate) or of a missing person, a minimum of $50 and a maximum of $150, plus the fees specified in subsection (v)(3), except:

(A) When the value of the real and personal property does not exceed $15,000, the fee shall be a minimum of $25 and a maximum of $40.

(B) When (i) proof of heirship alone is made, (ii) a domestic or foreign will is admitted to probate without administration (including proof of heirship), or (iii) letters of office are issued for a particular purpose without administration of the estate, the fee shall be a minimum of $10 and a maximum of $40.

(C) For filing a petition to sell Real Estate, $50.

(2) For administration of the estate of a ward, a minimum of $50 and a maximum of $75, plus the fees specified in subsection (v)(3), except:

(A) When the value of the real and personal property does not exceed $15,000, the fee shall be a minimum of $25 and a maximum of $40.

(B) When (i) letters of office are issued to a guardian of the person or persons, but not of the estate or (ii) letters of office are issued in the estate of a ward without administration of the estate, including filing or joining in the filing of a tax return or releasing a mortgage or consenting to the marriage of the ward, the fee shall be a minimum of $10 and a maximum of $20.

(C) For filing a Petition to sell Real Estate, $50.

(3) In addition to the fees payable under subsection (v)(1) or (v)(2) of this Section, the following fees are payable:

(A) For each account (other than one final account) filed in the estate of a decedent, or ward, a minimum of $10 and a maximum of $25.

(B) For filing a claim in an estate when the amount claimed is $150 or more but less than $500, a minimum of $10 and a maximum of $25; when the amount claimed is $500 or more but less than $10,000, a minimum of $10 and a maximum of $40; when the amount claimed is $10,000 or more, a minimum of $10 and a maximum of $60; provided that the court in allowing a claim may add to the amount allowed the filing fee paid by the claimant.

(C) For filing in an estate a claim, petition, or supplemental proceeding based upon an action seeking equitable relief including the construction or contest of a will, enforcement of a contract to make a will, and proceedings involving testamentary trusts or the appointment of testamentary trustees, a minimum of $40 and a maximum of $60.

(D) For filing in an estate (i) the appearance of any person for the purpose of consent or (ii) the appearance of an executor, administrator, administrator to collect, guardian, guardian ad litem, or special administrator, no fee.

(E) Except as provided in subsection (v)(3)(D), for filing the appearance of any person or persons, a minimum of $10 and a maximum of $30.

(F) For each jury demand, a minimum of $62.50 and a maximum of $137.50.

(G) For disposition of the collection of a judgment or settlement of an action or claim for wrongful death of a decedent or of any cause of action of a ward, when there is no other administration of the estate, a minimum of $30 and a maximum of $50, less any amount paid under subsection (v)(1)(B) or (v)(2)(B) except that if the amount involved does not exceed $5,000, the fee, including any amount paid under subsection (v)(1)(B) or (v)(2)(B), shall be a minimum of $10 and a maximum of $20.

(H) For each certified copy of letters of office, of court order or other certification, a minimum of $1 and a maximum of $2, plus a minimum of 50 cents and a maximum of $1 per page in excess of 3 pages for the document certified.

(I) For each exemplification, a minimum of $1 and a maximum of $2, plus the fee for certification.

(4) The executor, administrator, guardian, petitioner, or other interested person or his or her attorney shall pay the cost of publication by the clerk directly to the newspaper.

(5) The person on whose behalf a charge is incurred for witness, court reporter, appraiser, or other miscellaneous fee shall pay the same directly to the person entitled thereto.

(6) The executor, administrator, guardian, petitioner, or other interested person or his or her attorney shall pay to the clerk all postage charges incurred by the clerk in mailing petitions, orders, notices, or other documents pursuant to the provisions of the Probate Act of 1975.

(w) Criminal and Quasi-Criminal Costs and Fees.

(1) The clerk shall be entitled to costs in all criminal and quasi-criminal cases from each person convicted or sentenced to supervision therein as follows:

(A) Felony complaints, a minimum of $40 and a maximum of $100.

(B) Misdemeanor complaints, a minimum of $25 and a maximum of $75.

(C) Business offense complaints, a minimum of $25 and a maximum of $75.

(D) Petty offense complaints, a minimum of $25 and a maximum of $75.

(E) Minor traffic or ordinance violations, $10.

(F) When court appearance required, $15.

(G) Motions to vacate or amend final orders, a minimum of $20 and a maximum of $40.

(H) Motions to vacate bond forfeiture orders, a minimum of $20 and a maximum of $40.

(I) Motions to vacate ex parte judgments, whenever filed, a minimum of $20 and a maximum of $40.

(J) Motions to vacate judgment on forfeitures, whenever filed, a minimum of $20 and a maximum of $40.

(K) Motions to vacate "failure to appear" or "failure to comply" notices sent to the Secretary of State, a minimum of $20 and a maximum of $40.

(2) In counties having a population of not more than 500,000 inhabitants, when the violation complaint is issued by a municipal police department, the clerk shall be entitled to costs from each person convicted therein as follows:

(A) Minor traffic or ordinance violations, $10.

(B) When court appearance required, $15.

(3) In ordinance violation cases punishable by fine only, the clerk of the circuit court shall be entitled to receive, unless the fee is excused upon a finding by the court that the defendant is indigent, in addition to other fees or costs allowed or imposed by law, the sum of a minimum of $62.50 and a maximum of $137.50 as a fee for the services of a jury. The jury fee shall be paid by the defendant at the time of filing his or her jury demand. If the fee is not so paid by the defendant, no jury shall be called, and the case shall be tried by the court without a jury.

(x) Transcripts of Judgment.

For the filing of a transcript of judgment, the clerk shall be entitled to the same fee as if it were the commencement of a new suit.

(y) Change of Venue.

(1) For the filing of a change of case on a change of venue, the clerk shall be entitled to the same fee as if it were the commencement of a new suit.

(2) The fee for the preparation and certification of a record on a change of venue to another jurisdiction, when original documents are forwarded, a minimum of $10 and a maximum of $40.

(z) Tax objection complaints.

For each tax objection complaint containing one or more tax objections, regardless of the number of parcels involved or the number of taxpayers joining on the complaint, a minimum of $10 and a maximum of $50.

(aa) Tax Deeds.

(1) Petition for tax deed, if only one parcel is involved, a minimum of $45 and a maximum of $200.

(2) For each additional parcel, add a fee of a minimum of $10 and a maximum of $60.

(bb) Collections.

(1) For all collections made of others, except the State and county and except in maintenance or child support cases, a sum equal to a minimum of 2% and a maximum of 2.5% of the amount collected and turned over.

(2) Interest earned on any funds held by the clerk shall be turned over to the county general fund as an earning of the office.

(3) For any check, draft, or other bank instrument returned to the clerk for non-sufficient funds, account closed, or payment stopped, $25.

(4) In child support and maintenance cases, the clerk, if authorized by an ordinance of the county board, may collect an annual fee of up to $36 from the person making payment for maintaining child support records and the processing of support orders to the State of Illinois KIDS system and the recording of payments issued by the State Disbursement Unit for the official record of the Court. This fee shall be in addition to and separate from amounts ordered to be paid as maintenance or child support and shall be deposited into a Separate Maintenance and Child Support Collection Fund, of which the clerk shall be the custodian, ex-officio, to be used by the clerk to maintain child support orders and record all payments issued by the State Disbursement Unit for the official record of the Court. The clerk may recover from the person making the maintenance or child support payment any additional cost incurred in the collection of this annual fee.

The clerk shall also be entitled to a fee of $5 for certifications made to the Secretary of State as provided in Section 7-703 of the Family Financial Responsibility Law and these fees shall also be deposited into the Separate Maintenance and Child Support Collection Fund.

(cc) Corrections of Numbers.

For correction of the case number, case title, or attorney computer identification number, if required by rule of court, on any document filed in the clerk's office, to be charged against the party that filed the document, a minimum of $10 and a maximum of $25.

(dd) Exceptions.

(1) The fee requirements of this Section shall not apply to police departments or other law enforcement agencies. In this Section, "law enforcement agency" means an agency of the State or a unit of local government which is vested by law or ordinance with the duty to maintain public order and to enforce criminal laws or ordinances. "Law enforcement agency" also means the Attorney General or any state's attorney.

(2) No fee provided herein shall be charged to any unit of local government or school district.

(3) The fee requirements of this Section shall not apply to any action instituted under

subsection (b) of Section 11-31-1 of the Illinois Municipal Code by a private owner or tenant of real property within 1200 feet of a dangerous or unsafe building seeking an order compelling the owner or owners of the building to take any of the actions authorized under that subsection.

(4) The fee requirements of this Section shall not apply to the filing of any commitment petition or petition for an order authorizing the administration of psychotropic medication or electroconvulsive therapy under the Mental Health and Developmental Disabilities Code.

(ee) Adoptions.

(1) For an adoption.....$65

(2) Upon good cause shown, the court may waive the adoption filing fee in a special needs adoption. The term "special needs adoption" shall have the meaning ascribed to it by the Illinois Department of Children and Family Services.

(ff) Adoption exemptions.

No fee other than that set forth in subsection (ee) shall be charged to any person in connection with an adoption proceeding nor may any fee be charged for proceedings for the appointment of a confidential intermediary under the Adoption Act.

(Source: P.A. 99-85, eff. 1-1-16.)

(705 ILCS 105/27.2) (from Ch. 25, par. 27.2)

Sec. 27.2. The fees of the clerks of the circuit court in all counties having a population in excess of 500,000 inhabitants but less than 3,000,000 inhabitants in the instances described in this Section shall be as provided in this Section. In those instances where a minimum and maximum fee is stated, counties with more than 500,000 inhabitants but less than 3,000,000 inhabitants must charge the minimum fee listed in this Section and may charge up to the maximum fee if the county board has by resolution increased the fee. In addition, the minimum fees authorized in this Section shall apply to all units of local government and school districts in counties with more than 3,000,000 inhabitants. The fees shall be paid in advance and shall be as follows:

(a) Civil Cases.

With the following exceptions, the ~~The~~ fee for filing a complaint, petition, or other pleading initiating a civil action~~, with the following exceptions,~~ shall be a minimum of $150 and shall be a maximum of $190 through December 31, 2021 and a maximum of $184 on and after January 1, 2022.

(A) When the amount of money or damages or the value of personal property claimed does not exceed $250, a minimum of $10 and a maximum of $15.

(B) When that amount exceeds $250 but does not exceed $1,000, a minimum of $20 and a maximum of $40.

(C) When that amount exceeds $1,000 but does not exceed $2500, a minimum of $30 and a maximum of $50.

(D) When that amount exceeds $2500 but does not exceed $5,000, a minimum of $75 and a maximum of $100.

(D-5) When the amount exceeds $5,000 but does not exceed $15,000, a minimum of $75 and a maximum of $150.

(E) For the exercise of eminent domain, $150. For each additional lot or tract of land or right or interest therein subject to be condemned, the damages in respect to which shall require separate assessment by a jury, $150.

(F) No fees shall be charged by the clerk to a petitioner in any order of protection including, but not limited to, filing, modifying, withdrawing, certifying, or photocopying petitions for orders of protection, or for issuing alias summons, or for any related filing service, certifying, modifying, vacating, or photocopying any orders of protection.

(b) Forcible Entry and Detainer.

In each forcible entry and detainer case when the plaintiff seeks possession only or unites with his or her claim for possession of the property a claim for rent or damages or both in the amount of $15,000 or less, a minimum of $40 and a maximum of $75. When the plaintiff unites his or her claim for possession with a claim for rent or damages or both exceeding $15,000, a minimum of $150 and a maximum of $225.

(c) Counterclaim or Joining Third Party Defendant.

When any defendant files a counterclaim as part of his or her answer or otherwise or joins another party as a third party defendant, or both, the defendant shall pay a fee for each counterclaim or third party action in an amount equal to the fee he or she would have had to pay had he or she brought a separate action for the relief sought in the counterclaim or against the third party defendant, less the amount of the appearance fee, if that has been paid.

(d) Confession of Judgment.

In a confession of judgment when the amount does not exceed $1500, a minimum of $50 and a maximum of $60. When the amount exceeds $1500, but does not exceed $5,000, $75. When the amount exceeds $5,000, but does not exceed $15,000, $175. When the amount exceeds $15,000, a minimum of $200 and a maximum of $250.

(e) Appearance.

The fee for filing an appearance in each civil case shall be a minimum of $50 and a maximum of $75, except as follows:

(A) When the plaintiff in a forcible entry and detainer case seeks possession only, a minimum of $20 and a maximum of $40.

(B) When the amount in the case does not exceed $1500, a minimum of $20 and a maximum of $40.

(C) When the amount in the case exceeds $1500 but does not exceed $15,000, a minimum of $40 and a maximum of $60.

(f) Garnishment, Wage Deduction, and Citation.

In garnishment affidavit, wage deduction affidavit, and citation petition when the amount does not exceed $1,000, a minimum of $10 and a maximum of $15; when the amount exceeds $1,000 but does not exceed $5,000, a minimum of $20 and a maximum of $30; and when the amount exceeds $5,000, a minimum of $30 and a maximum of $50.

(g) Petition to Vacate or Modify.

(1) Petition to vacate or modify any final judgment or order of court, except in forcible entry and detainer cases and small claims cases or a petition to reopen an estate, to modify, terminate, or enforce a judgment or order for child or spousal support, or to modify, suspend, or terminate an order for withholding, if filed before 30 days after the entry of the judgment or order, a minimum of $40 and a maximum of $50.

(2) Petition to vacate or modify any final judgment or order of court, except a petition to modify, terminate, or enforce a judgment or order for child or spousal support or to modify, suspend, or terminate an order for withholding, if filed later than 30 days after the entry of the judgment or order, a minimum of $60 and a maximum of $75.

(3) Petition to vacate order of bond forfeiture, a minimum of $20 and a maximum of $40.

(h) Mailing.

When the clerk is required to mail, the fee will be a minimum of $6 and a maximum of $10, plus the cost of postage.

(i) Certified Copies.

Each certified copy of a judgment after the first, except in small claims and forcible entry and detainer cases, a minimum of $10 and a maximum of $15.

(j) Habeas Corpus.

For filing a petition for relief by habeas corpus, a minimum of $80 and a maximum of $125.

(k) Certification, Authentication, and Reproduction.

(1) Each certification or authentication for taking the acknowledgment of a deed or other instrument in writing with the seal of office, a minimum of $4 and a maximum of $6.

(2) Court appeals when original documents are forwarded, under 100 pages, plus delivery and costs, a minimum of $50 and a maximum of $75.

(3) Court appeals when original documents are forwarded, over 100 pages, plus delivery and costs, a minimum of $120 and a maximum of $150.

(4) Court appeals when original documents are forwarded, over 200 pages, an additional fee of a minimum of 20 and a maximum of 25 cents per page.

(5) For reproduction of any document contained in the clerk's files:

(A) First page, $2.

(B) Next 19 pages, 50 cents per page.

(C) All remaining pages, 25 cents per page.

(l) Remands.

In any cases remanded to the Circuit Court from the Supreme Court or the Appellate Court for a new trial, the clerk shall file the remanding order and reinstate the case with either its original number or a new number. The Clerk shall not charge any new or additional fee for the reinstatement. Upon reinstatement the Clerk shall advise the parties of the reinstatement. A party shall have the same right to a jury trial on remand and reinstatement as he or she had before the appeal, and no additional or new fee or charge shall be made for a jury trial after remand.

(m) Record Search.

For each record search, within a division or municipal district, the clerk shall be entitled to a search fee of a minimum of $4 and a maximum of $6 for each year searched.

(n) Hard Copy.

For each page of hard copy print output, when case records are maintained on an automated medium, the clerk shall be entitled to a fee of a minimum of $4 and a maximum of $6.

(o) Index Inquiry and Other Records.

No fee shall be charged for a single plaintiff/defendant index inquiry or single case record inquiry when this request is made in person and the records are maintained in a current automated medium, and when no hard copy print output is requested. The fees to be charged for management records, multiple case records, and multiple journal records may be specified by the Chief Judge pursuant to the guidelines for access and dissemination of information approved by the Supreme Court.

(p) (Blank).

(q) Alias Summons.

For each alias summons or citation issued by the clerk, a minimum of $4 and a maximum of $5.

(r) Other Fees.

Any fees not covered in this Section shall be set by rule or administrative order of the Circuit Court with the approval of the Administrative Office of the Illinois Courts.

The clerk of the circuit court may provide additional services for which there is no fee specified by statute in connection with the operation of the clerk's office as may be requested by the public and agreed to by the clerk and approved by the chief judge of the circuit court. Any charges for additional services shall be as agreed to between the clerk and the party making the request and approved by the chief judge of the circuit court. Nothing in this subsection shall be construed to require any clerk to provide any service not otherwise required by law.

(s) Jury Services.

The clerk shall be entitled to receive, in addition to other fees allowed by law, the sum of a minimum of $192.50 and a maximum of $212.50, as a fee for the services of a jury in every civil action not quasi-criminal in its nature and not a proceeding for the exercise of the right of eminent domain and in every other action wherein the right of trial by jury is or may be given by law. The jury fee shall be paid by the party demanding a jury at the time of filing the jury demand. If the fee is not paid by either party, no jury shall be called in the action or proceeding, and the same shall be tried by the court without a jury.

(t) Voluntary Assignment.

For filing each deed of voluntary assignment, a minimum of $10 and a maximum of $20; for recording the same, a minimum of 25¢ and a maximum of 50¢ for each 100 words. Exceptions filed to claims presented to an assignee of a debtor who has made a voluntary assignment for the benefit of creditors shall be considered and treated, for the purpose of taxing costs therein, as actions in which the party or parties filing the exceptions shall be considered as party or parties plaintiff, and the claimant or claimants as party or parties defendant, and those parties respectively shall pay to the clerk the same fees as provided by this Section to be paid in other actions.

(u) Expungement Petition.

The clerk shall be entitled to receive a fee of a minimum of $30 and a maximum of $60 for each expungement petition filed and an additional fee of a minimum of $2 and a maximum of $4 for each certified copy of an order to expunge arrest records.

(v) Probate.

The clerk is entitled to receive the fees specified in this subsection (v), which shall be paid in advance, except that, for good cause shown, the court may suspend, reduce, or release the costs payable under this subsection:

(1) For administration of the estate of a decedent (whether testate or intestate) or of a missing person, a minimum of $100 and a maximum of $150, plus the fees specified in subsection (v)(3), except:

(A) When the value of the real and personal property does not exceed $15,000, the fee shall be a minimum of $25 and a maximum of $40.

(B) When (i) proof of heirship alone is made, (ii) a domestic or foreign will is admitted to probate without administration (including proof of heirship), or (iii) letters of office are issued for a particular purpose without administration of the estate, the fee shall be a minimum of $25 and a maximum of $40.

(2) For administration of the estate of a ward, a minimum of $50 and a maximum of $75,

plus the fees specified in subsection (v)(3), except:

(A) When the value of the real and personal property does not exceed $15,000, the fee shall be a minimum of $25 and a maximum of $40.

(B) When (i) letters of office are issued to a guardian of the person or persons, but not of the estate or (ii) letters of office are issued in the estate of a ward without administration of the estate, including filing or joining in the filing of a tax return or releasing a mortgage or consenting to the marriage of the ward, the fee shall be a minimum of $10 and a maximum of $20.

(3) In addition to the fees payable under subsection (v)(1) or (v)(2) of this Section, the following fees are payable:

(A) For each account (other than one final account) filed in the estate of a decedent, or ward, a minimum of $15 and a maximum of $25.

(B) For filing a claim in an estate when the amount claimed is $150 or more but less than $500, a minimum of $10 and a maximum of $20; when the amount claimed is $500 or more but less than $10,000, a minimum of $25 and a maximum of $40; when the amount claimed is $10,000 or more, a minimum of $40 and a maximum of $60; provided that the court in allowing a claim may add to the amount allowed the filing fee paid by the claimant.

(C) For filing in an estate a claim, petition, or supplemental proceeding based upon an action seeking equitable relief including the construction or contest of a will, enforcement of a contract to make a will, and proceedings involving testamentary trusts or the appointment of testamentary trustees, a minimum of $40 and a maximum of $60.

(D) For filing in an estate (i) the appearance of any person for the purpose of consent or (ii) the appearance of an executor, administrator, administrator to collect, guardian, guardian ad litem, or special administrator, no fee.

(E) Except as provided in subsection (v)(3)(D), for filing the appearance of any person or persons, a minimum of $10 and a maximum of $30.

(F) For each jury demand, a minimum of $102.50 and a maximum of $137.50.

(G) For disposition of the collection of a judgment or settlement of an action or claim for wrongful death of a decedent or of any cause of action of a ward, when there is no other administration of the estate, a minimum of $30 and a maximum of $50, less any amount paid under subsection (v)(1)(B) or (v)(2)(B) except that if the amount involved does not exceed $5,000, the fee, including any amount paid under subsection (v)(1)(B) or (v)(2)(B), shall be a minimum of $10 and a maximum of $20.

(H) For each certified copy of letters of office, of court order or other certification, a minimum of $1 and a maximum of $2, plus a minimum of 50¢ and a maximum of $1 per page in excess of 3 pages for the document certified.

(I) For each exemplification, a minimum of $1 and a maximum of $2, plus the fee for certification.

(4) The executor, administrator, guardian, petitioner, or other interested person or his or her attorney shall pay the cost of publication by the clerk directly to the newspaper.

(5) The person on whose behalf a charge is incurred for witness, court reporter, appraiser, or other miscellaneous fee shall pay the same directly to the person entitled thereto.

(6) The executor, administrator, guardian, petitioner, or other interested person or his attorney shall pay to the clerk all postage charges incurred by the clerk in mailing petitions, orders, notices, or other documents pursuant to the provisions of the Probate Act of 1975.

(w) Criminal and Quasi-Criminal Costs and Fees.

(1) The clerk shall be entitled to costs in all criminal and quasi-criminal cases from each person convicted or sentenced to supervision therein as follows:

(A) Felony complaints, a minimum of $80 and a maximum of $125.

(B) Misdemeanor complaints, a minimum of $50 and a maximum of $75.

(C) Business offense complaints, a minimum of $50 and a maximum of $75.

(D) Petty offense complaints, a minimum of $50 and a maximum of $75.

(E) Minor traffic or ordinance violations, $20.

(F) When court appearance required, $30.

(G) Motions to vacate or amend final orders, a minimum of $20 and a maximum of $40.

(H) Motions to vacate bond forfeiture orders, a minimum of $20 and a maximum of $30.

(I) Motions to vacate ex parte judgments, whenever filed, a minimum of $20 and a maximum of $30.

(J) Motions to vacate judgment on forfeitures, whenever filed, a minimum of $20 and a maximum of $25.

(K) Motions to vacate "failure to appear" or "failure to comply" notices sent to the Secretary of State, a minimum of $20 and a maximum of $40.

(2) In counties having a population of more than 500,000 but fewer than 3,000,000 inhabitants, when the violation complaint is issued by a municipal police department, the clerk shall be entitled to costs from each person convicted therein as follows:

(A) Minor traffic or ordinance violations, $10.

(B) When court appearance required, $15.

(3) In ordinance violation cases punishable by fine only, the clerk of the circuit court shall be entitled to receive, unless the fee is excused upon a finding by the court that the defendant is indigent, in addition to other fees or costs allowed or imposed by law, the sum of a minimum of $50 and a maximum of $112.50 as a fee for the services of a jury. The jury fee shall be paid by the defendant at the time of filing his or her jury demand. If the fee is not so paid by the defendant, no jury shall be called, and the case shall be tried by the court without a jury.

(x) Transcripts of Judgment.

For the filing of a transcript of judgment, the clerk shall be entitled to the same fee as if it were the commencement of new suit.

(y) Change of Venue.

(1) For the filing of a change of case on a change of venue, the clerk shall be entitled to the same fee as if it were the commencement of a new suit.

(2) The fee for the preparation and certification of a record on a change of venue to another jurisdiction, when original documents are forwarded, a minimum of $25 and a maximum of $40.

(z) Tax objection complaints.

For each tax objection complaint containing one or more tax objections, regardless of the number of parcels involved or the number of taxpayers joining in the complaint, a minimum of $25 and a maximum of $50.

(aa) Tax Deeds.

(1) Petition for tax deed, if only one parcel is involved, a minimum of $150 and a maximum of $250.

(2) For each additional parcel, add a fee of a minimum of $50 and a maximum of $100.

(bb) Collections.

(1) For all collections made of others, except the State and county and except in maintenance or child support cases, a sum equal to a minimum of 2.5% and a maximum of 3.0% of the amount collected and turned over.

(2) Interest earned on any funds held by the clerk shall be turned over to the county general fund as an earning of the office.

(3) For any check, draft, or other bank instrument returned to the clerk for non-sufficient funds, account closed, or payment stopped, $25.

(4) In child support and maintenance cases, the clerk, if authorized by an ordinance of the county board, may collect an annual fee of up to $36 from the person making payment for maintaining child support records and the processing of support orders to the State of Illinois KIDS system and the recording of payments issued by the State Disbursement Unit for the official record of the Court. This fee shall be in addition to and separate from amounts ordered to be paid as maintenance or child support and shall be deposited into a Separate Maintenance and Child Support Collection Fund, of which the clerk shall be the custodian, ex-officio, to be used by the clerk to maintain child support orders and record all payments issued by the State Disbursement Unit for the official record of the Court. The clerk may recover from the person making the maintenance or child support payment any additional cost incurred in the collection of this annual fee.

The clerk shall also be entitled to a fee of $5 for certifications made to the Secretary of State as provided in Section 7-703 of the Family Financial Responsibility Law and these fees shall also be deposited into the Separate Maintenance and Child Support Collection Fund.

(cc) Corrections of Numbers.

For correction of the case number, case title, or attorney computer identification number, if required by rule of court, on any document filed in the clerk's office, to be charged against the party that filed the document, a minimum of $15 and a maximum of $25.

(dd) Exceptions.

The fee requirements of this Section shall not apply to police departments or other law enforcement agencies. In this Section, "law enforcement agency" means an agency of the State or a unit of local government which is vested by law or ordinance with the duty to maintain public order and to

enforce criminal laws or ordinances. "Law enforcement agency" also means the Attorney General or any state's attorney. The fee requirements of this Section shall not apply to any action instituted under subsection (b) of Section 11-31-1 of the Illinois Municipal Code by a private owner or tenant of real property within 1200 feet of a dangerous or unsafe building seeking an order compelling the owner or owners of the building to take any of the actions authorized under that subsection.

The fee requirements of this Section shall not apply to the filing of any commitment petition or petition for an order authorizing the administration of psychotropic medication or electroconvulsive therapy under the Mental Health and Developmental Disabilities Code.

(ee) Adoptions.

(1) For an adoption.....$65

(2) Upon good cause shown, the court may waive the adoption filing fee in a special needs adoption. The term "special needs adoption" shall have the meaning ascribed to it by the Illinois Department of Children and Family Services.

(ff) Adoption exemptions.

No fee other than that set forth in subsection (ee) shall be charged to any person in connection with an adoption proceeding nor may any fee be charged for proceedings for the appointment of a confidential intermediary under the Adoption Act.

(gg) Unpaid fees.

Unless a court ordered payment schedule is implemented or the fee requirements of this Section are waived pursuant to court order, the clerk of the court may add to any unpaid fees and costs under this Section a delinquency amount equal to 5% of the unpaid fees that remain unpaid after 30 days, 10% of the unpaid fees that remain unpaid after 60 days, and 15% of the unpaid fees that remain unpaid after 90 days. Notice to those parties may be made by signage posting or publication. The additional delinquency amounts collected under this Section shall be used to defray additional administrative costs incurred by the clerk of the circuit court in collecting unpaid fees and costs.

(Source: P.A. 95-172, eff. 8-14-07.)

(705 ILCS 105/27.2a) (from Ch. 25, par. 27.2a)

Sec. 27.2a. The fees of the clerks of the circuit court in all counties having a population of 3,000,000 or more inhabitants in the instances described in this Section shall be as provided in this Section. In those instances where a minimum and maximum fee is stated, the clerk of the circuit court must charge the minimum fee listed and may charge up to the maximum fee if the county board has by resolution increased the fee. The fees shall be paid in advance and shall be as follows:

(a) Civil Cases.

With the following exceptions, the ~~The~~ fee for filing a complaint, petition, or other pleading initiating a civil action~~, with the following exceptions,~~ shall be a minimum of $190 and shall be a maximum of $240 through December 31, 2021 and a maximum of $234 on and after January 1, 2022.

(A) When the amount of money or damages or the value of personal property claimed does not exceed $250, a minimum of $15 and a maximum of $22.

(B) When that amount exceeds $250 but does not exceed $1000, a minimum of $40 and a maximum of $75.

(C) When that amount exceeds $1000 but does not exceed $2500, a minimum of $50 and a maximum of $80.

(D) When that amount exceeds $2500 but does not exceed $5000, a minimum of $100 and a maximum of $130.

(E) When that amount exceeds $5000 but does not exceed $15,000, $150.

(F) For the exercise of eminent domain, $150. For each additional lot or tract of land or right or interest therein subject to be condemned, the damages in respect to which shall require separate assessment by a jury, $150.

(G) For the final determination of parking, standing, and compliance violations and final administrative decisions issued after hearings regarding vehicle immobilization and impoundment made pursuant to Sections 3-704.1, 6-306.5, and 11-208.3 of the Illinois Vehicle Code, $25.

(H) No fees shall be charged by the clerk to a petitioner in any order of protection including, but not limited to, filing, modifying, withdrawing, certifying, or photocopying petitions for orders of protection, or for issuing alias summons, or for any related filing service, certifying, modifying, vacating, or photocopying any orders of protection.

(b) Forcible Entry and Detainer.

In each forcible entry and detainer case when the plaintiff seeks possession only or

unites with his or her claim for possession of the property a claim for rent or damages or both in the amount of $15,000 or less, a minimum of $75 and a maximum of $140. When the plaintiff unites his or her claim for possession with a claim for rent or damages or both exceeding $15,000, a minimum of $225 and a maximum of $335.

(c) Counterclaim or Joining Third Party Defendant.

When any defendant files a counterclaim as part of his or her answer or otherwise or joins another party as a third party defendant, or both, the defendant shall pay a fee for each counterclaim or third party action in an amount equal to the fee he or she would have had to pay had he or she brought a separate action for the relief sought in the counterclaim or against the third party defendant, less the amount of the appearance fee, if that has been paid.

(d) Confession of Judgment.

In a confession of judgment when the amount does not exceed $1500, a minimum of $60 and a maximum of $70. When the amount exceeds $1500, but does not exceed $5000, a minimum of $75 and a maximum of $150. When the amount exceeds $5000, but does not exceed $15,000, a minimum of $175 and a maximum of $260. When the amount exceeds $15,000, a minimum of $250 and a maximum of $310.

(e) Appearance.

The fee for filing an appearance in each civil case shall be a minimum of $75 and a maximum of $110, except as follows:

(A) When the plaintiff in a forcible entry and detainer case seeks possession only, a minimum of $40 and a maximum of $80.

(B) When the amount in the case does not exceed $1500, a minimum of $40 and a maximum of $80.

(C) When that amount exceeds $1500 but does not exceed $15,000, a minimum of $60 and a maximum of $90.

(f) Garnishment, Wage Deduction, and Citation.

In garnishment affidavit, wage deduction affidavit, and citation petition when the amount does not exceed $1,000, a minimum of $15 and a maximum of $25; when the amount exceeds $1,000 but does not exceed $5,000, a minimum of $30 and a maximum of $45; and when the amount exceeds $5,000, a minimum of $50 and a maximum of $80.

(g) Petition to Vacate or Modify.

(1) Petition to vacate or modify any final judgment or order of court, except in forcible entry and detainer cases and small claims cases or a petition to reopen an estate, to modify, terminate, or enforce a judgment or order for child or spousal support, or to modify, suspend, or terminate an order for withholding, if filed before 30 days after the entry of the judgment or order, a minimum of $50 and a maximum of $60.

(2) Petition to vacate or modify any final judgment or order of court, except a petition to modify, terminate, or enforce a judgment or order for child or spousal support or to modify, suspend, or terminate an order for withholding, if filed later than 30 days after the entry of the judgment or order, a minimum of $75 and a maximum of $90.

(3) Petition to vacate order of bond forfeiture, a minimum of $40 and a maximum of $80.

(h) Mailing.

When the clerk is required to mail, the fee will be a minimum of $10 and a maximum of $15, plus the cost of postage.

(i) Certified Copies.

Each certified copy of a judgment after the first, except in small claims and forcible entry and detainer cases, a minimum of $15 and a maximum of $20.

(j) Habeas Corpus.

For filing a petition for relief by habeas corpus, a minimum of $125 and a maximum of $190.

(k) Certification, Authentication, and Reproduction.

(1) Each certification or authentication for taking the acknowledgment of a deed or other instrument in writing with the seal of office, a minimum of $6 and a maximum of $9.

(2) Court appeals when original documents are forwarded, under 100 pages, plus delivery and costs, a minimum of $75 and a maximum of $110.

(3) Court appeals when original documents are forwarded, over 100 pages, plus delivery and costs, a minimum of $150 and a maximum of $185.

(4) Court appeals when original documents are forwarded, over 200 pages, an additional fee of a minimum of 25 and a maximum of 30 cents per page.

(5) For reproduction of any document contained in the clerk's files:

(A) First page, $2.

(B) Next 19 pages, 50 cents per page.

(C) All remaining pages, 25 cents per page.

(l) Remands.

In any cases remanded to the Circuit Court from the Supreme Court or the Appellate Court for a new trial, the clerk shall file the remanding order and reinstate the case with either its original number or a new number. The Clerk shall not charge any new or additional fee for the reinstatement. Upon reinstatement the Clerk shall advise the parties of the reinstatement. A party shall have the same right to a jury trial on remand and reinstatement as he or she had before the appeal, and no additional or new fee or charge shall be made for a jury trial after remand.

(m) Record Search.

For each record search, within a division or municipal district, the clerk shall be entitled to a search fee of a minimum of $6 and a maximum of $9 for each year searched.

(n) Hard Copy.

For each page of hard copy print output, when case records are maintained on an automated medium, the clerk shall be entitled to a fee of a minimum of $6 and a maximum of $9.

(o) Index Inquiry and Other Records.

No fee shall be charged for a single plaintiff/defendant index inquiry or single case record inquiry when this request is made in person and the records are maintained in a current automated medium, and when no hard copy print output is requested. The fees to be charged for management records, multiple case records, and multiple journal records may be specified by the Chief Judge pursuant to the guidelines for access and dissemination of information approved by the Supreme Court.

(p) (Blank).

(q) Alias Summons.

For each alias summons or citation issued by the clerk, a minimum of $5 and a maximum of $6.

(r) Other Fees.

Any fees not covered in this Section shall be set by rule or administrative order of the Circuit Court with the approval of the Administrative Office of the Illinois Courts.

The clerk of the circuit court may provide additional services for which there is no fee specified by statute in connection with the operation of the clerk's office as may be requested by the public and agreed to by the clerk and approved by the chief judge of the circuit court. Any charges for additional services shall be as agreed to between the clerk and the party making the request and approved by the chief judge of the circuit court. Nothing in this subsection shall be construed to require any clerk to provide any service not otherwise required by law.

(s) Jury Services.

The clerk shall be entitled to receive, in addition to other fees allowed by law, the sum of a minimum of $212.50 and maximum of $230, as a fee for the services of a jury in every civil action not quasi-criminal in its nature and not a proceeding for the exercise of the right of eminent domain and in every other action wherein the right of trial by jury is or may be given by law. The jury fee shall be paid by the party demanding a jury at the time of filing the jury demand. If the fee is not paid by either party, no jury shall be called in the action or proceeding, and the same shall be tried by the court without a jury.

(t) Voluntary Assignment.

For filing each deed of voluntary assignment, a minimum of $20 and a maximum of $40; for recording the same, a minimum of 50¢ and a maximum of $0.80 for each 100 words. Exceptions filed to claims presented to an assignee of a debtor who has made a voluntary assignment for the benefit of creditors shall be considered and treated, for the purpose of taxing costs therein, as actions in which the party or parties filing the exceptions shall be considered as party or parties plaintiff, and the claimant or claimants as party or parties defendant, and those parties respectively shall pay to the clerk the same fees as provided by this Section to be paid in other actions.

(u) Expungement Petition.

The clerk shall be entitled to receive a fee of a minimum of $60 and a maximum of $120 for each expungement petition filed and an additional fee of a minimum of $4 and a maximum of $8 for each certified copy of an order to expunge arrest records.

(v) Probate.

The clerk is entitled to receive the fees specified in this subsection (v), which shall

be paid in advance, except that, for good cause shown, the court may suspend, reduce, or release the costs payable under this subsection:

(1) For administration of the estate of a decedent (whether testate or intestate) or of a missing person, a minimum of $150 and a maximum of $225, plus the fees specified in subsection (v)(3), except:

(A) When the value of the real and personal property does not exceed $15,000, the fee shall be a minimum of $40 and a maximum of $65.

(B) When (i) proof of heirship alone is made, (ii) a domestic or foreign will is admitted to probate without administration (including proof of heirship), or (iii) letters of office are issued for a particular purpose without administration of the estate, the fee shall be a minimum of $40 and a maximum of $65.

(2) For administration of the estate of a ward, a minimum of $75 and a maximum of $110, plus the fees specified in subsection (v)(3), except:

(A) When the value of the real and personal property does not exceed $15,000, the fee shall be a minimum of $40 and a maximum of $65.

(B) When (i) letters of office are issued to a guardian of the person or persons, but not of the estate or (ii) letters of office are issued in the estate of a ward without administration of the estate, including filing or joining in the filing of a tax return or releasing a mortgage or consenting to the marriage of the ward, the fee shall be a minimum of $20 and a maximum of $40.

(3) In addition to the fees payable under subsection (v)(1) or (v)(2) of this Section, the following fees are payable:

(A) For each account (other than one final account) filed in the estate of a decedent, or ward, a minimum of $25 and a maximum of $40.

(B) For filing a claim in an estate when the amount claimed is $150 or more but less than $500, a minimum of $20 and a maximum of $40; when the amount claimed is $500 or more but less than $10,000, a minimum of $40 and a maximum of $65; when the amount claimed is $10,000 or more, a minimum of $60 and a maximum of $90; provided that the court in allowing a claim may add to the amount allowed the filing fee paid by the claimant.

(C) For filing in an estate a claim, petition, or supplemental proceeding based upon an action seeking equitable relief including the construction or contest of a will, enforcement of a contract to make a will, and proceedings involving testamentary trusts or the appointment of testamentary trustees, a minimum of $60 and a maximum of $90.

(D) For filing in an estate (i) the appearance of any person for the purpose of consent or (ii) the appearance of an executor, administrator, administrator to collect, guardian, guardian ad litem, or special administrator, no fee.

(E) Except as provided in subsection (v)(3)(D), for filing the appearance of any person or persons, a minimum of $30 and a maximum of $90.

(F) For each jury demand, a minimum of $137.50 and a maximum of $180.

(G) For disposition of the collection of a judgment or settlement of an action or claim for wrongful death of a decedent or of any cause of action of a ward, when there is no other administration of the estate, a minimum of $50 and a maximum of $80, less any amount paid under subsection (v)(1)(B) or (v)(2)(B) except that if the amount involved does not exceed $5,000, the fee, including any amount paid under subsection (v)(1)(B) or (v)(2)(B), shall be a minimum of $20 and a maximum of $40.

(H) For each certified copy of letters of office, of court order or other certification, a minimum of $2 and a maximum of $4, plus $1 per page in excess of 3 pages for the document certified.

(I) For each exemplification, $2, plus the fee for certification.

(4) The executor, administrator, guardian, petitioner, or other interested person or his or her attorney shall pay the cost of publication by the clerk directly to the newspaper.

(5) The person on whose behalf a charge is incurred for witness, court reporter, appraiser, or other miscellaneous fee shall pay the same directly to the person entitled thereto.

(6) The executor, administrator, guardian, petitioner, or other interested person or his or her attorney shall pay to the clerk all postage charges incurred by the clerk in mailing petitions, orders, notices, or other documents pursuant to the provisions of the Probate Act of 1975.

(w) Criminal and Quasi-Criminal Costs and Fees.

(1) The clerk shall be entitled to costs in all criminal and quasi-criminal cases from each person convicted or sentenced to supervision therein as follows:

(A) Felony complaints, a minimum of $125 and a maximum of $190.

(B) Misdemeanor complaints, a minimum of $75 and a maximum of $110.

(C) Business offense complaints, a minimum of $75 and a maximum of $110.

(D) Petty offense complaints, a minimum of $75 and a maximum of $110.

(E) Minor traffic or ordinance violations, $30.

(F) When court appearance required, $50.

(G) Motions to vacate or amend final orders, a minimum of $40 and a maximum of $80.

(H) Motions to vacate bond forfeiture orders, a minimum of $30 and a maximum of $45.

(I) Motions to vacate ex parte judgments, whenever filed, a minimum of $30 and a maximum of $45.

(J) Motions to vacate judgment on forfeitures, whenever filed, a minimum of $25 and a maximum of $30.

(K) Motions to vacate "failure to appear" or "failure to comply" notices sent to the Secretary of State, a minimum of $40 and a maximum of $50.

(2) In counties having a population of 3,000,000 or more, when the violation complaint is issued by a municipal police department, the clerk shall be entitled to costs from each person convicted therein as follows:

(A) Minor traffic or ordinance violations, $30.

(B) When court appearance required, $50.

(3) In ordinance violation cases punishable by fine only, the clerk of the circuit court shall be entitled to receive, unless the fee is excused upon a finding by the court that the defendant is indigent, in addition to other fees or costs allowed or imposed by law, the sum of a minimum of $112.50 and a maximum of $250 as a fee for the services of a jury. The jury fee shall be paid by the defendant at the time of filing his or her jury demand. If the fee is not so paid by the defendant, no jury shall be called, and the case shall be tried by the court without a jury.

(x) Transcripts of Judgment.

For the filing of a transcript of judgment, the clerk shall be entitled to the same fee as if it were the commencement of a new suit.

(y) Change of Venue.

(1) For the filing of a change of case on a change of venue, the clerk shall be entitled to the same fee as if it were the commencement of a new suit.

(2) The fee for the preparation and certification of a record on a change of venue to another jurisdiction, when original documents are forwarded, a minimum of $40 and a maximum of $65.

(z) Tax objection complaints.

For each tax objection complaint containing one or more tax objections, regardless of the number of parcels involved or the number of taxpayers joining in the complaint, a minimum of $50 and a maximum of $100.

(aa) Tax Deeds.

(1) Petition for tax deed, if only one parcel is involved, a minimum of $250 and a maximum of $400.

(2) For each additional parcel, add a fee of a minimum of $100 and a maximum of $200.

(bb) Collections.

(1) For all collections made of others, except the State and county and except in maintenance or child support cases, a sum equal to 3.0% of the amount collected and turned over.

(2) Interest earned on any funds held by the clerk shall be turned over to the county general fund as an earning of the office.

(3) For any check, draft, or other bank instrument returned to the clerk for non-sufficient funds, account closed, or payment stopped, $25.

(4) In child support and maintenance cases, the clerk, if authorized by an ordinance of the county board, may collect an annual fee of up to $36 from the person making payment for maintaining child support records and the processing of support orders to the State of Illinois KIDS system and the recording of payments issued by the State Disbursement Unit for the official record of the Court. This fee shall be in addition to and separate from amounts ordered to be paid as maintenance or child support and shall be deposited into a Separate Maintenance and Child Support Collection Fund, of which the clerk shall be the custodian, ex-officio, to be used by the clerk to maintain child support orders and record all payments issued by the State Disbursement Unit for the official record of the Court. The clerk may recover from the person making the maintenance or child support payment any additional cost incurred in the collection of this annual fee.

The clerk shall also be entitled to a fee of $5 for certifications made to the Secretary

of State as provided in Section 7-703 of the Family Financial Responsibility Law and these fees shall also be deposited into the Separate Maintenance and Child Support Collection Fund.

(cc) Corrections of Numbers.

For correction of the case number, case title, or attorney computer identification number, if required by rule of court, on any document filed in the clerk's office, to be charged against the party that filed the document, a minimum of $25 and a maximum of $40.

(dd) Exceptions.

(1) The fee requirements of this Section shall not apply to police departments or other law enforcement agencies. In this Section, "law enforcement agency" means an agency of the State or a unit of local government which is vested by law or ordinance with the duty to maintain public order and to enforce criminal laws or ordinances. "Law enforcement agency" also means the Attorney General or any state's attorney.

(2) No fee provided herein shall be charged to any unit of local government or school district. The fee requirements of this Section shall not apply to any action instituted under subsection (b) of Section 11-31-1 of the Illinois Municipal Code by a private owner or tenant of real property within 1200 feet of a dangerous or unsafe building seeking an order compelling the owner or owners of the building to take any of the actions authorized under that subsection.

(3) The fee requirements of this Section shall not apply to the filing of any commitment petition or petition for an order authorizing the administration of psychotropic medication or electroconvulsive therapy under the Mental Health and Developmental Disabilities Code.

(ee) Adoption.

(1) For an adoption.....$65

(2) Upon good cause shown, the court may waive the adoption filing fee in a special needs adoption. The term "special needs adoption" shall have the meaning ascribed to it by the Illinois Department of Children and Family Services.

(ff) Adoption exemptions.

No fee other than that set forth in subsection (ee) shall be charged to any person in connection with an adoption proceeding nor may any fee be charged for proceedings for the appointment of a confidential intermediary under the Adoption Act.

(gg) Unpaid fees.

Unless a court ordered payment schedule is implemented or the fee requirements of this Section are waived pursuant to court order, the clerk of the court may add to any unpaid fees and costs under this Section a delinquency amount equal to 5% of the unpaid fees that remain unpaid after 30 days, 10% of the unpaid fees that remain unpaid after 60 days, and 15% of the unpaid fees that remain unpaid after 90 days. Notice to those parties may be made by signage posting or publication. The additional delinquency amounts collected under this Section shall be used to defray additional administrative costs incurred by the clerk of the circuit court in collecting unpaid fees and costs.

(Source: P.A. 95-172, eff. 8-14-07.)"; and

on page 4, line 16, after "the", by inserting "30th day after the"; and

on page 7, by inserting immediately below line 12 the following:

"(705 ILCS 105/27.7)

Sec. 27.7. Children's waiting room. The expense of establishing and maintaining a children's waiting room for children whose parents or guardians are attending a court hearing as a litigant, witness, or for other court purposes as determined by the court may be borne by the county. To defray that expense in any county having established a children's waiting room or that elects to establish such a system, the county board may require the clerk of the circuit court in the county to charge and collect a children's waiting room fee of not more than $10 through December 31, 2021 and not more than $8 on and after January 1, 2022. The fee shall be paid at the time of filing the first pleading, paper, or other appearance filed by each party in all civil cases. No additional fee shall be required if more than one party is presented in a single pleading, paper, or other appearance. The fee shall be collected in the manner in which all other fees or costs are collected.

Each clerk shall commence the charges and collection upon receipt of written notice from the chairman of the county board together with a certified copy of the board's resolution. The clerk shall file the resolution of record in his or her office.

The fees shall be in addition to all other fees and charges of the clerks, shall be assessable as costs, and may be waived only if the judge specifically provides for the waiver of the children's waiting room fee. The fees shall be remitted monthly by the clerk to the county treasurer, to be retained by the treasurer in a

special fund designated as the children's waiting room fund. The fund shall be audited by the county auditor, and the county board shall make expenditure from the fund in payment of any cost related to the establishment and maintenance of the children's waiting room, including personnel, heat, light, telephone, security, rental of space, or any other item in connection with the operation of a children's waiting room.

The fees shall not be charged in any matter coming to the clerk on a change of venue, nor in any proceeding to review the decision of any administrative officer, agency, or body.

(Source: P.A. 95-980, eff. 9-22-08.)".

Under the rules, the foregoing **Senate Bill No. 3162**, with House Amendment No. 3, was referred to the Secretary's Desk.

A message from the House by

Mr. Mapes, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 3163

A bill for AN ACT concerning employment.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 4 to SENATE BILL NO. 3163

Passed the House, as amended, May 27, 2016.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 4 TO SENATE BILL 3163

AMENDMENT NO. 4. Amend Senate Bill 3163 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Illinois Freedom to Work Act.

Section 5. Definitions. In this Act:

"Covenant not to compete" means an agreement:

(1) between an employer and a low-wage employee that restricts such low-wage employee from performing:

(A) any work for another employer for a specified period of time;

(B) any work in a specified geographical area; or

(C) work for another employer that is similar to such low-wage employee's work for the employer included as a party to the agreement; and

(2) that is entered into after the effective date of this Act.

"Employer" has the meaning given to such term in subsection (c) of Section 3 of the Minimum Wage Law. "Employer" does not include governmental or quasi-governmental bodies.

"Low-wage employee" means an employee who earns the greater of (1) the hourly rate equal to the minimum wage required by the applicable federal, State, or local minimum wage law or (2) $13.00 per hour.

Section 10. Prohibiting covenants not to compete for low-wage employees.

(a) No employer shall enter into a covenant not to compete with any low-wage employee of the employer.

(b) A covenant not to compete entered into between an employer and a low-wage employee is illegal and void.".

Under the rules, the foregoing **Senate Bill No. 3163**, with House Amendment No. 4, was referred to the Secretary's Desk.

A message from the House by

Mr. Mapes, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 3335

A bill for AN ACT concerning regulation.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 3335

Passed the House, as amended, May 27, 2016.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 3335

AMENDMENT NO. 1. Amend Senate Bill 3335 by replacing everything after the enacting clause with the following:

"Section 5. The Emergency Medical Services (EMS) Systems Act is amended by changing Section 3.55 as follows:

(210 ILCS 50/3.55)

Sec. 3.55. Scope of practice.

(a) Any person currently licensed as an EMR, EMT, EMT-I, A-EMT, or Paramedic may perform emergency and non-emergency medical services as defined in this Act, in accordance with his or her level of education, training and licensure, the standards of performance and conduct prescribed by the Department in rules adopted pursuant to this Act, and the requirements of the EMS System in which he or she practices, as contained in the approved Program Plan for that System. The Director may, by written order, temporarily modify individual scopes of practice in response to public health emergencies for periods not exceeding 180 days.

(a-5) EMS personnel who have successfully completed a Department approved course in automated defibrillator operation and who are functioning within a Department approved EMS System may utilize such automated defibrillator according to the standards of performance and conduct prescribed by the Department in rules adopted pursuant to this Act and the requirements of the EMS System in which they practice, as contained in the approved Program Plan for that System.

(a-7) An EMT, EMT-I, A-EMT, or Paramedic who has successfully completed a Department approved course in the administration of epinephrine shall be required to carry epinephrine with him or her as part of the EMS personnel medical supplies whenever he or she is performing official duties as determined by the EMS System. The epinephrine may be administered from a glass vial, auto-injector, ampule, or pre-filled syringe.

(b) An EMR, EMT, EMT-I, A-EMT, or Paramedic may practice as an EMR, EMT, EMT-I, A-EMT, or Paramedic or utilize his or her EMR, EMT, EMT-I, A-EMT, or Paramedic license in pre-hospital or inter-hospital emergency care settings or non-emergency medical transport situations, under the written or verbal direction of the EMS Medical Director. For purposes of this Section, a "pre-hospital emergency care setting" may include a location, that is not a health care facility, which utilizes EMS personnel to render pre-hospital emergency care prior to the arrival of a transport vehicle. The location shall include communication equipment and all of the portable equipment and drugs appropriate for the EMR, EMT, EMT-I, A-EMT, or Paramedic's level of care, as required by this Act, rules adopted by the Department pursuant to this Act, and the protocols of the EMS Systems, and shall operate only with the approval and under the direction of the EMS Medical Director.

This Section shall not prohibit an EMR, EMT, EMT-I, A-EMT, or Paramedic from practicing within an emergency department or other health care setting for the purpose of receiving continuing education or training approved by the EMS Medical Director. This Section shall also not prohibit an EMT, EMT-I, A-EMT, or Paramedic from seeking credentials other than his or her EMT, EMT-I, A-EMT, or Paramedic license and utilizing such credentials to work in emergency departments or other health care settings under the jurisdiction of that employer.

(c) An EMT, EMT-I, A-EMT, or Paramedic may honor Do Not Resuscitate (DNR) orders and powers of attorney for health care only in accordance with rules adopted by the Department pursuant to this Act and protocols of the EMS System in which he or she practices.

(d) A student enrolled in a Department approved EMS personnel program, while fulfilling the clinical training and in-field supervised experience requirements mandated for licensure or approval by the System and the Department, may perform prescribed procedures under the direct supervision of a physician licensed to practice medicine in all of its branches, a qualified registered professional nurse, or qualified EMS personnel, only when authorized by the EMS Medical Director.

(Source: P.A. 98-973, eff. 8-15-14.)".

Under the rules, the foregoing **Senate Bill No. 3335**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by
Mr. Mapes, Clerk:
Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of bills of the following titles, to-wit:
SENATE BILL NO. 2533
A bill for AN ACT concerning local government.
SENATE BILL NO. 3354
A bill for AN ACT concerning criminal law.
Passed the House, May 27, 2016.

TIMOTHY D. MAPES, Clerk of the House

A message from the House by
Mr. Mapes, Clerk:
Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of bills of the following titles, to-wit:
SENATE BILL NO. 2906
A bill for AN ACT concerning public aid.
SENATE BILL NO. 2956
A bill for AN ACT concerning health.
SENATE BILL NO. 2972
A bill for AN ACT concerning public employee benefits.
SENATE BILL NO. 3007
A bill for AN ACT concerning public aid.
SENATE BILL NO. 3018
A bill for AN ACT concerning transportation.
Passed the House, May 27, 2016.

TIMOTHY D. MAPES, Clerk of the House

A message from the House by
Mr. Mapes, Clerk:
Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of bills of the following titles, to-wit:
SENATE BILL NO. 3063
A bill for AN ACT concerning land.
SENATE BILL NO. 3079
A bill for AN ACT concerning safety.
SENATE BILL NO. 3080
A bill for AN ACT concerning public aid.
SENATE BILL NO. 3106
A bill for AN ACT concerning criminal law.
SENATE BILL NO. 3166
A bill for AN ACT concerning civil law.
Passed the House, May 27, 2016.

TIMOTHY D. MAPES, Clerk of the House

REPORT FROM STANDING COMMITTEE

Senator Harmon, Chairperson of the Committee on Executive, to which was referred the following Senate floor amendment, reported that the Committee recommends do adopt:

Senate Amendment No. 2 to House Bill 813

Under the rules, the foregoing floor amendment is eligible for consideration on second reading.

REPORT FROM COMMITTEE ON ASSIGNMENTS

Senator Clayborne, Chairperson of the Committee on Assignments, during its May 27, 2016 meeting, reported the following Joint Action Motions have been assigned to the indicated Standing Committees of the Senate:

Executive: **Motion to Concur in House Amendment 1 to Senate Bill 2797**

Human Services: **Motion to Concur in House Amendment 3 to Senate Bill 420**
Motion to Concur in House Amendment 2 to Senate Bill 2306
Motion to Concur in House Amendment 1 to Senate Bill 2610

Judiciary: **Motion to Concur in House Amendment 1 to Senate Bill 2186**

Licensed Activities and Pensions: **Motion to Concur in House Amendments 1 and 2 to Senate Bill 42**
Motion to Concur in House Amendment 1 to Senate Bill 440

Revenue: **Motion to Concur in House Amendment 1 to Senate Bill 2746**

Transportation: **Motion to Concur in House Amendments 1 and 2 to Senate Bill 805**

Senator Clayborne, Chairperson of the Committee on Assignments, during its May 27, 2016 meeting, reported the following Legislative Measures have been assigned to the indicated Standing Committees of the Senate:

Executive: **Floor Amendment No. 1 to House Bill 4036**.

Judiciary: **Floor Amendment No. 2 to House Bill 5539**.

Revenue: **Floor Amendment No. 1 to House Bill 3760**.

State Government and Veterans Affairs: **Floor Amendment No. 1 to Senate Bill 325.**

Senator Clayborne, Chairperson of the Committee on Assignments, during its May 27, 2016 meeting, reported the following Resolution has been assigned to the indicated Standing Committee of the Senate:

Transportation: **House Joint Resolution No. 119.**

Senator Clayborne, Chairperson of the Committee on Assignments, during its May 27, 2016 meeting, reported that the following Legislative Measures have been approved for consideration:

Floor Amendment No. 3 to Senate Bill 584
Floor Amendment No. 1 to Senate Resolution 1753
Floor Amendment No. 3 to House Bill 6292

The foregoing floor amendments were placed on the Secretary's Desk.

Senator Clayborne, Chairperson of the Committee on Assignments, during its May 27, 2016 meeting, to which was referred **House Bill No. 3126** on October 10, 2015, pursuant to Rule 3-9(b), reported that the Committee recommends that the bill be approved for consideration and returned to the calendar in its former position.

The report of the Committee was concurred in.

And **House Bill No. 3126** was returned to the order of third reading.

Senator Clayborne, Chairperson of the Committee on Assignments, during its May 27, 2016 meeting, to which was referred **House Bill No. 4675**, reported the same back with the recommendation that the bill be placed on the order of second reading without recommendation to committee.

Pursuant to Senate Rule 3-8 (b-1), the following amendments will remain in the Committee on Assignments: **Floor Amendment No. 1 to House Bill 3136; Floor Amendment No. 2 to House Bill 3262**

HOUSE BILL RECALLED

On motion of Senator Manar, **House Bill No. 1380** was recalled from the order of third reading to the order of second reading.

Senator Manar offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO HOUSE BILL 1380

AMENDMENT NO. 1. Amend House Bill 1380 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Public Labor Relations Act is amended by changing Sections 8 and 14 as follows:

(5 ILCS 315/8) (from Ch. 48, par. 1608)

Sec. 8. Grievance Procedure; attorneys' fees. The collective bargaining agreement negotiated between the employer and the exclusive representative shall contain a grievance resolution procedure which shall apply to all employees in the bargaining unit and shall provide for final and binding arbitration of disputes concerning the administration or interpretation of the agreement unless mutually agreed otherwise. Any agreement containing a final and binding arbitration provision shall also contain a provision prohibiting strikes for the duration of the agreement. The grievance and arbitration provisions of any collective bargaining agreement shall be subject to the Illinois "Uniform Arbitration Act". The costs of such arbitration shall be borne equally by the employer and the employee organization.

Unless mutually agreed otherwise, any party to a collective bargaining agreement who fails to timely comply with an arbitration award or who, after timely demand, fails to submit a grievance dispute concerning the administration or interpretation of an agreement to arbitration shall pay to the prevailing party all reasonable costs of the proceeding in the trial and reviewing courts, including reasonable attorneys' fees, as determined by the court, incurred in relation to any action to confirm or amend an award or to compel or stay arbitration of a grievance in the event the final, unappealable decision of the reviewing courts is adverse to the non-compliant party. Any mutual agreements otherwise shall be a permissive subject of bargaining.

(Source: P.A. 83-1012.)

(5 ILCS 315/14) (from Ch. 48, par. 1614)

Sec. 14. Security employee, peace officer and fire fighter disputes.

(a) In the case of collective bargaining agreements involving units of security employees of a public employer, Peace Officer Units, or units of fire fighters or paramedics, and in the case of disputes under Section 18, unless the parties mutually agree to some other time limit, mediation shall commence 30 days prior to the expiration date of such agreement or at such later time as the mediation services chosen under subsection (b) of Section 12 can be provided to the parties. In the case of negotiations for an initial collective bargaining agreement, mediation shall commence upon 15 days notice from either party or at such later time as the mediation services chosen pursuant to subsection (b) of Section 12 can be provided to the parties. In mediation under this Section, if either party requests the use of mediation services from the Federal Mediation and Conciliation Service, the other party shall either join in such request or bear the additional cost of mediation services from another source. The mediator shall have a duty to keep the Board informed on the progress of the mediation. If any dispute has not been resolved within 15 days after the first meeting of the parties and the mediator, or within such other time limit as may be mutually agreed

upon by the parties, either the exclusive representative or employer may request of the other, in writing, arbitration, and shall submit a copy of the request to the Board.

(b) Within 10 days after such a request for arbitration has been made, the employer shall choose a delegate and the employees' exclusive representative shall choose a delegate to a panel of arbitration as provided in this Section. The employer and employees shall forthwith advise the other and the Board of their selections.

(c) Within 7 days after the request of either party, the parties shall request a panel of impartial arbitrators from which they shall select the neutral chairman according to the procedures provided in this Section. If the parties have agreed to a contract that contains a grievance resolution procedure as provided in Section 8, the chairman shall be selected using their agreed contract procedure unless they mutually agree to another procedure. If the parties fail to notify the Board of their selection of neutral chairman within 7 days after receipt of the list of impartial arbitrators, the Board shall appoint, at random, a neutral chairman from the list. In the absence of an agreed contract procedure for selecting an impartial arbitrator, either party may request a panel from the Board. Within 7 days of the request of either party, the Board shall select from the Public Employees Labor Mediation Roster 7 persons who are on the labor arbitration panels of either the American Arbitration Association or the Federal Mediation and Conciliation Service, or who are members of the National Academy of Arbitrators, as nominees for impartial arbitrator of the arbitration panel. The parties may select an individual on the list provided by the Board or any other individual mutually agreed upon by the parties. Within 7 days following the receipt of the list, the parties shall notify the Board of the person they have selected. Unless the parties agree on an alternate selection procedure, they shall alternatively strike one name from the list provided by the Board until only one name remains. A coin toss shall determine which party shall strike the first name. If the parties fail to notify the Board in a timely manner of their selection for neutral chairman, the Board shall appoint a neutral chairman from the Illinois Public Employees Mediation/Arbitration Roster.

(d) The chairman shall call a hearing to begin within 15 days and give reasonable notice of the time and place of the hearing. The hearing shall be held at the offices of the Board or at such other location as the Board deems appropriate. The chairman shall preside over the hearing and shall take testimony. Any oral or documentary evidence and other data deemed relevant by the arbitration panel may be received in evidence. The proceedings shall be informal. Technical rules of evidence shall not apply and the competency of the evidence shall not thereby be deemed impaired. A verbatim record of the proceedings shall be made and the arbitrator shall arrange for the necessary recording service. Transcripts may be ordered at the expense of the party ordering them, but the transcripts shall not be necessary for a decision by the arbitration panel. The expense of the proceedings, including a fee for the chairman, shall be borne equally by each of the parties to the dispute. The delegates, if public officers or employees, shall continue on the payroll of the public employer without loss of pay. The hearing conducted by the arbitration panel may be adjourned from time to time, but unless otherwise agreed by the parties, shall be concluded within 30 days of the time of its commencement. Majority actions and rulings shall constitute the actions and rulings of the arbitration panel. Arbitration proceedings under this Section shall not be interrupted or terminated by reason of any unfair labor practice charge filed by either party at any time.

(e) The arbitration panel may administer oaths, require the attendance of witnesses, and the production of such books, papers, contracts, agreements and documents as may be deemed by it material to a just determination of the issues in dispute, and for such purpose may issue subpoenas. If any person refuses to obey a subpoena, or refuses to be sworn or to testify, or if any witness, party or attorney is guilty of any contempt while in attendance at any hearing, the arbitration panel may, or the attorney general if requested shall, invoke the aid of any circuit court within the jurisdiction in which the hearing is being held, which court shall issue an appropriate order. Any failure to obey the order may be punished by the court as contempt.

(f) At any time before the rendering of an award, the chairman of the arbitration panel, if he is of the opinion that it would be useful or beneficial to do so, may remand the dispute to the parties for further collective bargaining for a period not to exceed 2 weeks. If the dispute is remanded for further collective bargaining the time provisions of this Act shall be extended for a time period equal to that of the remand. The chairman of the panel of arbitration shall notify the Board of the remand.

(g) At or before the conclusion of the hearing held pursuant to subsection (d), the arbitration panel shall identify the economic issues in dispute, and direct each of the parties to submit, within such time limit as the panel shall prescribe, to the arbitration panel and to each other its last offer of settlement on each economic issue. The determination of the arbitration panel as to the issues in dispute and as to which of these issues are economic shall be conclusive. The arbitration panel, within 30 days after the conclusion of the hearing, or such further additional periods to which the parties may agree, shall make written findings of fact and promulgate a written opinion and shall mail or otherwise deliver a true copy thereof

to the parties and their representatives and to the Board. As to each economic issue, the arbitration panel shall adopt the last offer of settlement which, in the opinion of the arbitration panel, more nearly complies with the applicable factors prescribed in subsection (h). The findings, opinions and order as to all other issues shall be based upon the applicable factors prescribed in subsection (h).

(h) Where there is no agreement between the parties, or where there is an agreement but the parties have begun negotiations or discussions looking to a new agreement or amendment of the existing agreement, and wage rates or other conditions of employment under the proposed new or amended agreement are in dispute, the arbitration panel shall base its findings, opinions and order upon the following factors, as applicable:

(1) The lawful authority of the employer.

(2) Stipulations of the parties.

(3) The interests and welfare of the public and the financial ability of the unit of government to meet those costs.

(4) Comparison of the wages, hours and conditions of employment of the employees involved in the arbitration proceeding with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally:

(A) In public employment in comparable communities.

(B) In private employment in comparable communities.

(5) The average consumer prices for goods and services, commonly known as the cost of living.

(6) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment and all other benefits received.

(7) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

(8) Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

(i) In the case of peace officers, the arbitration decision shall be limited to wages, hours, and conditions of employment (which may include residency requirements in municipalities with a population under 1,000,000, but those residency requirements shall not allow residency outside of Illinois) and shall not include the following: i) residency requirements in municipalities with a population of at least 1,000,000; ii) the type of equipment, other than uniforms, issued or used; iii) manning; iv) the total number of employees employed by the department; v) mutual aid and assistance agreements to other units of government; and vi) the criterion pursuant to which force, including deadly force, can be used; provided, nothing herein shall preclude an arbitration decision regarding equipment or manning levels if such decision is based on a finding that the equipment or manning considerations in a specific work assignment involve a serious risk to the safety of a peace officer beyond that which is inherent in the normal performance of police duties. Limitation of the terms of the arbitration decision pursuant to this subsection shall not be construed to limit the factors upon which the decision may be based, as set forth in subsection (h).

In the case of fire fighter, and fire department or fire district paramedic matters, the arbitration decision shall be limited to wages, hours, and conditions of employment (including manning and also including residency requirements in municipalities with a population under 1,000,000, but those residency requirements shall not allow residency outside of Illinois) and shall not include the following matters: i) residency requirements in municipalities with a population of at least 1,000,000; ii) the type of equipment (other than uniforms and fire fighter turnout gear) issued or used; iii) the total number of employees employed by the department; iv) mutual aid and assistance agreements to other units of government; and v) the criterion pursuant to which force, including deadly force, can be used; provided, however, nothing herein shall preclude an arbitration decision regarding equipment levels if such decision is based on a finding that the equipment considerations in a specific work assignment involve a serious risk to the safety of a fire fighter beyond that which is inherent in the normal performance of fire fighter duties. Limitation of the terms of the arbitration decision pursuant to this subsection shall not be construed to limit the facts upon which the decision may be based, as set forth in subsection (h).

The changes to this subsection (i) made by Public Act 90-385 (relating to residency requirements) do not apply to persons who are employed by a combined department that performs both police and firefighting services; these persons shall be governed by the provisions of this subsection (i) relating to peace officers, as they existed before the amendment by Public Act 90-385.

To preserve historical bargaining rights, this subsection shall not apply to any provision of a fire fighter collective bargaining agreement in effect and applicable on the effective date of this Act; provided, however, nothing herein shall preclude arbitration with respect to any such provision.

(j) Arbitration procedures shall be deemed to be initiated by the filing of a letter requesting mediation as required under subsection (a) of this Section. The commencement of a new municipal fiscal year after the initiation of arbitration procedures under this Act, but before the arbitration decision, or its enforcement, shall not be deemed to render a dispute moot, or to otherwise impair the jurisdiction or authority of the arbitration panel or its decision. Increases in rates of compensation awarded by the arbitration panel may be effective only at the start of the fiscal year next commencing after the date of the arbitration award. If a new fiscal year has commenced either since the initiation of arbitration procedures under this Act or since any mutually agreed extension of the statutorily required period of mediation under this Act by the parties to the labor dispute causing a delay in the initiation of arbitration, the foregoing limitations shall be inapplicable, and such awarded increases may be retroactive to the commencement of the fiscal year, any other statute or charter provisions to the contrary, notwithstanding. At any time the parties, by stipulation, may amend or modify an award of arbitration.

(k) Orders of the arbitration panel shall be reviewable, upon appropriate petition by either the public employer or the exclusive bargaining representative, by the circuit court for the county in which the dispute arose or in which a majority of the affected employees reside, but only for reasons that the arbitration panel was without or exceeded its statutory authority; the order is arbitrary, or capricious; or the order was procured by fraud, collusion or other similar and unlawful means. Such petitions for review must be filed with the appropriate circuit court within 90 days following the issuance of the arbitration order. The pendency of such proceeding for review shall not automatically stay the order of the arbitration panel. The party against whom the final decision of any such court shall be adverse, if such court finds such appeal or petition to be frivolous, shall pay reasonable attorneys' fees and costs to the successful party as determined by said court in its discretion. Unless mutually agreed otherwise, any party to a collective bargaining agreement who obtains a stay of an award issued by an arbitration panel or single arbitrator under the authority of this Section, or any mutually agreed procedures, shall pay all reasonable costs of the proceedings in the reviewing courts, including reasonable attorneys' fees, as determined by the court, in the event the final, unappealable decision of the reviewing courts is adverse to that party. Any mutually agreed procedures providing for submission of disputes to which this Section applies to an arbitrator other than an arbitration panel shall be a permissive subject of bargaining. If said court's decision affirms the award of money, such award, if retroactive, shall bear interest at the rate of 12 percent per annum from the effective retroactive date.

(l) During the pendency of proceedings before the arbitration panel, existing wages, hours, and other conditions of employment shall not be changed by action of either party without the consent of the other but a party may so consent without prejudice to his rights or position under this Act. The proceedings are deemed to be pending before the arbitration panel upon the initiation of arbitration procedures under this Act.

(m) Security officers of public employers, and Peace Officers, Fire Fighters and fire department and fire protection district paramedics, covered by this Section may not withhold services, nor may public employers lock out or prevent such employees from performing services at any time.

(n) All of the terms decided upon by the arbitration panel shall be included in an agreement to be submitted to the public employer's governing body for ratification and adoption by law, ordinance or the equivalent appropriate means.

The governing body shall review each term decided by the arbitration panel. If the governing body fails to reject one or more terms of the arbitration panel's decision by a 3/5 vote of those duly elected and qualified members of the governing body, within 20 days of issuance, or in the case of firefighters employed by a state university, at the next regularly scheduled meeting of the governing body after issuance, such term or terms shall become a part of the collective bargaining agreement of the parties. If the governing body affirmatively rejects one or more terms of the arbitration panel's decision, it must provide reasons for such rejection with respect to each term so rejected, within 20 days of such rejection and the parties shall return to the arbitration panel for further proceedings and issuance of a supplemental decision with respect to the rejected terms. Any supplemental decision by an arbitration panel or other decision maker agreed to by the parties shall be submitted to the governing body for ratification and adoption in accordance with the procedures and voting requirements set forth in this Section. The voting requirements of this subsection shall apply to all disputes submitted to arbitration pursuant to this Section notwithstanding any contrary voting requirements contained in any existing collective bargaining agreement between the parties.

(o) If the governing body of the employer votes to reject the panel's decision, the parties shall return to the panel within 30 days from the issuance of the reasons for rejection for further proceedings and issuance of a supplemental decision. All reasonable costs of such supplemental proceeding including the exclusive representative's reasonable attorney's fees, as established by the Board, shall be paid by the employer.

(p) Notwithstanding the provisions of this Section the employer and exclusive representative may agree to submit unresolved disputes concerning wages, hours, terms and conditions of employment to an alternative form of impasse resolution.

(Source: P.A. 98-535, eff. 1-1-14; 98-1151, eff. 1-7-15.)

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

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILL FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Manar, **House Bill No. 1380** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

YEAS 38; NAYS 8; Present 1.

The following voted in the affirmative:

Anderson	Haine	Lightford	Murphy, L.
Bennett	Harmon	Link	Raoul
Bertino-Tarrant	Harris	Manar	Sandoval
Biss	Hastings	Martinez	Stadelman
Bush	Holmes	McCann	Steans
Clayborne	Hunter	McCarter	Sullivan
Collins	Hutchinson	McGuire	Trotter
Cullerton, T.	Jones, E.	Morrison	Van Pelt
Cunningham	Koehler	Mulroe	
Forby	Landek	Muñoz	

The following voted in the negative:

Barickman	Luechtefeld	Radogno
Bivins	McConnaughay	Weaver
Brady	Murphy, M.	

The following voted present:

Rezin

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

HOUSE BILL RECALLED

On motion of Senator Link, **House Bill No. 4377** was recalled from the order of third reading to the order of second reading.

Senator Link offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO HOUSE BILL 4377

AMENDMENT NO. 2. Amend House Bill 4377, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. The Consumer Fraud and Deceptive Business Practices Act is amended by changing Section 2L as follows:

(815 ILCS 505/2L) (from Ch. 121 1/2, par. 262L)

Sec. 2L. Used motor vehicles; modification or disclaimer of implied warranty of merchantability limited.

(a) Any retail sale of a used motor vehicle made after the effective date of this amendatory Act of the 99th General Assembly ~~January 1, 1968~~ to a consumer by a licensed vehicle dealer ~~new motor vehicle dealer or used motor vehicle dealer~~ within the meaning of Chapter 5 of the Illinois Vehicle Code or by an auction company at an auction that is open to the general public is made subject to this Section.

(b) This Section does not apply to vehicles with more than 185,000 miles at the time of sale.

(c) Any sale of a used motor vehicle as described in subsection (a) may not exclude, modify, or disclaim the implied warranty of merchantability prescribed in Section 2-314 of the Uniform Commercial Code or limit the remedies for a breach of the warranty before midnight of the 15th calendar day after delivery of a used motor vehicle or until a used motor vehicle is driven 500 miles after delivery, whichever is earlier. In calculating time under this Section, a day on which the warranty is breached and all subsequent days in which the used motor vehicle fails to conform with the implied warranty of merchantability are excluded. In calculating distance under this Section, the miles driven to obtain or in connection with the repair, servicing, or testing of a used motor vehicle that fails to conform with the implied warranty of merchantability are excluded. An attempt to exclude, modify, or disclaim the implied warranty of merchantability or to limit the remedies for a breach of the warranty in violation of this Section renders a purchase agreement voidable at the option of the purchaser.

(d) An implied warranty of merchantability is met if a used motor vehicle functions free of a defect in a power train component. As used in this Section, "power train component" means the engine block, head, all internal engine parts, oil pan and gaskets, water pump, intake manifold, transmission, and all internal transmission parts, torque converter, drive shaft, universal joints, rear axle and all rear axle internal parts, and rear wheel bearings.

(e) The implied warranty of merchantability expires at midnight of the 15th calendar day after delivery of a used motor vehicle or when a used motor vehicle is driven 500 miles after delivery, whichever is earlier. In calculating time, a day on which the implied warranty of merchantability is breached is excluded and all subsequent days in which the used motor vehicle fails to conform with the warranty are also excluded. In calculating distance, the miles driven to or by the seller to obtain or in connection with the repair, servicing, or testing of a used motor vehicle that fails to conform with the implied warranty of merchantability are excluded. An implied warranty of merchantability does not extend to damage that occurs after the sale of the used motor vehicle that results from:

(1) off-road use;

(2) racing;

(3) towing;

(4) abuse;

(5) misuse;

(6) neglect;

(7) failure to perform regular maintenance; and

(8) failure to maintain adequate oil, coolant, and other required fluids or lubricants.

(f) If the implied warranty of merchantability described in this Section is breached, the consumer shall give reasonable notice to the seller no later than 2 business days after the end of the statutory warranty period. Before the consumer exercises another remedy pursuant to Article 2 of the Uniform Commercial Code, the seller shall have a reasonable opportunity to repair the used motor vehicle. The consumer shall pay one-half of the cost of the first 2 repairs necessary to bring the used motor vehicle into compliance with the warranty. The payments by the consumer are limited to a maximum payment of $100 for each repair; however, the consumer shall only be responsible for a maximum payment of $100 if the consumer brings in the vehicle for a second repair for the same defect. Reasonable notice as defined in this Section shall include, but not be limited to:

(1) text, provided the seller has provided the consumer with a cell phone number;

(2) phone call or message to the seller's business phone number provided on the seller's bill of sale for the purchase of the motor vehicle;

(3) in writing to the seller's address provided on the seller's bill of sale for the purchase of the motor vehicle;

(4) in person at the seller's address provided on the seller's bill of sale for the purchase of the motor vehicle.

(g) The maximum liability of a seller for repairs pursuant to this Section is limited to the purchase price paid for the used motor vehicle, to be refunded to the consumer or lender, as applicable, in exchange for return of the vehicle.

(h) An agreement for the sale of a used motor vehicle subject to this Section is voidable at the option of the consumer, unless it contains on its face the following conspicuous statement printed in boldface 10-point or larger type set off from the body of the agreement:

"Illinois law requires that this vehicle will be free of a defect in a power train component for 15 days or 500 miles after delivery, whichever is earlier, except with regard to particular defects disclosed on the first page of this agreement. "Power train component" means the engine block, head, all internal engine parts, oil pan and gaskets, water pump, intake manifold, transmission, and all internal transmission parts, torque converter, drive shaft, universal joints, rear axle and all rear axle internal parts, and rear wheel bearings. You (the consumer) will have to pay up to $100 for each of the first 2 repairs if the warranty is violated.".

(i) The inclusion in the agreement of the statement prescribed in subsection (h) of this Section does not create an express warranty.

(j) A consumer of a used motor vehicle may waive the implied warranty of merchantability only for a particular defect in the vehicle including, but not limited to, a rebuilt or flood-branded title and only if all of the following conditions are satisfied:

(1) the seller subject to this Section fully and accurately discloses to the consumer that because of circumstances unusual to the business, the used motor vehicle has a particular defect;

(2) the consumer agrees to buy the used motor vehicle after disclosure of the defect; and

(3) before the sale, the consumer indicates agreement to the waiver by signing and dating the following conspicuous statement that is printed on the first page of the sales agreement or on a separate document in boldface 10-point or larger type and that is written in the language in which the presentation was made:

"Attention consumer: sign here only if the seller has told you that this vehicle has the following problem or problems and you agree to buy the vehicle on those terms:

1.....

2.....

3.....".

(k) It shall be an affirmative defense to any claim under this Section that:

(1) an alleged nonconformity does not substantially impair the use and market value of the motor vehicle;

(2) a nonconformity is the result of abuse, neglect, or unauthorized modifications or alterations of the motor vehicle;

(3) a claim by a consumer was not filed in good faith; or

(4) any other affirmative defense allowed by law.

(l) Other than the 15-day, 500-mile implied warranty of merchantability identified herein, a seller subject to this Section is not required to provide any further express or implied warranties to a purchasing consumer unless:

(1) the seller is required by federal or State law to provide a further express or implied warranty; or

(2) the seller fails to fully inform and disclose to the consumer that the vehicle is being sold without any further express or implied warranties, other than the 15 day, 500 mile implied warranty of merchantability identified in this Section.

(m) This Section does not apply to the sale of antique vehicles, as defined in the Illinois Vehicle Code, or to collector motor vehicles.

~~(a) The dealer is liable to the purchasing consumer for the following share of the cost of the repair of Power Train components for a period of 30 days from date of delivery, unless the repairs have become necessary by abuse, negligence, or collision. The burden of establishing that a claim for repairs is not within this Section shall be on the selling dealer. The dealer's share of such repair costs is:~~

~~(1) in the case of a motor vehicle which is not more than 2 years old, 50%;~~

~~(2) in the case of a motor vehicle which is 2 or more, but less than 3 years old, 25%;~~

~~(3) in the case of a motor vehicle which is 3 or more, but less than 4 years old, 10%; and~~

~~(4) in the case of a motor vehicle which is 4 or more years old, none.~~

~~(b) Notwithstanding the foregoing, such a dealer and a purchasing consumer may negotiate a sale and purchase that is not subject to this Section if there is stamped on any purchase order, contract, agreement, or other instrument to be signed by the consumer as a part of that transaction, in at least 10-point bold type immediately above the signature line, the following:~~

~~"THIS VEHICLE IS SOLD AS IS WITH NO WARRANTY AS TO MECHANICAL CONDITION"~~

~~(c) As used in this Section, "Power Train components" means the engine block, head, all internal engine parts, oil pan and gaskets, water pump, intake manifold, transmission, and all internal transmission parts, torque converter, drive shaft, universal joints, rear axle and all rear axle internal parts, and rear wheel bearings.~~

~~(d) The repair liability means that the dealer will make necessary Power Train component repairs in his shop, or in the shop of his service affiliate, on the basis of his regular list price charge for parts and labor, where the flat rate list price does not exceed 50% of the selling price of the vehicle at the time repairs are requested.~~

~~(e) The age of the vehicle shall be measured according to the manufacturer's model year designation as shown on the Certificate of Title or Registration Certificate. Vehicles shall be designated as current year models, one year old, 2 year old, and so forth according to the time that has elapsed since January 1 of the appropriate model year so designated.~~

~~(f) This Section does not preclude the issuance of a warranty or guarantee by a motor vehicle dealer or motor car manufacturer that meets or exceeds the basic provisions of paragraph (a).~~

~~(g) After the effective date of this amendatory Act of 1989, executives' and officials' cars when so advertised shall have been used exclusively by executives of the parent motor car manufacturer's personnel or by an executive of an authorized dealer in the same make of car. These cars, so advertised, shall not have been sold to a member of the public prior to the appearance of the advertisement.~~

Any person who violates this Section commits an unlawful practice within the meaning of this Act. (Source: P.A. 86-351; 87-1140.)

Section 99. Effective date. This Act takes effect July 1, 2017.".

The motion prevailed.

And the amendment was adopted and ordered printed.

Senator Link offered the following amendment and moved its adoption:

AMENDMENT NO. 3 TO HOUSE BILL 4377

AMENDMENT NO. _3_. Amend House Bill 4377, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 2, on page 2 by replacing line 2 with the following:

"150,000 miles at the time of the sale. In addition, this Section does not apply to vehicles with titles that have been branded "rebuilt" or "flood".".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILL FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Link, **House Bill No. 4377** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

YEAS 51; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Manar	Raoul
Anderson	Haine	Martinez	Rezin
Barickman	Harmon	McCann	Righter

Bennett	Hastings	McCarter	Rose
Bertino-Tarrant	Holmes	McConchie	Sandoval
Biss	Hunter	McConnaughay	Stadelman
Brady	Hutchinson	McGuire	Steans
Bush	Jones, E.	Morrison	Sullivan
Clayborne	Koehler	Mulroe	Trotter
Collins	Landek	Muñoz	Van Pelt
Connelly	Lightford	Murphy, L.	Weaver
Cullerton, T.	Link	Murphy, M.	Mr. President
Cunningham	Luechtefeld	Radogno	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendments adopted thereto.

HOUSE BILL RECALLED

On motion of Senator Harris, **House Bill No. 4517** was recalled from the order of third reading to the order of second reading.

Senator Harris offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO HOUSE BILL 4517

AMENDMENT NO. 1. Amend House Bill 4517 by replacing everything after the enacting clause with the following:

"Section 5. The Civil Administrative Code of Illinois is amended by changing Section 5-565 as follows: (20 ILCS 5/5-565) (was 20 ILCS 5/6.06)

Sec. 5-565. In the Department of Public Health.

(a) The General Assembly declares it to be the public policy of this State that all citizens of Illinois are entitled to lead healthy lives. Governmental public health has a specific responsibility to ensure that a public health system is in place to allow the public health mission to be achieved. The public health system is the collection of public, private, and voluntary entities as well as individuals and informal associations that contribute to the public's health within the State. To develop a public health system requires certain core functions to be performed by government. The State Board of Health is to assume the leadership role in advising the Director in meeting the following functions:

(1) Needs assessment.

(2) Statewide health objectives.

(3) Policy development.

(4) Assurance of access to necessary services.

There shall be a State Board of Health composed of 20 persons, all of whom shall be appointed by the Governor, with the advice and consent of the Senate for those appointed by the Governor on and after June 30, 1998, and one of whom shall be a senior citizen age 60 or over. Five members shall be physicians licensed to practice medicine in all its branches, one representing a medical school faculty, one who is board certified in preventive medicine, and one who is engaged in private practice. One member shall be a chiropractic physician. One member shall be a dentist; one an environmental health practitioner; one a local public health administrator; one a local board of health member; one a registered nurse; one a physical therapist; one an optometrist; one a veterinarian; one a public health academician; one a health care industry representative; one a representative of the business community; one a representative of the non-profit public interest community; and 2 shall be citizens at large.

The terms of Board of Health members shall be 3 years, except that members shall continue to serve on the Board of Health until a replacement is appointed. Upon the effective date of this amendatory Act of the 93rd General Assembly, in the appointment of the Board of Health members appointed to vacancies or positions with terms expiring on or before December 31, 2004, the Governor shall appoint up to 6 members to serve for terms of 3 years; up to 6 members to serve for terms of 2 years; and up to 5 members to serve for a term of one year, so that the term of no more than 6 members expire in the same year. All members shall be legal residents of the State of Illinois. The duties of the Board shall include, but not be limited to, the following:

(1) To advise the Department of ways to encourage public understanding and support of the Department's programs.

(2) To evaluate all boards, councils, committees, authorities, and bodies advisory to, or an adjunct of, the Department of Public Health or its Director for the purpose of recommending to the Director one or more of the following:

(i) The elimination of bodies whose activities are not consistent with goals and objectives of the Department.

(ii) The consolidation of bodies whose activities encompass compatible programmatic subjects.

(iii) The restructuring of the relationship between the various bodies and their integration within the organizational structure of the Department.

(iv) The establishment of new bodies deemed essential to the functioning of the Department.

(3) To serve as an advisory group to the Director for public health emergencies and control of health hazards.

(4) To advise the Director regarding public health policy, and to make health policy recommendations regarding priorities to the Governor through the Director.

(5) To present public health issues to the Director and to make recommendations for the resolution of those issues.

(6) To recommend studies to delineate public health problems.

(7) To make recommendations to the Governor through the Director regarding the coordination of State public health activities with other State and local public health agencies and organizations.

(8) To report on or before February 1 of each year on the health of the residents of Illinois to the Governor, the General Assembly, and the public.

(9) To review the final draft of all proposed administrative rules, other than emergency or preemptory rules and those rules that another advisory body must approve or review within a statutorily defined time period, of the Department after September 19, 1991 (the effective date of Public Act 87-633). The Board shall review the proposed rules within 90 days of submission by the Department. The Department shall take into consideration any comments and recommendations of the Board regarding the proposed rules prior to submission to the Secretary of State for initial publication. If the Department disagrees with the recommendations of the Board, it shall submit a written response outlining the reasons for not accepting the recommendations.

In the case of proposed administrative rules or amendments to administrative rules regarding immunization of children against preventable communicable diseases designated by the Director under the Communicable Disease Prevention Act, after the Immunization Advisory Committee has made its recommendations, the Board shall conduct 3 public hearings, geographically distributed throughout the State. At the conclusion of the hearings, the State Board of Health shall issue a report, including its recommendations, to the Director. The Director shall take into consideration any comments or recommendations made by the Board based on these hearings.

(10) To deliver to the Governor for presentation to the General Assembly a State Health Improvement Plan. The first 3 such plans shall be delivered to the Governor on January 1, 2006, January 1, 2009, and January 1, 2016 and then every 5 years thereafter.

The Plan shall recommend priorities and strategies to improve the public health system and the health status of Illinois residents, taking into consideration national health objectives and system standards as frameworks for assessment.

The Plan shall also take into consideration priorities and strategies developed at the community level through the Illinois Project for Local Assessment of Needs (IPLAN) and any regional health improvement plans that may be developed. The Plan shall focus on prevention as a key strategy for long-term health improvement in Illinois.

The Plan shall examine and make recommendations on the contributions and strategies of the public and private sectors for improving health status and the public health system in the State. In addition to recommendations on health status improvement priorities and strategies for the population of the State as a whole, the Plan shall make recommendations regarding priorities and strategies for reducing and eliminating health disparities in Illinois; including racial, ethnic, gender, age, socio-economic and geographic disparities.

The Director of the Illinois Department of Public Health shall appoint a Planning Team that includes a range of public, private, and voluntary sector stakeholders and participants in the public health system. This Team shall include: the directors of State agencies with public health responsibilities

(or their designees), including but not limited to the Illinois Departments of Public Health and Department of Human Services, representatives of local health departments, representatives of local community health partnerships, and individuals with expertise who represent an array of organizations and constituencies engaged in public health improvement and prevention.

The State Board of Health shall hold at least 3 public hearings addressing drafts of the Plan in representative geographic areas of the State. Members of the Planning Team shall receive no compensation for their services, but may be reimbursed for their necessary expenses.

Upon the delivery of each State Health Improvement Plan, the Governor shall appoint a SHIP Implementation Coordination Council that includes a range of public, private, and voluntary sector stakeholders and participants in the public health system. The Council shall include the directors of State agencies and entities with public health system responsibilities (or their designees), including but not limited to the Department of Public Health, Department of Human Services, Department of Healthcare and Family Services, Environmental Protection Agency, Illinois State Board of Education, Department on Aging, Illinois Violence Prevention Authority, Department of Agriculture, Department of Insurance, Department of Financial and Professional Regulation, Department of Transportation, and Department of Commerce and Economic Opportunity and the Chair of the State Board of Health. The Council shall include representatives of local health departments and individuals with expertise who represent an array of organizations and constituencies engaged in public health improvement and prevention, including non-profit public interest groups, health issue groups, faith community groups, health care providers, businesses and employers, academic institutions, and community-based organizations. The Governor shall endeavor to make the membership of the Council representative of the racial, ethnic, gender, socio-economic, and geographic diversity of the State. The Governor shall designate one State agency representative and one other non-governmental member as co-chairs of the Council. The Governor shall designate a member of the Governor's office to serve as liaison to the Council and one or more State agencies to provide or arrange for support to the Council. The members of the SHIP Implementation Coordination Council for each State Health Improvement Plan shall serve until the delivery of the subsequent State Health Improvement Plan, whereupon a new Council shall be appointed. Members of the SHIP Planning Team may serve on the SHIP Implementation Coordination Council if so appointed by the Governor.

The SHIP Implementation Coordination Council shall coordinate the efforts and engagement of the public, private, and voluntary sector stakeholders and participants in the public health system to implement each SHIP. The Council shall serve as a forum for collaborative action; coordinate existing and new initiatives; develop detailed implementation steps, with mechanisms for action; implement specific projects; identify public and private funding sources at the local, State and federal level; promote public awareness of the SHIP; advocate for the implementation of the SHIP; and develop an annual report to the Governor, General Assembly, and public regarding the status of implementation of the SHIP. The Council shall not, however, have the authority to direct any public or private entity to take specific action to implement the SHIP.

(11) Upon the request of the Governor, to recommend to the Governor candidates for Director of Public Health when vacancies occur in the position.

(12) To adopt bylaws for the conduct of its own business, including the authority to establish ad hoc committees to address specific public health programs requiring resolution.

(13) (Blank). ~~To review and comment upon the Comprehensive Health Plan submitted by the Center for Comprehensive Health Planning as provided under Section 2310-217 of the Department of Public Health Powers and Duties Law of the Civil Administrative Code of Illinois.~~

Upon appointment, the Board shall elect a chairperson from among its members.

Members of the Board shall receive compensation for their services at the rate of $150 per day, not to exceed $10,000 per year, as designated by the Director for each day required for transacting the business of the Board and shall be reimbursed for necessary expenses incurred in the performance of their duties. The Board shall meet from time to time at the call of the Department, at the call of the chairperson, or upon the request of 3 of its members, but shall not meet less than 4 times per year.

(b) (Blank).

(c) An Advisory Board on Necropsy Service to Coroners, which shall counsel and advise with the Director on the administration of the Autopsy Act. The Advisory Board shall consist of 11 members, including a senior citizen age 60 or over, appointed by the Governor, one of whom shall be designated as chairman by a majority of the members of the Board. In the appointment of the first Board the Governor shall appoint 3 members to serve for terms of 1 year, 3 for terms of 2 years, and 3 for terms of 3 years. The members first appointed under Public Act 83-1538 shall serve for a term of 3 years. All members appointed thereafter shall be appointed for terms of 3 years, except that when an appointment is made to

fill a vacancy, the appointment shall be for the remaining term of the position vacant. The members of the Board shall be citizens of the State of Illinois. In the appointment of members of the Advisory Board the Governor shall appoint 3 members who shall be persons licensed to practice medicine and surgery in the State of Illinois, at least 2 of whom shall have received post-graduate training in the field of pathology; 3 members who are duly elected coroners in this State; and 5 members who shall have interest and abilities in the field of forensic medicine but who shall be neither persons licensed to practice any branch of medicine in this State nor coroners. In the appointment of medical and coroner members of the Board, the Governor shall invite nominations from recognized medical and coroners organizations in this State respectively. Board members, while serving on business of the Board, shall receive actual necessary travel and subsistence expenses while so serving away from their places of residence.
(Source: P.A. 97-734, eff. 1-1-13; 97-810, eff. 1-1-13; 98-463, eff. 8-16-13.)

Section 10. The Illinois Health Facilities Planning Act is amended by changing Sections 2, 3, 4, 8.5, 10, 12, 12.2, 12.3, 14.1, and 19.5 as follows:

(20 ILCS 3960/2) (from Ch. 111 1/2, par. 1152)

(Section scheduled to be repealed on December 31, 2019)

Sec. 2. Purpose of the Act. This Act shall establish a procedure (1) which requires a person establishing, constructing or modifying a health care facility, as herein defined, to have the qualifications, background, character and financial resources to adequately provide a proper service for the community; (2) that promotes~~, through the process of comprehensive health planning,~~ the orderly and economic development of health care facilities in the State of Illinois that avoids unnecessary duplication of such facilities; and (3) that promotes planning for and development of health care facilities needed for comprehensive health care especially in areas where the health planning process has identified unmet needs ~~; and (4) that carries out these purposes in coordination with the Center for Comprehensive Health Planning and the Comprehensive Health Plan developed by that Center~~.

The changes made to this Act by this amendatory Act of the 96th General Assembly are intended to accomplish the following objectives: to improve the financial ability of the public to obtain necessary health services; to establish an orderly and comprehensive health care delivery system that will guarantee the availability of quality health care to the general public; to maintain and improve the provision of essential health care services and increase the accessibility of those services to the medically underserved and indigent; to assure that the reduction and closure of health care services or facilities is performed in an orderly and timely manner, and that these actions are deemed to be in the best interests of the public; and to assess the financial burden to patients caused by unnecessary health care construction and modification. ~~The Health Facilities and Services Review Board must apply the findings from the Comprehensive Health Plan to update review standards and criteria, as well as better identify needs and evaluate applications, and establish mechanisms to support adequate financing of the health care delivery system in Illinois, for the development and preservation of safety net services. The Board must provide written and consistent decisions that are based on the findings from the Comprehensive Health Plan, as well as other issue or subject specific plans, recommended by the Center for Comprehensive Health Planning. Policies and procedures must include criteria and standards for plan variations and deviations that must be updated.~~ Evidence-based assessments, projections and decisions will be applied regarding capacity, quality, value and equity in the delivery of health care services in Illinois. The integrity of the Certificate of Need process is ensured through revised ethics and communications procedures. Cost containment and support for safety net services must continue to be central tenets of the Certificate of Need process.
(Source: P.A. 96-31, eff. 6-30-09.)

(20 ILCS 3960/3) (from Ch. 111 1/2, par. 1153)

(Section scheduled to be repealed on December 31, 2019)

Sec. 3. Definitions. As used in this Act:

"Health care facilities" means and includes the following facilities, organizations, and related persons:

(1) An ambulatory surgical treatment center required to be licensed pursuant to the Ambulatory Surgical Treatment Center Act.

(2) An institution, place, building, or agency required to be licensed pursuant to the Hospital Licensing Act.

(3) Skilled and intermediate long term care facilities licensed under the Nursing Home Care Act.

(A) If a demonstration project under the Nursing Home Care Act applies for a certificate of need to convert to a nursing facility, it shall meet the licensure and certificate of need requirements in effect as of the date of application.

(B) Except as provided in item (A) of this subsection, this Act does not apply to facilities granted waivers under Section 3-102.2 of the Nursing Home Care Act.

(3.5) Skilled and intermediate care facilities licensed under the ID/DD Community Care Act or the MC/DD Act. No permit or exemption is required for a facility licensed under the ID/DD Community Care Act or the MC/DD Act prior to the reduction of the number of beds at a facility. If there is a total reduction of beds at a facility licensed under the ID/DD Community Care Act or the MC/DD Act, this is a discontinuation or closure of the facility. If a facility licensed under the ID/DD Community Care Act or the MC/DD Act reduces the number of beds or discontinues the facility, that facility must notify the Board as provided in Section 14.1 of this Act.

(3.7) Facilities licensed under the Specialized Mental Health Rehabilitation Act of 2013.

(4) Hospitals, nursing homes, ambulatory surgical treatment centers, or kidney disease treatment centers maintained by the State or any department or agency thereof.

(5) Kidney disease treatment centers, including a free-standing hemodialysis unit required to be licensed under the End Stage Renal Disease Facility Act.

(A) This Act does not apply to a dialysis facility that provides only dialysis training, support, and related services to individuals with end stage renal disease who have elected to receive home dialysis.

(B) This Act does not apply to a dialysis unit located in a licensed nursing home that offers or provides dialysis-related services to residents with end stage renal disease who have elected to receive home dialysis within the nursing home.

(C) The Board, however, may require dialysis facilities and licensed nursing homes under items (A) and (B) of this subsection to report statistical information on a quarterly basis to the Board to be used by the Board to conduct analyses on the need for proposed kidney disease treatment centers.

(6) An institution, place, building, or room used for the performance of outpatient surgical procedures that is leased, owned, or operated by or on behalf of an out-of-state facility.

(7) An institution, place, building, or room used for provision of a health care category of service, including, but not limited to, cardiac catheterization and open heart surgery.

(8) An institution, place, building, or room housing major medical equipment used in the direct clinical diagnosis or treatment of patients, and whose project cost is in excess of the capital expenditure minimum.

"Health care facilities" does not include the following entities or facility transactions:

(1) Federally-owned facilities.

(2) Facilities used solely for healing by prayer or spiritual means.

(3) An existing facility located on any campus facility as defined in Section 5-5.8b of the Illinois Public Aid Code, provided that the campus facility encompasses 30 or more contiguous acres and that the new or renovated facility is intended for use by a licensed residential facility.

(4) Facilities licensed under the Supportive Residences Licensing Act or the Assisted Living and Shared Housing Act.

(5) Facilities designated as supportive living facilities that are in good standing with the program established under Section 5-5.01a of the Illinois Public Aid Code.

(6) Facilities established and operating under the Alternative Health Care Delivery Act as a children's community-based health care center alternative health care model demonstration program or as an Alzheimer's Disease Management Center alternative health care model demonstration program.

(7) The closure of an entity or a portion of an entity licensed under the Nursing Home Care Act, the Specialized Mental Health Rehabilitation Act of 2013, the ID/DD Community Care Act, or the MC/DD Act, with the exception of facilities operated by a county or Illinois Veterans Homes, that elect to convert, in whole or in part, to an assisted living or shared housing establishment licensed under the Assisted Living and Shared Housing Act and with the exception of a facility licensed under the Specialized Mental Health Rehabilitation Act of 2013 in connection with a proposal to close a facility and re-establish the facility in another location.

(8) Any change of ownership of a health care facility that is licensed under the Nursing Home Care Act, the Specialized Mental Health Rehabilitation Act of 2013, the ID/DD Community Care Act, or the MC/DD Act, with the exception of facilities operated by a county or Illinois Veterans Homes. Changes of ownership of facilities licensed under the Nursing Home Care Act must meet the requirements set forth in Sections 3-101 through 3-119 of the Nursing Home Care Act.

With the exception of those health care facilities specifically included in this Section, nothing in this Act shall be intended to include facilities operated as a part of the practice of a physician or other licensed

health care professional, whether practicing in his individual capacity or within the legal structure of any partnership, medical or professional corporation, or unincorporated medical or professional group. Further, this Act shall not apply to physicians or other licensed health care professional's practices where such practices are carried out in a portion of a health care facility under contract with such health care facility by a physician or by other licensed health care professionals, whether practicing in his individual capacity or within the legal structure of any partnership, medical or professional corporation, or unincorporated medical or professional groups, unless the entity constructs, modifies, or establishes a health care facility as specifically defined in this Section. This Act shall apply to construction or modification and to establishment by such health care facility of such contracted portion which is subject to facility licensing requirements, irrespective of the party responsible for such action or attendant financial obligation.

"Person" means any one or more natural persons, legal entities, governmental bodies other than federal, or any combination thereof.

"Consumer" means any person other than a person (a) whose major occupation currently involves or whose official capacity within the last 12 months has involved the providing, administering or financing of any type of health care facility, (b) who is engaged in health research or the teaching of health, (c) who has a material financial interest in any activity which involves the providing, administering or financing of any type of health care facility, or (d) who is or ever has been a member of the immediate family of the person defined by (a), (b), or (c).

"State Board" or "Board" means the Health Facilities and Services Review Board.

"Construction or modification" means the establishment, erection, building, alteration, reconstruction, modernization, improvement, extension, discontinuation, change of ownership, of or by a health care facility, or the purchase or acquisition by or through a health care facility of equipment or service for diagnostic or therapeutic purposes or for facility administration or operation, or any capital expenditure made by or on behalf of a health care facility which exceeds the capital expenditure minimum; however, any capital expenditure made by or on behalf of a health care facility for (i) the construction or modification of a facility licensed under the Assisted Living and Shared Housing Act or (ii) a conversion project undertaken in accordance with Section 30 of the Older Adult Services Act shall be excluded from any obligations under this Act.

"Establish" means the construction of a health care facility or the replacement of an existing facility on another site or the initiation of a category of service.

"Major medical equipment" means medical equipment which is used for the provision of medical and other health services and which costs in excess of the capital expenditure minimum, except that such term does not include medical equipment acquired by or on behalf of a clinical laboratory to provide clinical laboratory services if the clinical laboratory is independent of a physician's office and a hospital and it has been determined under Title XVIII of the Social Security Act to meet the requirements of paragraphs (10) and (11) of Section 1861(s) of such Act. In determining whether medical equipment has a value in excess of the capital expenditure minimum, the value of studies, surveys, designs, plans, working drawings, specifications, and other activities essential to the acquisition of such equipment shall be included.

"Capital Expenditure" means an expenditure: (A) made by or on behalf of a health care facility (as such a facility is defined in this Act); and (B) which under generally accepted accounting principles is not properly chargeable as an expense of operation and maintenance, or is made to obtain by lease or comparable arrangement any facility or part thereof or any equipment for a facility or part; and which exceeds the capital expenditure minimum.

For the purpose of this paragraph, the cost of any studies, surveys, designs, plans, working drawings, specifications, and other activities essential to the acquisition, improvement, expansion, or replacement of any plant or equipment with respect to which an expenditure is made shall be included in determining if such expenditure exceeds the capital expenditures minimum. Unless otherwise interdependent, or submitted as one project by the applicant, components of construction or modification undertaken by means of a single construction contract or financed through the issuance of a single debt instrument shall not be grouped together as one project. Donations of equipment or facilities to a health care facility which if acquired directly by such facility would be subject to review under this Act shall be considered capital expenditures, and a transfer of equipment or facilities for less than fair market value shall be considered a capital expenditure for purposes of this Act if a transfer of the equipment or facilities at fair market value would be subject to review.

"Capital expenditure minimum" means $11,500,000 for projects by hospital applicants, $6,500,000 for applicants for projects related to skilled and intermediate care long-term care facilities licensed under the Nursing Home Care Act, and $3,000,000 for projects by all other applicants, which shall be annually adjusted to reflect the increase in construction costs due to inflation, for major medical equipment and for all other capital expenditures.

"Non-clinical service area" means an area (i) for the benefit of the patients, visitors, staff, or employees of a health care facility and (ii) not directly related to the diagnosis, treatment, or rehabilitation of persons receiving services from the health care facility. "Non-clinical service areas" include, but are not limited to, chapels; gift shops; news stands; computer systems; tunnels, walkways, and elevators; telephone systems; projects to comply with life safety codes; educational facilities; student housing; patient, employee, staff, and visitor dining areas; administration and volunteer offices; modernization of structural components (such as roof replacement and masonry work); boiler repair or replacement; vehicle maintenance and storage facilities; parking facilities; mechanical systems for heating, ventilation, and air conditioning; loading docks; and repair or replacement of carpeting, tile, wall coverings, window coverings or treatments, or furniture. Solely for the purpose of this definition, "non-clinical service area" does not include health and fitness centers.

"Areawide" means a major area of the State delineated on a geographic, demographic, and functional basis for health planning and for health service and having within it one or more local areas for health planning and health service. The term "region", as contrasted with the term "subregion", and the word "area" may be used synonymously with the term "areawide".

"Local" means a subarea of a delineated major area that on a geographic, demographic, and functional basis may be considered to be part of such major area. The term "subregion" may be used synonymously with the term "local".

"Physician" means a person licensed to practice in accordance with the Medical Practice Act of 1987, as amended.

"Licensed health care professional" means a person licensed to practice a health profession under pertinent licensing statutes of the State of Illinois.

"Director" means the Director of the Illinois Department of Public Health.

"Agency" or "Department" means the Illinois Department of Public Health.

"Alternative health care model" means a facility or program authorized under the Alternative Health Care Delivery Act.

"Out-of-state facility" means a person that is both (i) licensed as a hospital or as an ambulatory surgery center under the laws of another state or that qualifies as a hospital or an ambulatory surgery center under regulations adopted pursuant to the Social Security Act and (ii) not licensed under the Ambulatory Surgical Treatment Center Act, the Hospital Licensing Act, or the Nursing Home Care Act. Affiliates of out-of-state facilities shall be considered out-of-state facilities. Affiliates of Illinois licensed health care facilities 100% owned by an Illinois licensed health care facility, its parent, or Illinois physicians licensed to practice medicine in all its branches shall not be considered out-of-state facilities. Nothing in this definition shall be construed to include an office or any part of an office of a physician licensed to practice medicine in all its branches in Illinois that is not required to be licensed under the Ambulatory Surgical Treatment Center Act.

"Change of ownership of a health care facility" means a change in the person who has ownership or control of a health care facility's physical plant and capital assets. A change in ownership is indicated by the following transactions: sale, transfer, acquisition, lease, change of sponsorship, or other means of transferring control.

"Related person" means any person that: (i) is at least 50% owned, directly or indirectly, by either the health care facility or a person owning, directly or indirectly, at least 50% of the health care facility; or (ii) owns, directly or indirectly, at least 50% of the health care facility.

"Charity care" means care provided by a health care facility for which the provider does not expect to receive payment from the patient or a third-party payer.

"Freestanding emergency center" means a facility subject to licensure under Section 32.5 of the Emergency Medical Services (EMS) Systems Act.

"Category of service" means a grouping by generic class of various types or levels of support functions, equipment, care, or treatment provided to patients or residents, including, but not limited to, classes such as medical-surgical, pediatrics, or cardiac catheterization. A category of service may include subcategories or levels of care that identify a particular degree or type of care within the category of service. Nothing in this definition shall be construed to include the practice of a physician or other licensed health care professional while functioning in an office providing for the care, diagnosis, or treatment of patients. A category of service that is subject to the Board's jurisdiction must be designated in rules adopted by the Board.

"State Board Staff Report" means the document that sets forth the review and findings of the State Board staff, as prescribed by the State Board, regarding applications subject to Board jurisdiction.

(Source: P.A. 98-414, eff. 1-1-14; 98-629, eff. 1-1-15; 98-651, eff. 6-16-14; 98-1086, eff. 8-26-14; 99-78, eff. 7-20-15; 99-180, eff. 7-29-15.)

(20 ILCS 3960/4) (from Ch. 111 1/2, par. 1154)

(Section scheduled to be repealed on December 31, 2019)

Sec. 4. Health Facilities and Services Review Board; membership; appointment; term; compensation; quorum. Notwithstanding any other provision in this Section, members of the State Board holding office on the day before the effective date of this amendatory Act of the 96th General Assembly shall retain their authority.

(a) There is created the Health Facilities and Services Review Board, which shall perform the functions described in this Act. The Department shall provide operational support to the Board as necessary, including the provision of office space, supplies, and clerical, financial, and accounting services. The Board may contract for functions or operational support as needed. The Board may also contract with experts related to specific health services or facilities and create technical advisory panels to assist in the development of criteria, standards, and procedures used in the evaluation of applications for permit and exemption.

(b) Beginning March 1, 2010, the State Board shall consist of 9 voting members. All members shall be residents of Illinois and at least 4 shall reside outside the Chicago Metropolitan Statistical Area. Consideration shall be given to potential appointees who reflect the ethnic and cultural diversity of the State. Neither Board members nor Board staff shall be convicted felons or have pled guilty to a felony.

Each member shall have a reasonable knowledge of the practice, procedures and principles of the health care delivery system in Illinois, including at least 5 members who shall be knowledgeable about health care delivery systems, health systems planning, finance, or the management of health care facilities currently regulated under the Act. One member shall be a representative of a non-profit health care consumer advocacy organization. A spouse, parent, sibling, or child of a Board member cannot be an employee, agent, or under contract with services or facilities subject to the Act. Prior to appointment and in the course of service on the Board, members of the Board shall disclose the employment or other financial interest of any other relative of the member, if known, in service or facilities subject to the Act. Members of the Board shall declare any conflict of interest that may exist with respect to the status of those relatives and recuse themselves from voting on any issue for which a conflict of interest is declared. No person shall be appointed or continue to serve as a member of the State Board who is, or whose spouse, parent, sibling, or child is, a member of the Board of Directors of, has a financial interest in, or has a business relationship with a health care facility.

Notwithstanding any provision of this Section to the contrary, the term of office of each member of the State Board serving on the day before the effective date of this amendatory Act of the 96th General Assembly is abolished on the date upon which members of the 9-member Board, as established by this amendatory Act of the 96th General Assembly, have been appointed and can begin to take action as a Board. Members of the State Board serving on the day before the effective date of this amendatory Act of the 96th General Assembly may be reappointed to the 9-member Board. Prior to March 1, 2010, the Health Facilities Planning Board shall establish a plan to transition its powers and duties to the Health Facilities and Services Review Board.

(c) The State Board shall be appointed by the Governor, with the advice and consent of the Senate. Not more than 5 of the appointments shall be of the same political party at the time of the appointment.

The Secretary of Human Services, the Director of Healthcare and Family Services, and the Director of Public Health, or their designated representatives, shall serve as ex-officio, non-voting members of the State Board.

(d) Of those 9 members initially appointed by the Governor following the effective date of this amendatory Act of the 96th General Assembly, 3 shall serve for terms expiring July 1, 2011, 3 shall serve for terms expiring July 1, 2012, and 3 shall serve for terms expiring July 1, 2013. Thereafter, each appointed member shall hold office for a term of 3 years, provided that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his or her predecessor was appointed shall be appointed for the remainder of such term and the term of office of each successor shall commence on July 1 of the year in which his predecessor's term expires. Each member appointed after the effective date of this amendatory Act of the 96th General Assembly shall hold office until his or her successor is appointed and qualified. The Governor may reappoint a member for additional terms, but no member shall serve more than 3 terms, subject to review and re-approval every 3 years.

(e) State Board members, while serving on business of the State Board, shall receive actual and necessary travel and subsistence expenses while so serving away from their places of residence. Until March 1, 2010, a member of the State Board who experiences a significant financial hardship due to the loss of income on days of attendance at meetings or while otherwise engaged in the business of the State Board may be paid a hardship allowance, as determined by and subject to the approval of the Governor's Travel Control Board.

(f) The Governor shall designate one of the members to serve as the Chairman of the Board, who shall be a person with expertise in health care delivery system planning, finance or management of health care facilities that are regulated under the Act. The Chairman shall annually review Board member performance and shall report the attendance record of each Board member to the General Assembly.

(g) The State Board, through the Chairman, shall prepare a separate and distinct budget approved by the General Assembly and shall hire and supervise its own professional staff responsible for carrying out the responsibilities of the Board.

(h) The State Board shall meet at least every 45 days, or as often as the Chairman of the State Board deems necessary, or upon the request of a majority of the members.

(i) Five members of the State Board shall constitute a quorum. The affirmative vote of 5 of the members of the State Board shall be necessary for any action requiring a vote to be taken by the State Board. A vacancy in the membership of the State Board shall not impair the right of a quorum to exercise all the rights and perform all the duties of the State Board as provided by this Act.

(j) A State Board member shall disqualify himself or herself from the consideration of any application for a permit or exemption in which the State Board member or the State Board member's spouse, parent, sibling, or child: (i) has an economic interest in the matter; or (ii) is employed by, serves as a consultant for, or is a member of the governing board of the applicant or a party opposing the application.

(k) The Chairman, Board members, and Board staff must comply with the Illinois Governmental Ethics Act.

(Source: P.A. 96-31, eff. 6-30-09; 97-1115, eff. 8-27-12.)

(20 ILCS 3960/8.5)

(Section scheduled to be repealed on December 31, 2019)

Sec. 8.5. Certificate of exemption for change of ownership of a health care facility; discontinuation of a health care facility or category of service; public notice and public hearing.

(a) Upon a finding that an application for a change of ownership is complete, the State Board shall publish a legal notice on one day in a newspaper of general circulation in the area or community to be affected and afford the public an opportunity to request a hearing. If the application is for a facility located in a Metropolitan Statistical Area, an additional legal notice shall be published in a newspaper of limited circulation, if one exists, in the area in which the facility is located. If the newspaper of limited circulation is published on a daily basis, the additional legal notice shall be published on one day. The applicant shall pay the cost incurred by the Board in publishing the change of ownership notice in newspapers as required under this subsection. The legal notice shall also be posted on the Health Facilities and Services Review Board's web site and sent to the State Representative and State Senator of the district in which the health care facility is located. An application for change of ownership of a hospital shall not be deemed complete without a signed certification that for a period of 2 years after the change of ownership transaction is effective, the hospital will not adopt a charity care policy that is more restrictive than the policy in effect during the year prior to the transaction. An application for a change of ownership need not contain signed transaction documents so long as it includes the following key terms of the transaction: names and background of the parties; structure of the transaction; the person who will be the licensed or certified entity after the transaction; the ownership or membership interests in such licensed or certified entity both prior to and after the transaction; fair market value of assets to be transferred; and the purchase price or other form of consideration to be provided for those assets. The issuance of the certificate of exemption shall be contingent upon the applicant submitting a statement to the Board within 90 days after the closing date of the transaction, or such longer period as provided by the Board, certifying that the change of ownership has been completed in accordance with the key terms contained in the application. If such key terms of the transaction change, a new application shall be required.

Where a change of ownership is among related persons, and there are no other changes being proposed at the health care facility that would otherwise require a permit or exemption under this Act, the applicant shall submit an application consisting of a standard notice in a form set forth by the Board briefly explaining the reasons for the proposed change of ownership. Once such an application is submitted to the Board and reviewed by the Board staff, the Board Chair shall take action on an application for an exemption for a change of ownership among related persons within 45 days after the application has been deemed complete, provided the application meets the applicable standards under this Section. If the Board Chair has a conflict of interest or for other good cause, the Chair may request review by the Board. Notwithstanding any other provision of this Act, for purposes of this Section, a change of ownership among related persons means a transaction where the parties to the transaction are under common control or ownership before and after the transaction is completed.

Nothing in this Act shall be construed as authorizing the Board to impose any conditions, obligations, or limitations, other than those required by this Section, with respect to the issuance of an exemption for

a change of ownership, including, but not limited to, the time period before which a subsequent change of ownership of the health care facility could be sought, or the commitment to continue to offer for a specified time period any services currently offered by the health care facility.

(a-3) Upon a finding that an application to close a health care facility is complete, the State Board shall publish a legal notice on 3 consecutive days in a newspaper of general circulation in the area or community to be affected and afford the public an opportunity to request a hearing. If the application is for a facility located in a Metropolitan Statistical Area, an additional legal notice shall be published in a newspaper of limited circulation, if one exists, in the area in which the facility is located. If the newspaper of limited circulation is published on a daily basis, the additional legal notice shall be published on 3 consecutive days. The legal notice shall also be posted on the Health Facilities and Services Review Board's web site and sent to the State Representative and State Senator of the district in which the health care facility is located. No later than 90 days after a discontinuation of a health facility, the applicant must submit a statement to the State Board certifying that the discontinuation is complete.

(a-5) Upon a finding that an application to discontinue a category of service is complete and provides the requested information, as specified by the State Board, an exemption shall be issued. No later than 30 days after the issuance of the exemption, the health care facility must give written notice of the discontinuation of the category of service to the State Senator and State Representative serving the legislative district in which the health care facility is located. No later than 90 days after a discontinuation of a category of service, the applicant must submit a statement to the State Board certifying that the discontinuation is complete.

(b) If a public hearing is requested, it shall be held at least 15 days but no more than 30 days after the date of publication of the legal notice in the community in which the facility is located. The hearing shall be held in a place of reasonable size and accessibility and a full and complete written transcript of the proceedings shall be made. All interested persons attending the hearing shall be given a reasonable opportunity to present their positions in writing or orally. The applicant shall provide a summary of the proposal for distribution at the public hearing.

(c) For the purposes of this Section "newspaper of limited circulation" means a newspaper intended to serve a particular or defined population of a specific geographic area within a Metropolitan Statistical Area such as a municipality, town, village, township, or community area, but does not include publications of professional and trade associations.

(Source: P.A. 98-1086, eff. 8-26-14; 99-154, eff. 7-28-15.)

(20 ILCS 3960/10) (from Ch. 111 1/2, par. 1160)

(Section scheduled to be repealed on December 31, 2019)

Sec. 10. Presenting information relevant to the approval of a permit or certificate or in opposition to the denial of the application; notice of outcome and review proceedings. When a motion by the State Board, to approve an application for a permit ~~or a certificate of recognition~~, fails to pass, or when a motion to deny an application for a permit ~~or a certificate of recognition~~ is passed, the applicant or the holder of the permit, as the case may be, and such other parties as the State Board permits, will be given an opportunity to appear before the State Board and present such information as may be relevant to the approval of a permit ~~or certificate~~ or in opposition to the denial of the application.

Subsequent to an appearance by the applicant before the State Board or default of such opportunity to appear, a motion by the State Board to approve an application for a permit ~~or a certificate of recognition~~ which fails to pass or a motion to deny an application for a permit ~~or a certificate of recognition~~ which passes shall be considered denial of the application for a permit ~~or certificate of recognition~~, as the case may be. Such action of denial or an action by the State Board to revoke a permit ~~or a certificate of recognition~~ shall be communicated to the applicant or holder of the permit ~~or certificate of recognition~~. Such person or organization shall be afforded an opportunity for a hearing before an administrative law judge, who is appointed by the Chairman of the State Board. A written notice of a request for such hearing shall be served upon the Chairman of the State Board within 30 days following notification of the decision of the State Board. The administrative law judge shall take actions necessary to ensure that the hearing is completed within a reasonable period of time, but not to exceed 120 days, except for delays or continuances agreed to by the person requesting the hearing. Following its consideration of the report of the hearing, or upon default of the party to the hearing, the State Board shall make its final determination, specifying its findings and conclusions within 90 days of receiving the written report of the hearing. A copy of such determination shall be sent by certified mail or served personally upon the party.

A full and complete record shall be kept of all proceedings, including the notice of hearing, complaint, and all other documents in the nature of pleadings, written motions filed in the proceedings, and the report and orders of the State Board or hearing officer. All testimony shall be reported but need not be transcribed unless the decision is appealed in accordance with the Administrative Review Law, as now or hereafter

amended. A copy or copies of the transcript may be obtained by any interested party on payment of the cost of preparing such copy or copies.

The State Board or hearing officer shall upon its own or his motion, or on the written request of any party to the proceeding who has, in the State Board's or hearing officer's opinion, demonstrated the relevancy of such request to the outcome of the proceedings, issue subpoenas requiring the attendance and the giving of testimony by witnesses, and subpoenas duces tecum requiring the production of books, papers, records, or memoranda. The fees of witnesses for attendance and travel shall be the same as the fees of witnesses before the circuit court of this State.

When the witness is subpoenaed at the instance of the State Board, or its hearing officer, such fees shall be paid in the same manner as other expenses of the Board, and when the witness is subpoenaed at the instance of any other party to any such proceeding the State Board may, in accordance with its rules, require that the cost of service of the subpoena or subpoena duces tecum and the fee of the witness be borne by the party at whose instance the witness is summoned. In such case, the State Board in its discretion, may require a deposit to cover the cost of such service and witness fees. A subpoena or subpoena duces tecum so issued shall be served in the same manner as a subpoena issued out of a court.

Any circuit court of this State upon the application of the State Board or upon the application of any other party to the proceeding, may, in its discretion, compel the attendance of witnesses, the production of books, papers, records, or memoranda and the giving of testimony before it or its hearing officer conducting an investigation or holding a hearing authorized by this Act, by an attachment for contempt, or otherwise, in the same manner as production of evidence may be compelled before the court.

(Source: P.A. 97-1115, eff. 8-27-12; 98-1086, eff. 8-26-14.)

(20 ILCS 3960/12) (from Ch. 111 1/2, par. 1162)

(Section scheduled to be repealed on December 31, 2019)

Sec. 12. Powers and duties of State Board. For purposes of this Act, the State Board shall exercise the following powers and duties:

(1) Prescribe rules, regulations, standards, criteria, procedures or reviews which may vary according to the purpose for which a particular review is being conducted or the type of project reviewed and which are required to carry out the provisions and purposes of this Act. Policies and procedures of the State Board shall take into consideration the priorities and needs of medically underserved areas and other health care services ~~identified through the comprehensive health planning process~~, giving special consideration to the impact of projects on access to safety net services.

(2) Adopt procedures for public notice and hearing on all proposed rules, regulations, standards, criteria, and plans required to carry out the provisions of this Act.

(3) (Blank).

(4) Develop criteria and standards for health care facilities planning, conduct statewide inventories of health care facilities, maintain an updated inventory on the Board's web site reflecting the most recent bed and service changes and updated need determinations when new census data become available or new need formulae are adopted, and develop health care facility plans which shall be utilized in the review of applications for permit under this Act. Such health facility plans shall be coordinated by the Board with pertinent State Plans. Inventories pursuant to this Section of skilled or intermediate care facilities licensed under the Nursing Home Care Act, skilled or intermediate care facilities licensed under the ID/DD Community Care Act, skilled or intermediate care facilities licensed under the MC/DD Act, facilities licensed under the Specialized Mental Health Rehabilitation Act of 2013, or nursing homes licensed under the Hospital Licensing Act shall be conducted on an annual basis no later than July 1 of each year and shall include among the information requested a list of all services provided by a facility to its residents and to the community at large and differentiate between active and inactive beds.

In developing health care facility plans, the State Board shall consider, but shall not be limited to, the following:

(a) The size, composition and growth of the population of the area to be served;

(b) The number of existing and planned facilities offering similar programs;

(c) The extent of utilization of existing facilities;

(d) The availability of facilities which may serve as alternatives or substitutes;

(e) The availability of personnel necessary to the operation of the facility;

(f) Multi-institutional planning and the establishment of multi-institutional systems where feasible;

(g) The financial and economic feasibility of proposed construction or modification; and

(h) In the case of health care facilities established by a religious body or denomination, the needs of the members of such religious body or denomination may be considered to be public need.

The health care facility plans which are developed and adopted in accordance with this Section shall form the basis for the plan of the State to deal most effectively with statewide health needs in regard to health care facilities.

(5) Coordinate with ~~the Center for Comprehensive Health Planning and~~ other state agencies having responsibilities affecting health care facilities, including those of licensure and cost reporting. ~~Beginning no later than January 1, 2013, the Department of Public Health shall produce a written annual report to the Governor and the General Assembly regarding the development of the Center for Comprehensive Health Planning. The Chairman of the State Board and the State Board Administrator shall also receive a copy of the annual report.~~

(6) Solicit, accept, hold and administer on behalf of the State any grants or bequests of money, securities or property for use by the State Board ~~or Center for Comprehensive Health Planning~~ in the administration of this Act; and enter into contracts consistent with the appropriations for purposes enumerated in this Act.

(7) The State Board shall prescribe procedures for review, standards, and criteria which shall be utilized to make periodic reviews and determinations of the appropriateness of any existing health services being rendered by health care facilities subject to the Act. The State Board shall consider recommendations of the Board in making its determinations.

(8) Prescribe~~, in consultation with the Center for Comprehensive Health Planning,~~ rules, regulations, standards, and criteria for the conduct of an expeditious review of applications for permits for projects of construction or modification of a health care facility, which projects are classified as emergency, substantive, or non-substantive in nature.

Six months after June 30, 2009 (the effective date of Public Act 96-31), substantive projects shall include no more than the following:

(a) Projects to construct (1) a new or replacement facility located on a new site or (2) a replacement facility located on the same site as the original facility and the cost of the replacement facility exceeds the capital expenditure minimum, which shall be reviewed by the Board within 120 days;

(b) Projects proposing a (1) new service within an existing healthcare facility or (2) discontinuation of a service within an existing healthcare facility, which shall be reviewed by the Board within 60 days; or

(c) Projects proposing a change in the bed capacity of a health care facility by an increase in the total number of beds or by a redistribution of beds among various categories of service or by a relocation of beds from one physical facility or site to another by more than 20 beds or more than 10% of total bed capacity, as defined by the State Board, whichever is less, over a 2-year period.

The Chairman may approve applications for exemption that meet the criteria set forth in rules or refer them to the full Board. The Chairman may approve any unopposed application that meets all of the review criteria or refer them to the full Board.

Such rules shall not ~~abridge the right of the Center for Comprehensive Health Planning to make recommendations on the classification and approval of projects, nor shall such rules~~ prevent the conduct of a public hearing upon the timely request of an interested party. Such reviews shall not exceed 60 days from the date the application is declared to be complete.

(9) Prescribe rules, regulations, standards, and criteria pertaining to the granting of permits for construction and modifications which are emergent in nature and must be undertaken immediately to prevent or correct structural deficiencies or hazardous conditions that may harm or injure persons using the facility, as defined in the rules and regulations of the State Board. This procedure is exempt from public hearing requirements of this Act.

(10) Prescribe rules, regulations, standards and criteria for the conduct of an expeditious review, not exceeding 60 days, of applications for permits for projects to construct or modify health care facilities which are needed for the care and treatment of persons who have acquired immunodeficiency syndrome (AIDS) or related conditions.

(10.5) Provide its rationale when voting on an item before it at a State Board meeting in order to comply with subsection (b) of Section 3-108 of the Code of Civil Procedure.

(11) Issue written decisions upon request of the applicant or an adversely affected party to the Board. Requests for a written decision shall be made within 15 days after the Board meeting in which a final decision has been made. A "final decision" for purposes of this Act is the decision to approve or deny an application, or take other actions permitted under this Act, at the time and date of the meeting that such action is scheduled by the Board. The transcript of the State Board meeting shall be incorporated into the Board's final decision. The staff of the Board shall prepare a written copy of the final decision and the Board shall approve a final copy for inclusion in the formal record. The Board shall consider, for approval, the written draft of the final decision no later than the next scheduled Board meeting. The written decision

shall identify the applicable criteria and factors listed in this Act and the Board's regulations that were taken into consideration by the Board when coming to a final decision. If the Board denies or fails to approve an application for permit or exemption, the Board shall include in the final decision a detailed explanation as to why the application was denied and identify what specific criteria or standards the applicant did not fulfill.

(12) Require at least one of its members to participate in any public hearing, after the appointment of a majority of the members to the Board.

(13) Provide a mechanism for the public to comment on, and request changes to, draft rules and standards.

(14) Implement public information campaigns to regularly inform the general public about the opportunity for public hearings and public hearing procedures.

(15) Establish a separate set of rules and guidelines for long-term care that recognizes that nursing homes are a different business line and service model from other regulated facilities. An open and transparent process shall be developed that considers the following: how skilled nursing fits in the continuum of care with other care providers, modernization of nursing homes, establishment of more private rooms, development of alternative services, and current trends in long-term care services. The Chairman of the Board shall appoint a permanent Health Services Review Board Long-term Care Facility Advisory Subcommittee that shall develop and recommend to the Board the rules to be established by the Board under this paragraph (15). The Subcommittee shall also provide continuous review and commentary on policies and procedures relative to long-term care and the review of related projects. The Subcommittee shall make recommendations to the Board no later than January 1, 2016 and every January thereafter pursuant to the Subcommittee's responsibility for the continuous review and commentary on policies and procedures relative to long-term care. In consultation with other experts from the health field of long-term care, the Board and the Subcommittee shall study new approaches to the current bed need formula and Health Service Area boundaries to encourage flexibility and innovation in design models reflective of the changing long-term care marketplace and consumer preferences and submit its recommendations to the Chairman of the Board no later than January 1, 2017. The Subcommittee shall evaluate, and make recommendations to the State Board regarding, the buying, selling, and exchange of beds between long-term care facilities within a specified geographic area or drive time. The Board shall file the proposed related administrative rules for the separate rules and guidelines for long-term care required by this paragraph (15) by no later than September 30, 2011. The Subcommittee shall be provided a reasonable and timely opportunity to review and comment on any review, revision, or updating of the criteria, standards, procedures, and rules used to evaluate project applications as provided under Section 12.3 of this Act.

The Chairman of the Board shall appoint voting members of the Subcommittee, who shall serve for a period of 3 years, with one-third of the terms expiring each January, to be determined by lot. Appointees shall include, but not be limited to, recommendations from each of the 3 statewide long-term care associations, with an equal number to be appointed from each. Compliance with this provision shall be through the appointment and reappointment process. All appointees serving as of April 1, 2015 shall serve to the end of their term as determined by lot or until the appointee voluntarily resigns, whichever is earlier.

One representative from the Department of Public Health, the Department of Healthcare and Family Services, the Department on Aging, and the Department of Human Services may each serve as an ex-officio non-voting member of the Subcommittee. The Chairman of the Board shall select a Subcommittee Chair, who shall serve for a period of 3 years.

(16) Prescribe the format of the State Board Staff Report. A State Board Staff Report shall pertain to applications that include, but are not limited to, applications for permit or exemption, applications for permit renewal, applications for extension of the obligation period, applications requesting a declaratory ruling, or applications under the Health Care Worker Self-Referral Act. State Board Staff Reports shall compare applications to the relevant review criteria under the Board's rules.

(17) Establish a separate set of rules and guidelines for facilities licensed under the Specialized Mental Health Rehabilitation Act of 2013. An application for the re-establishment of a facility in connection with the relocation of the facility shall not be granted unless the applicant has a contractual relationship with at least one hospital to provide emergency and inpatient mental health services required by facility consumers, and at least one community mental health agency to provide oversight and assistance to facility consumers while living in the facility, and appropriate services, including case management, to assist them to prepare for discharge and reside stably in the community thereafter. No new facilities licensed under the Specialized Mental Health Rehabilitation Act of 2013 shall be established after June 16, 2014 (the effective date of Public Act 98-651) except in connection with the relocation of an existing facility to a new location. An application for a new location shall not be approved unless there are adequate community

services accessible to the consumers within a reasonable distance, or by use of public transportation, so as to facilitate the goal of achieving maximum individual self-care and independence. At no time shall the total number of authorized beds under this Act in facilities licensed under the Specialized Mental Health Rehabilitation Act of 2013 exceed the number of authorized beds on June 16, 2014 (the effective date of Public Act 98-651).

(Source: P.A. 98-414, eff. 1-1-14; 98-463, eff. 8-16-13; 98-651, eff. 6-16-14; 98-1086, eff. 8-26-14; 99-78, eff. 7-20-15; 99-114, eff. 7-23-15; 99-180, eff. 7-29-15; 99-277, eff. 8-5-15; revised 10-15-15.)

(20 ILCS 3960/12.2)

(Section scheduled to be repealed on December 31, 2019)

Sec. 12.2. Powers of the State Board staff. For purposes of this Act, the staff shall exercise the following powers and duties:

(1) Review applications for permits and exemptions in accordance with the standards, criteria, and plans of need established by the State Board under this Act and certify its finding to the State Board.

(1.5) Post the following on the Board's web site: relevant (i) rules, (ii) standards, (iii) criteria, (iv) State norms, (v) references used by Board staff in making determinations about whether application criteria are met, and (vi) notices of project-related filings, including notice of public comments related to the application.

(2) Charge and collect an amount determined by the State Board and the staff to be reasonable fees for the processing of applications by the State Board. The State Board shall set the amounts by rule. Application fees for continuing care retirement communities, and other health care models that include regulated and unregulated components, shall apply only to those components subject to regulation under this Act. All fees and fines collected under the provisions of this Act shall be deposited into the Illinois Health Facilities Planning Fund to be used for the expenses of administering this Act.

(2.1) Publish the following reports on the State Board website:

(A) An annual accounting, aggregated by category and with names of parties redacted, of fees, fines, and other revenue collected as well as expenses incurred, in the administration of this Act.

(B) An annual report, with names of the parties redacted, that summarizes all settlement agreements entered into with the State Board that resolve an alleged instance of noncompliance with State Board requirements under this Act.

(C) A monthly report that includes the status of applications and recommendations regarding updates to the standard, criteria, or the health plan as appropriate.

(D) Board reports showing the degree to which an application conforms to the review standards, a summation of relevant public testimony, and any additional information that staff wants to communicate.

(3) Coordinate with other State agencies having responsibilities affecting health care facilities, including ~~the Center for Comprehensive Health Planning and those of~~ licensure and cost reporting agencies.

(Source: P.A. 98-1086, eff. 8-26-14.)

(20 ILCS 3960/12.3)

(Section scheduled to be repealed on December 31, 2019)

Sec. 12.3. Revision of criteria, standards, and rules. At least every 2 years, the State Board shall review, revise, and update the criteria, standards, and rules used to evaluate applications for permit. ~~To the extent practicable, the criteria, standards, and rules shall be based on objective criteria using the inventory and recommendations of the Comprehensive Health Plan for guidance.~~ The Board may appoint temporary advisory committees made up of experts with professional competence in the subject matter of the proposed standards or criteria to assist in the development of revisions to standards and criteria. In particular, the review of the criteria, standards, and rules shall consider:

(1) Whether the criteria and standards reflect current industry standards and anticipated trends.

(2) Whether the criteria and standards can be reduced or eliminated.

(3) Whether criteria and standards can be developed to authorize the construction of unfinished space for future use when the ultimate need for such space can be reasonably projected.

(4) Whether the criteria and standards take into account issues related to population growth and changing demographics in a community.

(5) Whether facility-defined service and planning areas should be recognized.

(6) Whether categories of service that are subject to review should be re-evaluated, including provisions related to structural, functional, and operational differences between long-term care facilities and acute care facilities and that allow routine changes of ownership, facility sales, and closure requests to be processed on a more timely basis.

(Source: P.A. 96-31, eff. 6-30-09.)

(20 ILCS 3960/14.1)

Sec. 14.1. Denial of permit; other sanctions.

(a) The State Board may deny an application for a permit or may revoke or take other action as permitted by this Act with regard to a permit as the State Board deems appropriate, including the imposition of fines as set forth in this Section, for any one or a combination of the following:

(1) The acquisition of major medical equipment without a permit or in violation of the terms of a permit.

(2) The establishment, construction, modification, or change of ownership of a health care facility without a permit or exemption or in violation of the terms of a permit.

(3) The violation of any provision of this Act or any rule adopted under this Act.

(4) The failure, by any person subject to this Act, to provide information requested by the State Board or Agency within 30 days after a formal written request for the information.

(5) The failure to pay any fine imposed under this Section within 30 days of its imposition.

(a-5) For facilities licensed under the ID/DD Community Care Act, no permit shall be denied on the basis of prior operator history, other than for actions specified under item (2), (4), or (5) of Section 3-117 of the ID/DD Community Care Act. For facilities licensed under the MC/DD Act, no permit shall be denied on the basis of prior operator history, other than for actions specified under item (2), (4), or (5) of Section 3-117 of the MC/DD Act. For facilities licensed under the Specialized Mental Health Rehabilitation Act of 2013, no permit shall be denied on the basis of prior operator history, other than for actions specified under subsections (a) and (b) ~~item (2), (4), or (5)~~ of Section 4-109 ~~3-117~~ of the Specialized Mental Health Rehabilitation Act of 2013. For facilities licensed under the Nursing Home Care Act, no permit shall be denied on the basis of prior operator history, other than for: (i) actions specified under item (2), (3), (4), (5), or (6) of Section 3-117 of the Nursing Home Care Act; (ii) actions specified under item (a)(6) of Section 3-119 of the Nursing Home Care Act; or (iii) actions within the preceding 5 years constituting a substantial and repeated failure to comply with the Nursing Home Care Act or the rules and regulations adopted by the Department under that Act. The State Board shall not deny a permit on account of any action described in this subsection (a-5) without also considering all such actions in the light of all relevant information available to the State Board, including whether the permit is sought to substantially comply with a mandatory or voluntary plan of correction associated with any action described in this subsection (a-5).

(b) Persons shall be subject to fines as follows:

(1) A permit holder who fails to comply with the requirements of maintaining a valid permit shall be fined an amount not to exceed 1% of the approved permit amount plus an additional 1% of the approved permit amount for each 30-day period, or fraction thereof, that the violation continues.

(2) A permit holder who alters the scope of an approved project or whose project costs exceed the allowable permit amount without first obtaining approval from the State Board shall be fined an amount not to exceed the sum of (i) the lesser of $25,000 or 2% of the approved permit amount and (ii) in those cases where the approved permit amount is exceeded by more than $1,000,000, an additional $20,000 for each $1,000,000, or fraction thereof, in excess of the approved permit amount.

(2.5) A permit holder who fails to comply with the post-permit and reporting requirements set forth in Sections ~~Section~~ 5 and 8.5 shall be fined an amount not to exceed $10,000 plus an additional $10,000 for each 30-day period, or fraction thereof, that the violation continues. This fine shall continue to accrue until the date that (i) the post-permit requirements are met and the post-permit or post-exemption reports are received by the State Board or (ii) the matter is referred by the State Board to the State Board's legal counsel. The accrued fine is not waived by the permit holder submitting the required information and reports. Prior to any fine beginning to accrue, the Board shall notify, in writing, a permit holder of the due date for the post-permit and reporting requirements no later than 30 days before the due date for the requirements. This paragraph (2.5) takes effect 6 months after August 27, 2012 (the effective date of Public Act 97-1115).

(3) A person who acquires major medical equipment or who establishes a category of service without first obtaining a permit or exemption, as the case may be, shall be fined an amount not to exceed $10,000 for each such acquisition or category of service established plus an additional $10,000 for each 30-day period, or fraction thereof, that the violation continues.

(4) A person who constructs, modifies, establishes, or changes ownership of a health care facility without first obtaining a permit or exemption shall be fined an amount not to exceed $25,000 plus an additional $25,000 for each 30-day period, or fraction thereof, that the violation continues.

(5) A person who discontinues a health care facility or a category of service without

first obtaining a permit or exemption shall be fined an amount not to exceed $10,000 plus an additional $10,000 for each 30-day period, or fraction thereof, that the violation continues. For purposes of this subparagraph (5), facilities licensed under the Nursing Home Care Act, the ID/DD Community Care Act, or the MC/DD Act, with the exceptions of facilities operated by a county or Illinois Veterans Homes, are exempt from this permit requirement. However, facilities licensed under the Nursing Home Care Act, the ID/DD Community Care Act, or the MC/DD Act must comply with Section 3-423 of the Nursing Home Care Act, Section 3-423 of the ID/DD Community Care Act, or Section 3-423 of the MC/DD Act and must provide the Board and the Department of Human Services with 30 days' written notice of their intent to close. Facilities licensed under the ID/DD Community Care Act or the MC/DD Act also must provide the Board and the Department of Human Services with 30 days' written notice of their intent to reduce the number of beds for a facility.

(6) A person subject to this Act who fails to provide information requested by the State Board or Agency within 30 days of a formal written request shall be fined an amount not to exceed $1,000 plus an additional $1,000 for each 30-day period, or fraction thereof, that the information is not received by the State Board or Agency.

(b-5) The State Board may accept in-kind services instead of or in combination with the imposition of a fine. This authorization is limited to cases where the non-compliant individual or entity has waived the right to an administrative hearing or opportunity to appear before the Board regarding the non-compliant matter.

(c) Before imposing any fine authorized under this Section, the State Board shall afford the person or permit holder, as the case may be, an appearance before the State Board and an opportunity for a hearing before a hearing officer appointed by the State Board. The hearing shall be conducted in accordance with Section 10. Requests for an appearance before the State Board must be made within 30 days after receiving notice that a fine will be imposed.

(d) All fines collected under this Act shall be transmitted to the State Treasurer, who shall deposit them into the Illinois Health Facilities Planning Fund.

(e) Fines imposed under this Section shall continue to accrue until: (i) the date that the matter is referred by the State Board to the Board's legal counsel; or (ii) the date that the health care facility becomes compliant with the Act, whichever is earlier.

(Source: P.A. 98-463, eff. 8-16-13; 99-114, eff. 7-23-15; 99-180, eff. 7-29-15; revised 10-14-15.)

(20 ILCS 3960/19.5)

(Section scheduled to be repealed on December 31, 2019 and as provided internally)

Sec. 19.5. Audit. Twenty-four months after the last member of the 9-member Board is appointed, as required under this amendatory Act of the 96th General Assembly, and 36 months thereafter, the Auditor General shall commence a performance audit of the ~~Center for Comprehensive Health Planning,~~ State Board~~,~~ and the Certificate of Need processes to determine:

(1) (blank); ~~whether progress is being made to develop a Comprehensive Health Plan and whether resources are sufficient to meet the goals of the Center for Comprehensive Health Planning;~~

(2) whether changes to the Certificate of Need processes are being implemented effectively, as well as their impact, if any, on access to safety net services; and

(3) whether fines and settlements are fair, consistent, and in proportion to the degree of violations.

The Auditor General must report on the results of the audit to the General Assembly.

This Section is repealed when the Auditor General files his or her report with the General Assembly.

(Source: P.A. 96-31, eff. 6-30-09.)

(20 ILCS 2310/2310-217 rep.)

Section 15. The Department of Public Health Powers and Duties Law of the Civil Administrative Code of Illinois is amended by repealing Section 2310-217.".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Harris, **House Bill No. 4517** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 53; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Manar	Rezin
Anderson	Haine	Martinez	Righter
Barickman	Harmon	McCann	Rose
Bennett	Harris	McCarter	Sandoval
Bertino-Tarrant	Hastings	McConchie	Stadelman
Biss	Holmes	McConnaughay	Steans
Bivins	Hunter	McGuire	Sullivan
Brady	Hutchinson	Morrison	Trotter
Bush	Jones, E.	Mulroe	Van Pelt
Clayborne	Koehler	Muñoz	Weaver
Collins	Landek	Murphy, L.	Mr. President
Connelly	Lightford	Murphy, M.	
Cullerton, T.	Link	Radogno	
Cunningham	Luechtefeld	Raoul	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

On motion of Senator Haine, **House Bill No. 4633** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 54; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Manar	Rezin
Anderson	Haine	Martinez	Righter
Barickman	Harmon	McCann	Rose
Bennett	Harris	McCarter	Sandoval
Bertino-Tarrant	Hastings	McConchie	Stadelman
Biss	Holmes	McConnaughay	Steans
Bivins	Hunter	McGuire	Sullivan
Brady	Hutchinson	Morrison	Syverson
Bush	Jones, E.	Mulroe	Trotter
Clayborne	Koehler	Muñoz	Van Pelt
Collins	Landek	Murphy, L.	Weaver
Connelly	Lightford	Murphy, M.	Mr. President
Cullerton, T.	Link	Radogno	
Cunningham	Luechtefeld	Raoul	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

HOUSE BILL RECALLED

On motion of Senator J. Cullerton, **House Bill No. 813** was recalled from the order of third reading to the order of second reading.

Floor Amendment No. 1 was held in the Committee on Assignments.

Senator J. Cullerton offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO HOUSE BILL 813

AMENDMENT NO. 2. Amend House Bill 813 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Pension Code is amended by changing Section 17-127 and 17-129 as follows:

(40 ILCS 5/17-127) (from Ch. 108 1/2, par. 17-127)

Sec. 17-127. Financing; revenues for the Fund.

(a) The revenues for the Fund shall consist of: (1) amounts paid into the Fund by contributors thereto and from employer contributions and State appropriations in accordance with this Article; (2) amounts contributed to the Fund by an Employer; (3) amounts contributed to the Fund pursuant to any law now in force or hereafter to be enacted; (4) contributions from any other source; and (5) the earnings on investments.

(b) The General Assembly finds that for many years the State has contributed to the Fund an annual amount that is between 20% and 30% of the amount of the annual State contribution to the Article 16 retirement system, and the General Assembly declares that it is its goal and intention to continue this level of contribution to the Fund in the future.

(c) Beginning in State fiscal year 1999, the State shall include in its annual contribution to the Fund an additional amount equal to 0.544% of the Fund's total teacher payroll; except that this additional contribution need not be made in a fiscal year if the Board has certified in the previous fiscal year that the Fund is at least 90% funded, based on actuarial determinations. These additional State contributions are intended to offset a portion of the cost to the Fund of the increases in retirement benefits resulting from this amendatory Act of 1998.

(d) In addition to any other contribution required under this Article, including the contribution required under subsection (c), the State shall contribute to the Fund the following amounts:

(1) For State fiscal year 2017, the State shall contribute $205,404,986.

(2) Beginning in State fiscal year 2018, the State shall contribute for each fiscal year an amount to be determined by the Fund, equal to the employer normal cost for that fiscal year, plus the amount allowed pursuant to paragraph (3) of Section 17-142.1, to defray health insurance costs.

(e) The Board shall determine the amount of State contributions required for each fiscal year on the basis of the actuarial tables and other assumptions adopted by the Board and the recommendations of the actuary. On or before November 1 of each year, beginning November 1, 2016, the Board shall submit to the State Actuary, the Governor, and the General Assembly a proposed certification of the amount of the required State contribution to the Fund for the next fiscal year, along with all of the actuarial assumptions, calculations, and data upon which that proposed certification is based.

On or before January 1 of each year, beginning January 1, 2017, the State Actuary shall issue a preliminary report concerning the proposed certification and identifying, if necessary, recommended changes in actuarial assumptions that the Board must consider before finalizing its certification of the required State contributions.

(f) On or before January 15, 2017 and each January 15 thereafter, the Board shall certify to the Governor and the General Assembly the amount of the required State contribution for the next fiscal year. The certification shall include a copy of the actuarial recommendations upon which it is based and shall specifically identify the Fund's projected employer normal cost for that fiscal year. The Board's certification must note any deviations from the State Actuary's recommended changes, the reason or reasons for not following the State Actuary's recommended changes, and the fiscal impact of not following the State Actuary's recommended changes on the required State contribution.

For the purposes of this Article, including issuing vouchers, and for the purposes of subsection (h) of Section 1.1 of the State Pension Funds Continuing Appropriation Act, the State contribution specified for State fiscal year 2017 shall be deemed to have been certified, by operation of law and without official action by the Board or the State Actuary, in the amount provided in subsection (d) of this Section.

(g) Beginning in State fiscal year 2017, on the 15th day of each month, or as soon thereafter as may be practicable, the Board shall submit vouchers for payment of State contributions to the Fund, in a total monthly amount of one-twelfth of the required annual State contribution under subsection (d). These vouchers shall be paid by the State Comptroller and Treasurer by warrants drawn on the funds appropriated

to the Fund for that fiscal year. If in any month the amount remaining unexpended from all other State appropriations to the Fund for the applicable fiscal year is less than the amount lawfully vouchered under this subsection, the difference shall be paid from the Common School Fund under the continuing appropriation authority provided in Section 1.1 of the State Pension Funds Continuing Appropriation Act.
(Source: P.A. 90-548, eff. 12-4-97; 90-566, eff. 1-2-98; 90-582, eff. 5-27-98; 90-655, eff. 7-30-98.)

(40 ILCS 5/17-129) (from Ch. 108 1/2, par. 17-129)

Sec. 17-129. Employer contributions; deficiency in Fund.

(a) If in any fiscal year of the Board of Education ending prior to 1997 the total amounts paid to the Fund from the Board of Education (other than under this subsection, and other than amounts used for making or "picking up" contributions on behalf of teachers) and from the State do not equal the total contributions made by or on behalf of the teachers for such year, or if the total income of the Fund in any such fiscal year of the Board of Education from all sources is less than the total such expenditures by the Fund for such year, the Board of Education shall, in the next succeeding year, in addition to any other payment to the Fund set apart and appropriate from moneys from its tax levy for educational purposes, a sum sufficient to remove such deficiency or deficiencies, and promptly pay such sum into the Fund in order to restore any of the reserves of the Fund that may have been so temporarily applied. Any amounts received by the Fund after December 4, 1997 from State appropriations, including under Section 17-127, shall be a credit against and shall fully satisfy any obligation that may have arisen, or be claimed to have arisen, under this subsection (a) as a result of any deficiency or deficiencies in the fiscal year of the Board of Education ending in calendar year 1997.

(b) (i) Notwithstanding any other provision of this Section, and notwithstanding any prior certification by the Board under subsection (c) for fiscal year 2011, the Board of Education's total required contribution to the Fund for fiscal year 2011 under this Section is $187,000,000.

(ii) Notwithstanding any other provision of this Section, the Board of Education's total required contribution to the Fund for fiscal year 2012 under this Section is $192,000,000.

(iii) Notwithstanding any other provision of this Section, the Board of Education's total required contribution to the Fund for fiscal year 2013 under this Section is $196,000,000.

(iv) For fiscal years 2014 through 2059, the minimum contribution to the Fund to be made by the Board of Education in each fiscal year shall be an amount determined by the Fund to be sufficient to bring the total assets of the Fund up to 90% of the total actuarial liabilities of the Fund by the end of fiscal year 2059. In making these determinations, the required Board of Education contribution shall be calculated each year as a level percentage of the applicable employee payrolls over the years remaining to and including fiscal year 2059 and shall be determined under the projected unit credit actuarial cost method.

(v) Beginning in fiscal year 2060, the minimum Board of Education contribution for each fiscal year shall be the amount needed to maintain the total assets of the Fund at 90% of the total actuarial liabilities of the Fund.

(vi) Notwithstanding any other provision of this subsection (b), for any fiscal year, the contribution to the Fund from the Board of Education shall not be required to be in excess of the amount calculated as needed to maintain the assets (or cause the assets to be) at the 90% level by the end of the fiscal year.

(vii) Any contribution by the State to or for the benefit of the Fund, including, without limitation, as referred to under Section 17-127, shall be a credit against any contribution required to be made by the Board of Education under this subsection (b).

(c) The Board shall determine the amount of Board of Education contributions required for each fiscal year on the basis of the actuarial tables and other assumptions adopted by the Board and the recommendations of the actuary, in order to meet the minimum contribution requirements of subsections (a) and (b). Annually, on or before February 28, the Board shall certify to the Board of Education the amount of the required Board of Education contribution for the coming fiscal year. The certification shall include a copy of the actuarial recommendations upon which it is based.

(d) Any proceeds paid directly to the Fund pursuant to Section 34-53 of the School Code shall be deemed to be a contribution by the Board of Education under this Section and shall be credited as such against the contribution required to be made by the Board of Education under this Section for the fiscal year in which the proceeds are paid.

(Source: P.A. 96-889, eff. 4-14-10.)

Section 10. The State Pension Funds Continuing Appropriation Act is amended by changing Section 1.1 as follows:

(40 ILCS 15/1.1)

Sec. 1.1. Appropriations to certain retirement systems.

(a) There is hereby appropriated from the General Revenue Fund to the General Assembly Retirement System, on a continuing monthly basis, the amount, if any, by which the total available amount of all other appropriations to that retirement system for the payment of State contributions is less than the total amount of the vouchers for required State contributions lawfully submitted by the retirement system for that month under Section 2-134 of the Illinois Pension Code.

(b) There is hereby appropriated from the General Revenue Fund to the State Universities Retirement System, on a continuing monthly basis, the amount, if any, by which the total available amount of all other appropriations to that retirement system for the payment of State contributions, including any deficiency in the required contributions of the optional retirement program established under Section 15-158.2 of the Illinois Pension Code, is less than the total amount of the vouchers for required State contributions lawfully submitted by the retirement system for that month under Section 15-165 of the Illinois Pension Code.

(c) There is hereby appropriated from the Common School Fund to the Teachers' Retirement System of the State of Illinois, on a continuing monthly basis, the amount, if any, by which the total available amount of all other appropriations to that retirement system for the payment of State contributions is less than the total amount of the vouchers for required State contributions lawfully submitted by the retirement system for that month under Section 16-158 of the Illinois Pension Code.

(d) There is hereby appropriated from the General Revenue Fund to the Judges Retirement System of Illinois, on a continuing monthly basis, the amount, if any, by which the total available amount of all other appropriations to that retirement system for the payment of State contributions is less than the total amount of the vouchers for required State contributions lawfully submitted by the retirement system for that month under Section 18-140 of the Illinois Pension Code.

(e) The continuing appropriations provided by subsections (a), (b), (c), and (d) of this Section shall first be available in State fiscal year 1996. The continuing appropriations provided by subsection (h) of this Section shall first be available as provided in that subsection (h).

(f) For State fiscal year 2010 only, the continuing appropriations provided by this Section are equal to the amount certified by each System on or before December 31, 2008, less (i) the gross proceeds of the bonds sold in fiscal year 2010 under the authorization contained in subsection (a) of Section 7.2 of the General Obligation Bond Act and (ii) any amounts received from the State Pensions Fund.

(g) For State fiscal year 2011 only, the continuing appropriations provided by this Section are equal to the amount certified by each System on or before April 1, 2011, less (i) the gross proceeds of the bonds sold in fiscal year 2011 under the authorization contained in subsection (a) of Section 7.2 of the General Obligation Bond Act and (ii) any amounts received from the State Pensions Fund.

(h) There is hereby appropriated from the Common School Fund to the Public School Teachers' Pension and Retirement Fund of Chicago, on a continuing monthly basis, the amount, if any, by which the total available amount of all other State appropriations to that Retirement Fund for the payment of State contributions under subsection (d) of Section 17-127 of the Illinois Pension Code is less than the total amount of the vouchers for required State contributions lawfully submitted by the Retirement Fund for that month under that Section 17-127.

(Source: P.A. 96-43, eff. 7-15-09; 96-1497, eff. 1-14-11; 96-1511, eff. 1-27-11.)

Section 15. The School Code is amended by changing Sections 18-8.05 and 34-53 as follows:

(105 ILCS 5/18-8.05)

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

(A) General Provisions.

(1) The provisions of this Section apply to the 1998-1999 and subsequent school years. The system of general State financial aid provided for in this Section is designed to assure that, through a combination of State financial aid and required local resources, the financial support provided each pupil in Average Daily Attendance equals or exceeds a prescribed per pupil Foundation Level. This formula approach imputes a level of per pupil Available Local Resources and provides for the basis to calculate a per pupil level of general State financial aid that, when added to Available Local Resources, equals or exceeds the Foundation Level. The amount of per pupil general State financial aid for school districts, in general, varies in inverse relation to Available Local Resources. Per pupil amounts are based upon each school district's Average Daily Attendance as that term is defined in this Section.

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

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

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

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

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

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

(d) (Blank).

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

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

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

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

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

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

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

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

(B) Foundation Level.

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

(2) For the 1998-1999 school year, the Foundation Level of support is $4,225. For the 1999-2000 school year, the Foundation Level of support is $4,325. For the 2000-2001 school year, the Foundation Level of support is $4,425. For the 2001-2002 school year and 2002-2003 school year, the Foundation Level of support is $4,560. For the 2003-2004 school year, the Foundation Level of support is $4,810. For the 2004-2005 school year, the Foundation Level of support is $4,964. For the 2005-2006 school year, the Foundation Level of support is $5,164. For the 2006-2007 school year, the Foundation Level of support is $5,334. For the 2007-2008 school year, the Foundation Level of support is $5,734. For the 2008-2009 school year, the Foundation Level of support is $5,959.

(3) For the 2009-2010 school year and each school year thereafter, the Foundation Level of support is $6,119 or such greater amount as may be established by law by the General Assembly.

(C) Average Daily Attendance.

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

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

(D) Available Local Resources.

(1) For purposes of calculating general State aid pursuant to subsection (E), a representation of Available Local Resources per pupil, as that term is defined and determined in this subsection, shall be utilized. Available Local Resources per pupil shall include a calculated dollar amount representing local school district revenues from local property taxes and from Corporate Personal Property Replacement Taxes, expressed on the basis of pupils in Average Daily Attendance. Calculation of Available Local Resources shall exclude (i) any tax amnesty funds received as a result of Public Act 93-26 and (ii) any tax levied by the City of Chicago for the purpose of making an employer pension contribution under Section 34-53.

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

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

For partial elementary unit districts created pursuant to Article 11E of this Code, local property tax revenues per pupil shall be calculated as the product of the equalized assessed valuation for property within the partial elementary unit district for elementary purposes, as defined in Article 11E of this Code, multiplied by 2.06% and divided by the district's Average Daily Attendance figure, plus the product of the equalized assessed valuation for property within the partial elementary unit district for high school purposes, as defined in Article 11E of this Code, multiplied by 0.94% and divided by the district's Average Daily Attendance figure.

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

(E) Computation of General State Aid.

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

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

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

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

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

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

(F) Compilation of Average Daily Attendance.

(1) Each school district shall, by July 1 of each year, submit to the State Board of Education, on forms prescribed by the State Board of Education, attendance figures for the school year that began in the preceding calendar year. The attendance information so transmitted shall identify the average daily attendance figures for each month of the school year. Beginning with the general State aid claim form for the 2002-2003 school year, districts shall calculate Average Daily Attendance as provided in subdivisions (a), (b), and (c) of this paragraph (1).

(a) In districts that do not hold year-round classes, days of attendance in August shall be added to the month of September and any days of attendance in June shall be added to the month of May.

(b) In districts in which all buildings hold year-round classes, days of attendance in July and August shall be added to the month of September and any days of attendance in June shall be added to the month of May.

(c) In districts in which some buildings, but not all, hold year-round classes, for the non-year-round buildings, days of attendance in August shall be added to the month of September and any days of attendance in June shall be added to the month of May. The average daily attendance for the year-round buildings shall be computed as provided in subdivision (b) of this paragraph (1). To calculate the Average Daily Attendance for the district, the average daily attendance for the year-round buildings shall be multiplied by the days in session for the non-year-round buildings for each month and added to the monthly attendance of the non-year-round buildings.

Except as otherwise provided in this Section, days of attendance by pupils shall be counted only for sessions of not less than 5 clock hours of school work per day under direct supervision of: (i) teachers, or (ii) non-teaching personnel or volunteer personnel when engaging in non-teaching duties and supervising in those instances specified in subsection (a) of Section 10-22.34 and paragraph 10 of Section 34-18, with pupils of legal school age and in kindergarten and grades 1 through 12. Days of attendance by pupils through verified participation in an e-learning program approved by the State Board of Education under Section 10-20.56 of the Code shall be considered as full days of attendance for purposes of this Section.

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

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

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

(b) (Blank).

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

(d) A session of 3 or more clock hours may be counted as a day of attendance (1) when the remainder of the school day or at least 2 hours in the evening of that day is utilized for an in-service training program for teachers, up to a maximum of 5 days per school year, provided a district conducts an in-service training program for teachers in accordance with Section 10-22.39 of this Code; or, in lieu

of 4 such days, 2 full days may be used, in which event each such day may be counted as a day required for a legal school calendar pursuant to Section 10-19 of this Code; (1.5) when, of the 5 days allowed under item (1), a maximum of 4 days are used for parent-teacher conferences, or, in lieu of 4 such days, 2 full days are used, in which case each such day may be counted as a calendar day required under Section 10-19 of this Code, provided that the full-day, parent-teacher conference consists of (i) a minimum of 5 clock hours of parent-teacher conferences, (ii) both a minimum of 2 clock hours of parent-teacher conferences held in the evening following a full day of student attendance, as specified in subsection (F)(1)(c), and a minimum of 3 clock hours of parent-teacher conferences held on the day immediately following evening parent-teacher conferences, or (iii) multiple parent-teacher conferences held in the evenings following full days of student attendance, as specified in subsection (F)(1)(c), in which the time used for the parent-teacher conferences is equivalent to a minimum of 5 clock hours; and (2) when days in addition to those provided in items (1) and (1.5) are scheduled by a school pursuant to its school improvement plan adopted under Article 34 or its revised or amended school improvement plan adopted under Article 2, provided that (i) such sessions of 3 or more clock hours are scheduled to occur at regular intervals, (ii) the remainder of the school days in which such sessions occur are utilized for in-service training programs or other staff development activities for teachers, and (iii) a sufficient number of minutes of school work under the direct supervision of teachers are added to the school days between such regularly scheduled sessions to accumulate not less than the number of minutes by which such sessions of 3 or more clock hours fall short of 5 clock hours. Any full days used for the purposes of this paragraph shall not be considered for computing average daily attendance. Days scheduled for in-service training programs, staff development activities, or parent-teacher conferences may be scheduled separately for different grade levels and different attendance centers of the district.

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

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

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

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

(i) On the days when the assessment that includes a college and career ready determination is administered under subsection (c) of Section 2-3.64a-5 of this Code, the day of attendance for a pupil whose school day must be shortened to accommodate required testing procedures may be less than 5 clock hours and shall be counted towards the 176 days of actual pupil attendance required under Section 10-19 of this Code, provided that a sufficient number of minutes of school work in excess of 5 clock hours are first completed on other school days to compensate for the loss of school work on the examination days.

(j) Pupils enrolled in a remote educational program established under Section 10-29 of this Code may be counted on the basis of one-fifth day of attendance for every clock hour of instruction attended in the remote educational program, provided that, in any month, the school district may not claim for a student enrolled in a remote educational program more days of attendance than the maximum number of days of attendance the district can claim (i) for students enrolled in a building holding year-round classes if the student is classified as participating in the remote educational program on a year-round schedule or (ii) for students enrolled in a building not holding year-round classes if the student is not classified as participating in the remote educational program on a year-round schedule.

(G) Equalized Assessed Valuation Data.

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

The Department of Revenue shall add to the equalized assessed value of all taxable property of each school district situated entirely or partially within a county that is or was subject to the provisions of Section 15-176 or 15-177 of the Property Tax Code (a) an amount equal to the total amount by which the homestead exemption allowed under Section 15-176 or 15-177 of the Property Tax Code for real property situated in that school district exceeds the total amount that would have been allowed in that school district if the maximum reduction under Section 15-176 was (i) $4,500 in Cook County or $3,500 in all other counties in tax year 2003 or (ii) $5,000 in all counties in tax year 2004 and thereafter and (b) an amount equal to the aggregate amount for the taxable year of all additional exemptions under Section 15-175 of the Property Tax Code for owners with a household income of $30,000 or less. The county clerk of any county that is or was subject to the provisions of Section 15-176 or 15-177 of the Property Tax Code shall annually calculate and certify to the Department of Revenue for each school district all homestead exemption amounts under Section 15-176 or 15-177 of the Property Tax Code and all amounts of additional exemptions under Section 15-175 of the Property Tax Code for owners with a household income of $30,000 or less. It is the intent of this paragraph that if the general homestead exemption for a parcel of property is determined under Section 15-176 or 15-177 of the Property Tax Code rather than Section 15-175, then the calculation of Available Local Resources shall not be affected by the difference, if any, between the amount of the general homestead exemption allowed for that parcel of property under Section 15-176 or 15-177 of the Property Tax Code and the amount that would have been allowed had the general homestead exemption for that parcel of property been determined under Section 15-175 of the Property Tax Code. It is further the intent of this paragraph that if additional exemptions are allowed under Section 15-175 of the Property Tax Code for owners with a household income of less than $30,000, then the calculation of Available Local Resources shall not be affected by the difference, if any, because of those additional exemptions.

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

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

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

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

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

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

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

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

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

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

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

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

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

If a school district is subject to property tax extension limitations as imposed under the Property Tax Extension Limitation Law, the State Board of Education shall calculate the Extension Limitation Equalized Assessed Valuation of that district. For the 1999-2000 school year, the Extension Limitation Equalized Assessed Valuation of a school district as calculated by the State Board of Education shall be equal to the product of the district's 1996 Equalized Assessed Valuation and the district's Extension Limitation Ratio. Except as otherwise provided in this paragraph for a school district that has approved or does approve an increase in its limiting rate, for the 2000-2001 school year and each school year thereafter, the Extension Limitation Equalized Assessed Valuation of a school district as calculated by the State Board of Education shall be equal to the product of the Equalized Assessed Valuation last used in the calculation of general State aid and the district's Extension Limitation Ratio. If the Extension Limitation Equalized Assessed Valuation of a school district as calculated under this subsection (G)(3) is less than the district's equalized assessed valuation as calculated pursuant to subsections (G)(1) and (G)(2), then for purposes of calculating the district's general State aid for the Budget Year pursuant to subsection (E), that Extension Limitation Equalized Assessed Valuation shall be utilized to calculate the district's Available Local Resources under subsection (D). For the 2009-2010 school year and each school year thereafter, if a school district has approved or does approve an increase in its limiting rate, pursuant to Section 18-190 of the Property Tax Code, affecting the Base Tax Year, the Extension Limitation Equalized Assessed Valuation of the school district, as calculated by the State Board of Education, shall be equal to the product of the Equalized Assessed Valuation last used in the calculation of general State aid times an amount equal to one plus the percentage increase, if any, in the Consumer Price Index for all Urban Consumers for all items published by the United States Department of Labor for the 12-month calendar year preceding the Base Tax Year, plus the Equalized Assessed Valuation of new property, annexed property, and recovered tax increment value and minus the Equalized Assessed Valuation of disconnected property. New property and recovered tax increment value shall have the meanings set forth in the Property Tax Extension Limitation Law.

Partial elementary unit districts created in accordance with Article 11E of this Code shall not be eligible for the adjustment in this subsection (G)(3) until the fifth year following the effective date of the reorganization.

(3.5) For the 2010-2011 school year and each school year thereafter, if a school district's boundaries span multiple counties, then the Department of Revenue shall send to the State Board of Education, for the purpose of calculating general State aid, the limiting rate and individual rates by purpose for the county that contains the majority of the school district's Equalized Assessed Valuation.

(4) For the purposes of calculating general State aid for the 1999-2000 school year only, if a school district experienced a triennial reassessment on the equalized assessed valuation used in calculating its general State financial aid apportionment for the 1998-1999 school year, the State Board of Education shall calculate the Extension Limitation Equalized Assessed Valuation that would have been used to calculate the district's 1998-1999 general State aid. This amount shall equal the product of the equalized assessed valuation used to calculate general State aid for the 1997-1998 school year and the district's Extension Limitation Ratio. If the Extension Limitation Equalized Assessed Valuation of the school district as calculated under this paragraph (4) is less than the district's equalized assessed valuation utilized in calculating the district's 1998-1999 general State aid allocation, then for purposes of calculating the

district's general State aid pursuant to paragraph (5) of subsection (E), that Extension Limitation Equalized Assessed Valuation shall be utilized to calculate the district's Available Local Resources.

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

(H) Supplemental General State Aid.

(1) In addition to the general State aid a school district is allotted pursuant to subsection (E), qualifying school districts shall receive a grant, paid in conjunction with a district's payments of general State aid, for supplemental general State aid based upon the concentration level of children from low-income households within the school district. Supplemental State aid grants provided for school districts under this subsection shall be appropriated for distribution to school districts as part of the same line item in which the general State financial aid of school districts is appropriated under this Section.

(1.5) This paragraph (1.5) applies only to those school years preceding the 2003-2004 school year. For purposes of this subsection (H), the term "Low-Income Concentration Level" shall be the low-income eligible pupil count from the most recently available federal census divided by the Average Daily Attendance of the school district. If, however, (i) the percentage decrease from the 2 most recent federal censuses in the low-income eligible pupil count of a high school district with fewer than 400 students exceeds by 75% or more the percentage change in the total low-income eligible pupil count of contiguous elementary school districts, whose boundaries are coterminous with the high school district, or (ii) a high school district within 2 counties and serving 5 elementary school districts, whose boundaries are coterminous with the high school district, has a percentage decrease from the 2 most recent federal censuses in the low-income eligible pupil count and there is a percentage increase in the total low-income eligible pupil count of a majority of the elementary school districts in excess of 50% from the 2 most recent federal censuses, then the high school district's low-income eligible pupil count from the earlier federal census shall be the number used as the low-income eligible pupil count for the high school district, for purposes of this subsection (H). The changes made to this paragraph (1) by Public Act 92-28 shall apply to supplemental general State aid grants for school years preceding the 2003-2004 school year that are paid in fiscal year 1999 or thereafter and to any State aid payments made in fiscal year 1994 through fiscal year 1998 pursuant to subsection 1(n) of Section 18-8 of this Code (which was repealed on July 1, 1998), and any high school district that is affected by Public Act 92-28 is entitled to a recomputation of its supplemental general State aid grant or State aid paid in any of those fiscal years. This recomputation shall not be affected by any other funding.

(1.10) This paragraph (1.10) applies to the 2003-2004 school year and each school year thereafter. For purposes of this subsection (H), the term "Low-Income Concentration Level" shall, for each fiscal year, be the low-income eligible pupil count as of July 1 of the immediately preceding fiscal year (as determined by the Department of Human Services based on the number of pupils who are eligible for at least one of the following low income programs: Medicaid, the Children's Health Insurance Program, TANF, or Food Stamps, excluding pupils who are eligible for services provided by the Department of Children and Family Services, averaged over the 2 immediately preceding fiscal years for fiscal year 2004 and over the 3 immediately preceding fiscal years for each fiscal year thereafter) divided by the Average Daily Attendance of the school district.

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

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

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

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

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

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

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

(2.5) Supplemental general State aid pursuant to this subsection (H) shall be provided as follows for the 2002-2003 school year:

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

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

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

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

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

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

(2.10) Except as otherwise provided, supplemental general State aid pursuant to this subsection (H) shall be provided as follows for the 2003-2004 school year through the 2015-2016 school year and for the 2019-2020 school year and each school year thereafter:

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

(b) For any school district with a Low Income Concentration Level greater than 15%, the grant for each school year shall be $294.25 added to the product of $2,700 and the square of the Low Income Concentration Level, all multiplied by the low income eligible pupil count.

For the 2003-2004 school year and each school year thereafter through the 2008-2009 school year only, the grant shall be no less than the grant for the 2002-2003 school year. For the 2009-2010 school year only, the grant shall be no less than the grant for the 2002-2003 school year multiplied by 0.66. For the 2010-2011 school year only, the grant shall be no less than the grant for the 2002-2003 school year multiplied by 0.33. Notwithstanding the provisions of this paragraph to the contrary, if for any school year supplemental general State aid grants are prorated as provided in paragraph (1) of this subsection (H), then the grants under this paragraph shall be prorated.

For the 2003-2004 school year only, the grant shall be no greater than the grant received during the 2002-2003 school year added to the product of 0.25 multiplied by the difference between the grant amount calculated under subsection (a) or (b) of this paragraph (2.10), whichever is applicable, and the grant received during the 2002-2003 school year. For the 2004-2005 school year only, the grant shall be no greater than the grant received during the 2002-2003 school year added to the product of 0.50 multiplied by the difference between the grant amount calculated under subsection (a) or (b) of this paragraph (2.10), whichever is applicable, and the grant received during the 2002-2003 school year. For the 2005-2006 school year only, the grant shall be no greater than the grant received during the 2002-2003 school year added to the product of 0.75 multiplied by the difference between the grant amount calculated under subsection (a) or (b) of this paragraph (2.10), whichever is applicable, and the grant received during the 2002-2003 school year.

(2.15) For purposes of this paragraph (2.15), "Low Income Constant" means the value that makes the total amount of State funding equal to the appropriation and "Total Equity Fund Allocation" means all amounts appropriated for general State aid that remain after payment of the amounts pursuant to item (i) of subsection (R) of this Section.

Notwithstanding any other provision of law to the contrary, for the 2016-2017 school year through the 2018-2019 school year, supplemental general State aid pursuant to this subsection (H) shall be provided in the form of an equity grant as follows:

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

(b) For any school district with a Low Income Concentration Level greater than 15%, the grant for each school year shall be $294.25 added to the product of the district's Low Income Concentration Level

and the Low Income Constant minus the product of the district's Available Local Resources per pupil and the quotient of the Total Equity Fund Allocation divided by $10,000,000,000, all multiplied by the low income eligible pupil count. Any school district for which the grant calculation is less than zero shall receive no funds from the grant.

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

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

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

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

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

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

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

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

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

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

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

to comply with the expenditure provisions of this subsection regarding contravention or supplanting, the State Superintendent of Education shall, within 60 days of receipt of the report, notify the district and any affected local school council. The district shall within 45 days of receipt of that notification inform the State Superintendent of Education of the remedial or corrective action to be taken, whether by amendment of the current plan, if feasible, or by adjustment in the plan for the following year. Failure to provide the expenditure report or the notification of remedial or corrective action in a timely manner shall result in a withholding of the affected funds.

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

(I) (Blank).

(J) (Blank).

(K) Grants to Laboratory and Alternative Schools.

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

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

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

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

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

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

(2) (Blank).

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

(M) Education Funding Advisory Board.

The Education Funding Advisory Board, hereinafter in this subsection (M) referred to as the "Board", is hereby created. The Board shall consist of 5 members who are appointed by the Governor, by and with the advice and consent of the Senate. The members appointed shall include representatives of education, business, and the general public. One of the members so appointed shall be designated by the Governor at

the time the appointment is made as the chairperson of the Board. The initial members of the Board may be appointed any time after the effective date of this amendatory Act of 1997. The regular term of each member of the Board shall be for 4 years from the third Monday of January of the year in which the term of the member's appointment is to commence, except that of the 5 initial members appointed to serve on the Board, the member who is appointed as the chairperson shall serve for a term that commences on the date of his or her appointment and expires on the third Monday of January, 2002, and the remaining 4 members, by lots drawn at the first meeting of the Board that is held after all 5 members are appointed, shall determine 2 of their number to serve for terms that commence on the date of their respective appointments and expire on the third Monday of January, 2001, and 2 of their number to serve for terms that commence on the date of their respective appointments and expire on the third Monday of January, 2000. All members appointed to serve on the Board shall serve until their respective successors are appointed and confirmed. Vacancies shall be filled in the same manner as original appointments. If a vacancy in membership occurs at a time when the Senate is not in session, the Governor shall make a temporary appointment until the next meeting of the Senate, when he or she shall appoint, by and with the advice and consent of the Senate, a person to fill that membership for the unexpired term. If the Senate is not in session when the initial appointments are made, those appointments shall be made as in the case of vacancies.

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

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

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

(N) (Blank).

(O) References.

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

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

(P) Public Act 93-838 and Public Act 93-808 make inconsistent changes to this Section. Under Section 6 of the Statute on Statutes there is an irreconcilable conflict between Public Act 93-808 and Public Act 93-838. Public Act 93-838, being the last acted upon, is controlling. The text of Public Act 93-838 is the law regardless of the text of Public Act 93-808.

(Q) State Fiscal Year 2015 Payments.

For payments made for State fiscal year 2015, the State Board of Education shall, for each school district, calculate that district's pro-rata share of a minimum sum of $13,600,000 or additional amounts as needed from the total net General State Aid funding as calculated under this Section that shall be deemed attributable to the provision of special educational facilities and services, as defined in Section 14-1.08 of this Code, in a manner that ensures compliance with maintenance of State financial support requirements under the federal Individuals with Disabilities Education Act. Each school district must use such funds only for the provision of special educational facilities and services, as defined in Section 14-1.08 of this Code, and must comply with any expenditure verification procedures adopted by the State Board of Education.

(R) Payments for the 2016-2017 School Year through the 2018-2019 School Year.

Notwithstanding any other provision of law to the contrary, for the 2016-2017 school year through the 2018-2019 school year, amounts appropriated under this Section shall be provided in the following amounts and in the following order of priority: (i) an amount equal to the total amount appropriated for the 2015-2016 school year that has been provided to school districts in accordance with the provisions of this Section as in effect for the 2015-2016 school year plus, when applicable, the amounts paid to school districts from the appropriation contained in Section 10 of Article 1 of Public Act 99-5 in accordance with the provisions of that Section as in effect for the 2015-2016 school year and without taking into account the equity grant established pursuant to paragraph (2.15) of subsection (H) of this Section; (ii) an additional amount for any school district for which the claim under this Section for the 2016-2017, 2017-2018, or 2018-2019 school year is greater than the amounts awarded to that school district under the amounts in item (i) plus item (iii) of this subsection (R), which shall be provided to each of these school districts in any of those school years; and (iii) amounts required to fund the equity grant established pursuant to paragraph (2.15) of subsection (H) of this Section and which shall be provided to school districts in accordance with the provisions of paragraph (2.15) of subsection (H) of this Section.

(Source: P.A. 98-972, eff. 8-15-14; 99-2, eff. 3-26-15; 99-194, eff. 7-30-15.)

(105 ILCS 5/34-53) (from Ch. 122, par. 34-53)

Sec. 34-53. Tax levies; Purpose; Rates. For the purpose of establishing and supporting free schools for not fewer than 9 months in each year and defraying their expenses the board may levy annually, upon all taxable property of such district for educational purposes a tax for the fiscal years 1996 and each succeeding fiscal year at a rate of not to exceed the sum of (i) 3.07% (or such other rate as may be set by law independent of the rate difference described in (ii) below) and (ii) the difference between .50% and the rate per cent of taxes extended for a School Finance Authority organized under Article 34A of the School Code, for the calendar year in which the applicable fiscal year of the board begins as determined by the county clerk and certified to the board pursuant to Section 18-110 of the Property Tax Code, of the value as equalized or assessed by the Department of Revenue for the year in which such levy is made.

For fiscal year 2017 and each succeeding fiscal year, for the purpose of making an employer contribution to the Public School Teachers' Pension and Retirement Fund of Chicago, the City of Chicago shall, by ordinance, levy annually, upon all taxable property located within the city, a tax at a rate specified in the ordinance not to exceed 0.26%. The proceeds from this additional tax shall be paid, as soon as possible after collection, directly to Public School Teachers' Pension and Retirement Fund of Chicago.

Nothing in this amendatory Act of 1995 shall in any way impair or restrict the levy or extension of taxes pursuant to any tax levies for any purposes of the board lawfully made prior to the adoption of this amendatory Act of 1995.

Notwithstanding any other provision of this Code and in addition to any other methods provided for increasing the tax rate the board may, by proper resolution, cause a proposition to increase the annual tax rate for educational purposes to be submitted to the voters of such district at any general or special election. The maximum rate for educational purposes shall not exceed 4.00%. The election called for such purpose shall be governed by Article 9 of this Act. If at such election a majority of the votes cast on the proposition is in favor thereof, the Board of Education may thereafter until such authority is revoked in a like manner, levy annually the tax so authorized.

For purposes of this Article, educational purposes for fiscal years beginning in 1995 and each subsequent year shall also include, but not be limited to, in addition to those purposes authorized before this amendatory Act of 1995, constructing, acquiring, leasing (other than from the Public Building Commission of Chicago), operating, maintaining, improving, repairing, and renovating land, buildings, furnishings, and equipment for school houses and buildings, and related incidental expenses, and provision of special education, furnishing free textbooks and instructional aids and school supplies, establishing, equipping, maintaining, and operating supervised playgrounds under the control of the board, school extracurricular activities, and stadia, social center, and summer swimming pool programs open to the public in connection with any public school; making an employer contribution to the Public School Teachers' Pension and Retirement Fund as required by Section 17-129 of the Illinois Pension Code; and providing an agricultural science school, including site development and improvements, maintenance repairs, and supplies. Educational purposes also includes student transportation expenses.

All collections of all taxes levied for fiscal years ending before 1996 under this Section or under Sections 34-53.2, 34-53.3, 34-58, 34-60, or 34-62 of this Article as in effect prior to this amendatory Act of 1995 may be used for any educational purposes as defined by this amendatory Act of 1995 and need not be used for the particular purposes for which they were levied. The levy and extension of taxes pursuant to this Section as amended by this amendatory Act of 1995 shall not constitute a new or increased tax rate within the meaning of the Property Tax Extension Limitation Law or the One-year Property Tax Extension Limitation Law.

The rate at which taxes may be levied for the fiscal year beginning September 1, 1996, for educational purposes shall be the full rate authorized by this Section for such taxes for fiscal years ending after 1995. (Source: P.A. 88-511; 88-670, eff. 12-2-94; 89-15, eff. 5-30-95.)

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

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator J. Cullerton, **House Bill No. 813** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 31; NAYS 19; Present 3.

The following voted in the affirmative:

Bennett	Hastings	Link	Sandoval
Biss	Holmes	Manar	Stadelman
Clayborne	Hunter	Martinez	Steans
Collins	Hutchinson	McCann	Sullivan
Cunningham	Jones, E.	McGuire	Trotter
Forby	Koehler	Mulroe	Van Pelt
Haine	Landek	Muñoz	Mr. President
Harmon	Lightford	Raoul	

The following voted in the negative:

Althoff	Connelly	McConnaughay	Righter
Anderson	Cullerton, T.	Morrison	Rose
Barickman	Luechtefeld	Murphy, M.	Syverson
Bivins	McCarter	Radogno	Weaver
Brady	McConchie	Rezin	

The following voted present:

Bush
Harris
Murphy, L.

This roll call verified.

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

Senator Harris asked and obtained unanimous consent for the Journal to reflect his intention to have voted in the affirmative on **House Bill No. 813**.

On motion of Senator Biss, **House Bill No. 5902** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 51; NAYS None; Present 1.

The following voted in the affirmative:

Althoff	Forby	Luechtefeld	Raoul
Anderson	Haine	Manar	Righter
Barickman	Harmon	Martinez	Rose
Bennett	Harris	McCann	Sandoval
Bertino-Tarrant	Hastings	McConchie	Stadelman
Biss	Holmes	McConnaughay	Steans
Bivins	Hunter	McGuire	Sullivan
Brady	Hutchinson	Morrison	Syverson
Bush	Jones, E.	Mulroe	Trotter
Clayborne	Koehler	Muñoz	Van Pelt
Collins	Landek	Murphy, L.	Weaver
Cullerton, T.	Lightford	Murphy, M.	Mr. President
Cunningham	Link	Radogno	

The following voted present:

Rezin

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendments adopted thereto.

HOUSE BILL RECALLED

On motion of Senator McConnaughay, **House Bill No. 5930** was recalled from the order of third reading to the order of second reading.

Senator McConnaughay offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO HOUSE BILL 5930

AMENDMENT NO. 1. Amend House Bill 5930 on page 1, line 17, by changing "an annual" to "a biennial"; and

on page 1, line 18, by changing "year" to "even-numbered year".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator McConnaughay, **House Bill No. 5930** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

YEAS 53; NAYS None.

The following voted in the affirmative:

Althoff	Haine	Martinez	Righter

Anderson	Harmon	McCann	Rose
Bennett	Harris	McCarter	Sandoval
Bertino-Tarrant	Hastings	McConchie	Stadelman
Biss	Holmes	McConnaughay	Steans
Bivins	Hunter	McGuire	Sullivan
Brady	Hutchinson	Morrison	Syverson
Bush	Jones, E.	Mulroe	Trotter
Clayborne	Koehler	Muñoz	Van Pelt
Collins	Landek	Murphy, L.	Weaver
Connelly	Lightford	Murphy, M.	Mr. President
Cullerton, T.	Link	Radogno	
Cunningham	Luechtefeld	Raoul	
Forby	Manar	Rezin	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

On motion of Senator Sandoval, **House Bill No. 5945** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 49; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Luechtefeld	Rezin
Anderson	Haine	Manar	Sandoval
Barickman	Harmon	Martinez	Stadelman
Bennett	Harris	McCann	Steans
Bertino-Tarrant	Hastings	McConnaughay	Sullivan
Biss	Holmes	McGuire	Syverson
Bivins	Hunter	Morrison	Trotter
Brady	Hutchinson	Mulroe	Van Pelt
Bush	Jones, E.	Muñoz	Weaver
Collins	Koehler	Murphy, L.	Mr. President
Connelly	Landek	Murphy, M.	
Cullerton, T.	Lightford	Radogno	
Cunningham	Link	Raoul	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

HOUSE BILL RECALLED

On motion of Senator Haine, **House Bill No. 5948** was recalled from the order of third reading to the order of second reading.

Senator Haine offered the following amendment and moved its adoption:

AMENDMENT NO. 3 TO HOUSE BILL 5948

AMENDMENT NO. 3. Amend House Bill 5948 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Dental Practice Act is amended by changing Sections 4, 17, and 18.1 as follows: (225 ILCS 25/4) (from Ch. 111, par. 2304)

(Section scheduled to be repealed on January 1, 2026)

Sec. 4. Definitions. As used in this Act:

"Address of record" means the designated address recorded by the Department in the applicant's or licensee's application file or license file as maintained by the Department's licensure maintenance unit. It is the duty of the applicant or licensee to inform the Department of any change of address and those changes must be made either through the Department's website or by contacting the Department.

"Department" means the Department of Financial and Professional Regulation.

"Secretary" means the Secretary of Financial and Professional Regulation.

"Board" means the Board of Dentistry.

"Dentist" means a person who has received a general license pursuant to paragraph (a) of Section 11 of this Act and who may perform any intraoral and extraoral procedure required in the practice of dentistry and to whom is reserved the responsibilities specified in Section 17.

"Dental hygienist" means a person who holds a license under this Act to perform dental services as authorized by Section 18.

"Dental assistant" means an appropriately trained person who, under the supervision of a dentist, provides dental services as authorized by Section 17.

"Dental laboratory" means a person, firm or corporation which:

(i) engages in making, providing, repairing or altering dental prosthetic appliances and other artificial materials and devices which are returned to a dentist for insertion into the human oral cavity or which come in contact with its adjacent structures and tissues; and

(ii) utilizes or employs a dental technician to provide such services; and

(iii) performs such functions only for a dentist or dentists.

"Supervision" means supervision of a dental hygienist or a dental assistant requiring that a dentist authorize the procedure, remain in the dental facility while the procedure is performed, and approve the work performed by the dental hygienist or dental assistant before dismissal of the patient, but does not mean that the dentist must be present at all times in the treatment room.

"General supervision" means supervision of a dental hygienist requiring that the patient be a patient of record, that the dentist examine the patient in accordance with Section 18 prior to treatment by the dental hygienist, and that the dentist authorize the procedures which are being carried out by a notation in the patient's record, but not requiring that a dentist be present when the authorized procedures are being performed. The issuance of a prescription to a dental laboratory by a dentist does not constitute general supervision.

"Public member" means a person who is not a health professional. For purposes of board membership, any person with a significant financial interest in a health service or profession is not a public member.

"Dentistry" means the healing art which is concerned with the examination, diagnosis, treatment planning and care of conditions within the human oral cavity and its adjacent tissues and structures, as further specified in Section 17.

"Branches of dentistry" means the various specialties of dentistry which, for purposes of this Act, shall be limited to the following: endodontics, oral and maxillofacial surgery, orthodontics and dentofacial orthopedics, pediatric dentistry, periodontics, prosthodontics, and oral and maxillofacial radiology.

"Specialist" means a dentist who has received a specialty license pursuant to Section 11(b).

"Dental technician" means a person who owns, operates or is employed by a dental laboratory and engages in making, providing, repairing or altering dental prosthetic appliances and other artificial materials and devices which are returned to a dentist for insertion into the human oral cavity or which come in contact with its adjacent structures and tissues.

"Impaired dentist" or "impaired dental hygienist" means a dentist or dental hygienist who is unable to practice with reasonable skill and safety because of a physical or mental disability as evidenced by a written determination or written consent based on clinical evidence, including deterioration through the aging process, loss of motor skills, abuse of drugs or alcohol, or a psychiatric disorder, of sufficient degree to diminish the person's ability to deliver competent patient care.

"Nurse" means a registered professional nurse, a certified registered nurse anesthetist licensed as an advanced practice nurse, or a licensed practical nurse licensed under the Nurse Practice Act.

"Patient of record" means a patient for whom the patient's most recent dentist has obtained a relevant medical and dental history and on whom the dentist has performed an examination and evaluated the condition to be treated.

"Dental responder" means a dentist or dental hygienist who is appropriately certified in disaster preparedness, immunizations, and dental humanitarian medical response consistent with the Society of

Disaster Medicine and Public Health and training certified by the National Incident Management System or the National Disaster Life Support Foundation.

"Mobile dental van or portable dental unit" means any self-contained or portable dental unit in which dentistry is practiced that can be moved, towed, or transported from one location to another in order to establish a location where dental services can be provided.

"Public health dental hygienist" means a hygienist who holds a valid license to practice in the State, has 2 years of full-time clinical experience or an equivalent of 4,000 hours of clinical experience and has completed at least 42 clock ~~72~~ hours of additional structured courses in dental education approved by rule by the Department ~~course work~~ in advanced areas specific to public health dentistry, including, but not limited to, emergency procedures for medically compromised patients, pharmacology, medical recordkeeping procedures, geriatric dentistry, pediatric dentistry, ~~and~~ pathology, and other areas of study as determined by the Department, and works in a public health setting pursuant to a written public health supervision agreement as defined by rule by the Department with a dentist working in or contracted with a local or State government agency or institution or who is providing services as part of a certified school-based program or school-based oral health program.

"Public health setting" means a federally qualified health center; a federal, State, or local public health facility; Head Start; a special supplemental nutrition program for Women, Infants, and Children (WIC) facility; or a certified school-based health center or school-based oral health program.

"Public health supervision" means the supervision of a public health dental hygienist by a licensed dentist who has a written public health supervision agreement with that public health dental hygienist while working in an approved facility or program that allows the public health dental hygienist to treat patients, without a dentist first examining the patient and being present in the facility during treatment, (1) who are eligible for Medicaid or (2) who are uninsured and whose household income is not greater than 200% of the federal poverty level.

(Source: P.A. 99-25, eff. 1-1-16; 99-492, eff. 12-31-15.)

(225 ILCS 25/17) (from Ch. 111, par. 2317)

(Section scheduled to be repealed on January 1, 2026)

Sec. 17. Acts constituting the practice of dentistry. A person practices dentistry, within the meaning of this Act:

(1) Who represents himself or herself as being able to diagnose or diagnoses, treats, prescribes, or operates for any disease, pain, deformity, deficiency, injury, or physical condition of the human tooth, teeth, alveolar process, gums or jaw; or

(2) Who is a manager, proprietor, operator or conductor of a business where dental operations are performed; or

(3) Who performs dental operations of any kind; or

(4) Who uses an X-Ray machine or X-Ray films for dental diagnostic purposes; or

(5) Who extracts a human tooth or teeth, or corrects or attempts to correct malpositions of the human teeth or jaws; or

(6) Who offers or undertakes, by any means or method, to diagnose, treat or remove stains, calculus, and bonding materials from human teeth or jaws; or

(7) Who uses or administers local or general anesthetics in the treatment of dental or oral diseases or in any preparation incident to a dental operation of any kind or character; or

(8) Who takes impressions of the human tooth, teeth, or jaws or performs any phase of any operation incident to the replacement of a part of a tooth, a tooth, teeth or associated tissues by means of a filling, crown, a bridge, a denture or other appliance; or

(9) Who offers to furnish, supply, construct, reproduce or repair, or who furnishes, supplies, constructs, reproduces or repairs, prosthetic dentures, bridges or other substitutes for natural teeth, to the user or prospective user thereof; or

(10) Who instructs students on clinical matters or performs any clinical operation included in the curricula of recognized dental schools and colleges; or

(11) Who takes impressions of human teeth or places his or her hands in the mouth of any person for the purpose of applying teeth whitening materials, or who takes impressions of human teeth or places his or her hands in the mouth of any person for the purpose of assisting in the application of teeth whitening materials. A person does not practice dentistry when he or she discloses to the consumer that he or she is not licensed as a dentist under this Act and (i) discusses the use of teeth whitening materials with a consumer purchasing these materials; (ii) provides instruction on the use of teeth whitening materials with a consumer purchasing these materials; or (iii) provides appropriate equipment on-site to the consumer for the consumer to self-apply teeth whitening materials.

The fact that any person engages in or performs, or offers to engage in or perform, any of the practices, acts, or operations set forth in this Section, shall be prima facie evidence that such person is engaged in the practice of dentistry.

The following practices, acts, and operations, however, are exempt from the operation of this Act:

(a) The rendering of dental relief in emergency cases in the practice of his or her profession by a physician or surgeon, licensed as such under the laws of this State, unless he or she undertakes to reproduce or reproduces lost parts of the human teeth in the mouth or to restore or replace lost or missing teeth in the mouth; or

(b) The practice of dentistry in the discharge of their official duties by dentists in any branch of the Armed Services of the United States, the United States Public Health Service, or the United States Veterans Administration; or

(c) The practice of dentistry by students in their course of study in dental schools or colleges approved by the Department, when acting under the direction and supervision of dentists acting as instructors; or

(d) The practice of dentistry by clinical instructors in the course of their teaching duties in dental schools or colleges approved by the Department:

(i) when acting under the direction and supervision of dentists, provided that such clinical instructors have instructed continuously in this State since January 1, 1986; or

(ii) when holding the rank of full professor at such approved dental school or college and possessing a current valid license or authorization to practice dentistry in another country; or

(e) The practice of dentistry by licensed dentists of other states or countries at meetings of the Illinois State Dental Society or component parts thereof, alumni meetings of dental colleges, or any other like dental organizations, while appearing as clinicians; or

(f) The use of X-Ray machines for exposing X-Ray films of dental or oral tissues by dental hygienists or dental assistants; or

(g) The performance of any dental service by a dental assistant, if such service is performed under the supervision and full responsibility of a dentist.

For purposes of this paragraph (g), "dental service" is defined to mean any intraoral procedure or act which shall be prescribed by rule or regulation of the Department. Dental service, however, shall not include:

(1) Any and all diagnosis of or prescription for treatment of disease, pain, deformity, deficiency, injury or physical condition of the human teeth or jaws, or adjacent structures.

(2) Removal of, or restoration of, or addition to the hard or soft tissues of the oral cavity, except for the placing, carving, and finishing of amalgam restorations by dental assistants who have had additional formal education and certification as determined by the Department. A dentist utilizing dental assistants shall not supervise more than 4 dental assistants at any one time for placing, carving, and finishing of amalgam restorations.

(3) Any and all correction of malformation of teeth or of the jaws.

(4) Administration of anesthetics, except for monitoring of nitrous oxide, conscious sedation, deep sedation, and general anesthetic as provided in Section 8.1 of this Act, that may be performed only after successful completion of a training program approved by the Department. A dentist utilizing dental assistants shall not supervise more than 4 dental assistants at any one time for the monitoring of nitrous oxide.

(5) Removal of calculus from human teeth.

(6) Taking of impressions for the fabrication of prosthetic appliances, crowns, bridges, inlays, onlays, or other restorative or replacement dentistry.

(7) The operative procedure of dental hygiene consisting of oral prophylactic procedures, except for coronal polishing and pit and fissure sealants, which may be performed by a dental assistant who has successfully completed a training program approved by the Department. Dental assistants may perform coronal polishing under the following circumstances: (i) the coronal polishing shall be limited to polishing the clinical crown of the tooth and existing restorations, supragingivally; (ii) the dental assistant performing the coronal polishing shall be limited to the use of rotary instruments using a rubber cup or brush polishing method (air polishing is not permitted); and (iii) the supervising dentist shall not supervise more than 4 dental assistants at any one time for the task of coronal polishing or pit and fissure sealants.

In addition to coronal polishing and pit and fissure sealants as described in this item (7), a dental assistant who has at least 2,000 hours of direct clinical patient care experience and who has successfully completed a structured training program provided by (1) an educational

institution such as a dental school or dental hygiene or dental assistant program, or (2) by a statewide dental or dental hygienist association, approved by the Division on or before the effective date of this amendatory Act of the 99th General Assembly, that has developed and conducted a training program for expanded functions for dental assistants or hygienists ~~approved by rule by the Department~~ may perform: (A) coronal scaling above the gum line, supragingivally, on the clinical crown of the tooth only on patients 12 years of age or younger who have an absence of periodontal disease and who are not medically compromised or individuals with special needs and (B) intracoronal temporization of a tooth. The training program ~~approved by the Department~~ must: (I) include a minimum of 16 hours of instruction in both didactic and clinical manikin or human subject instruction; all training programs shall include areas of study ~~courses~~ in dental anatomy, public health dentistry, medical history, dental emergencies, and managing the pediatric patient; (II) include an outcome assessment examination that demonstrates competency; (III) require the supervising dentist to observe and approve the completion of 6 full mouth supragingival scaling procedures; and (IV) issue a certificate of completion of the training program, which must be kept on file at the dental office and be made available to the Division upon request. A dental assistant must have successfully completed an approved coronal polishing course prior to taking the coronal scaling course. A dental assistant performing these functions shall be limited to the use of hand instruments only. In addition, coronal scaling as described in this paragraph shall only be utilized on patients who are eligible for Medicaid or who are uninsured and whose household income is not greater than 200% of the federal poverty level. A dentist may not supervise more than 2 dental assistants at any one time for the task of coronal scaling. This paragraph is inoperative on and after January 1, 2021.

The limitations on the number of dental assistants a dentist may supervise contained in items (2), (4), and (7) of this paragraph (g) mean a limit of 4 total dental assistants or dental hygienists doing expanded functions covered by these Sections being supervised by one dentist.

(h) The practice of dentistry by an individual who:

(i) has applied in writing to the Department, in form and substance satisfactory to the Department, for a general dental license and has complied with all provisions of Section 9 of this Act, except for the passage of the examination specified in subsection (e) of Section 9 of this Act; or

(ii) has applied in writing to the Department, in form and substance satisfactory to the Department, for a temporary dental license and has complied with all provisions of subsection (c) of Section 11 of this Act; and

(iii) has been accepted or appointed for specialty or residency training by a hospital situated in this State; or

(iv) has been accepted or appointed for specialty training in an approved dental program situated in this State; or

(v) has been accepted or appointed for specialty training in a dental public health agency situated in this State.

The applicant shall be permitted to practice dentistry for a period of 3 months from the starting date of the program, unless authorized in writing by the Department to continue such practice for a period specified in writing by the Department.

The applicant shall only be entitled to perform such acts as may be prescribed by and incidental to his or her program of residency or specialty training and shall not otherwise engage in the practice of dentistry in this State.

The authority to practice shall terminate immediately upon:

(1) the decision of the Department that the applicant has failed the examination; or

(2) denial of licensure by the Department; or

(3) withdrawal of the application.

(Source: P.A. 98-147, eff. 1-1-14; 98-463, eff. 8-16-13; 98-756, eff. 7-16-14; 99-492, eff. 12-31-15.)

(225 ILCS 25/18.1)

(Section scheduled to be repealed on January 1, 2021)

Sec. 18.1. Public health dental supervision responsibilities.

(a) When working together in a public health supervision relationship, dentists and public health dental hygienists shall enter into a public health supervision agreement. The dentist providing public health supervision must:

(1) be available to provide an appropriate level of contact, communication, collaboration, and consultation with the public health dental hygienist and must meet in-person with the public health dental hygienist at least quarterly for review and consultation;

(2) have specific standing orders or policy guidelines for procedures that are to be

carried out for each location or program, although the dentist need not be present when the procedures are being performed;

(3) provide for the patient's additional necessary care in consultation with the public health dental hygienist;

(4) file agreements and notifications as required; and

(5) include procedures for creating and maintaining dental records, including protocols for transmission of all records between the public health dental hygienist and the dentist following each treatment, which shall include a notation regarding procedures authorized by the dentist and performed by the public health dental hygienist and the location where those records are to be kept.

Each dentist and hygienist who enters into a public health supervision agreement must document and maintain a copy of any change or termination of that agreement.

Dental records shall be owned and maintained by the supervising dentist for all patients treated under public health supervision, unless the supervising dentist is an employee of a public health clinic or federally qualified health center, in which case the public health clinic or federally qualified health center shall maintain the records.

If a dentist ceases to be employed or contracted by the facility, the dentist shall notify the facility administrator that the public health supervision agreement is no longer in effect. A new public health supervision agreement is required for the public health dental hygienist to continue treating patients under public health supervision.

A dentist entering into an agreement under this Section may supervise and enter into agreements for public health supervision with 2 public health dental hygienists. This shall be in addition to the limit of 4 dental hygienists per dentist set forth in subsection (g) of Section 18 of this Act.

(b) A public health dental hygienist providing services under public health supervision may perform only those duties within the accepted scope of practice of dental hygiene, as follows:

(1) the operative procedures of dental hygiene, consisting of oral prophylactic procedures, including prophylactic cleanings, application of fluoride, and placement of sealants;

(2) the exposure and processing of x-ray films of the teeth and surrounding structures; and

(3) such other procedures and acts as shall be prescribed by rule of the Department.

Any patient treated under this subsection (b) must be examined by a dentist before additional services can be provided by a public health dental hygienist. However, if the supervising dentist, after consultation with the public health hygienist, determines that time is needed to complete an approved treatment plan on a patient eligible under this Section, then the dentist may instruct the hygienist to complete the remaining services prior to an oral examination by the dentist. Such instruction by the dentist to the hygienist shall be noted in the patient's records. Any services performed under this exception must be scheduled in a timely manner and shall not occur more than 30 days after the first appointment date.

(c) A public health dental hygienist providing services under public health supervision must:

(1) provide to the patient, parent, or guardian a written plan for referral or an agreement for follow-up that records all conditions observed that should be called to the attention of a dentist for proper diagnosis;

(2) have each patient sign a permission slip or consent form that informs them that the service to be received does not take the place of regular dental checkups at a dental office and is meant for people who otherwise would not have access to the service;

(3) inform each patient who may require further dental services of that need;

(4) maintain an appropriate level of contact and communication with the dentist providing public health supervision; and

(5) complete an additional 4 hours of continuing education in areas specific to public health dentistry yearly.

(d) Each public health dental hygienist who has rendered services under subsections (c), (d), and (e) of this Section must complete a summary report at the completion of a program or, in the case of an ongoing program, at least annually. The report must be completed in the manner specified by the Division of Oral Health in the Department of Public Health including information about each location where the public health dental hygienist has rendered these services. The public health dental hygienist must submit the form to the dentist providing supervision for his or her signature before sending it to the Division.

(e) Public health dental hygienists providing services under public health supervision may be compensated for their work by salary, honoraria, and other mechanisms by the employing or sponsoring entity. Nothing in this Act shall preclude the entity that employs or sponsors a public health dental hygienist from seeking payment, reimbursement, or other source of funding for the services provided.

(f) This Section is repealed on January 1, 2021.

(Source: P.A. 99-492, eff. 12-31-15.)".

The motion prevailed.
And the amendment was adopted and ordered printed.
Senator Haine offered the following amendment and moved its adoption:

AMENDMENT NO. 4 TO HOUSE BILL 5948

AMENDMENT NO. 4. Amend House Bill 5948, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 3, on page 12, line 21, by replacing "Division" with "Department"; and

on page 13, line 19, by replacing "Division" with "Department".

The motion prevailed.
And the amendment was adopted and ordered printed.
There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Haine, **House Bill No. 5948** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 53; NAYS None; Present 1.

The following voted in the affirmative:

Althoff	Haine	Martinez	Righter
Anderson	Harmon	McCann	Rose
Barickman	Harris	McCarter	Sandoval
Bertino-Tarrant	Hastings	McConchie	Stadelman
Biss	Holmes	McConnaughay	Steans
Bivins	Hunter	McGuire	Sullivan
Brady	Hutchinson	Morrison	Syverson
Bush	Jones, E.	Mulroe	Trotter
Clayborne	Koehler	Muñoz	Van Pelt
Collins	Landek	Murphy, L.	Weaver
Connelly	Lightford	Murphy, M.	Mr. President
Cullerton, T.	Link	Radogno	
Cunningham	Luechtefeld	Raoul	
Forby	Manar	Rezin	

The following voted present:

Bennett

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendments adopted thereto.

On motion of Senator Mulroe, **House Bill No. 6010** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 54; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Manar	Rezin
Anderson	Haine	Martinez	Righter
Barickman	Harmon	McCann	Rose
Bennett	Harris	McCarter	Sandoval
Bertino-Tarrant	Hastings	McConchie	Stadelman
Biss	Holmes	McConnaughay	Steans
Bivins	Hunter	McGuire	Sullivan
Brady	Hutchinson	Morrison	Syverson
Bush	Jones, E.	Mulroe	Trotter
Clayborne	Koehler	Muñoz	Van Pelt
Collins	Landek	Murphy, L.	Weaver
Connelly	Lightford	Murphy, M.	Mr. President
Cullerton, T.	Link	Radogno	
Cunningham	Luechtefeld	Raoul	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

HOUSE BILL RECALLED

On motion of Senator T. Cullerton, **House Bill No. 6030** was recalled from the order of third reading to the order of second reading.

Senator T. Cullerton offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO HOUSE BILL 6030

AMENDMENT NO. 1. Amend House Bill 6030 on page 2, by replacing lines 6 and 7 with "system under the Illinois Pension Code for administrative purposes.".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator T. Cullerton, **House Bill No. 6030** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

YEAS 54; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Manar	Rezin
Anderson	Haine	Martinez	Righter
Barickman	Harmon	McCann	Rose
Bennett	Harris	McCarter	Sandoval
Bertino-Tarrant	Hastings	McConchie	Stadelman
Biss	Holmes	McConnaughay	Steans

Bivins	Hunter	McGuire	Sullivan
Brady	Hutchinson	Morrison	Syverson
Bush	Jones, E.	Mulroe	Trotter
Clayborne	Koehler	Muñoz	Van Pelt
Collins	Landek	Murphy, L.	Weaver
Connelly	Lightford	Murphy, M.	Mr. President
Cullerton, T.	Link	Radogno	
Cunningham	Luechtefeld	Raoul	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

On motion of Senator Haine, **House Bill No. 6041** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 54; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Manar	Rezin
Anderson	Haine	Martinez	Righter
Barickman	Harmon	McCann	Rose
Bennett	Harris	McCarter	Sandoval
Bertino-Tarrant	Hastings	McConchie	Stadelman
Biss	Holmes	McConnaughay	Steans
Bivins	Hunter	McGuire	Sullivan
Brady	Hutchinson	Morrison	Syverson
Bush	Jones, E.	Mulroe	Trotter
Clayborne	Koehler	Muñoz	Van Pelt
Collins	Landek	Murphy, L.	Weaver
Connelly	Lightford	Murphy, M.	Mr. President
Cullerton, T.	Link	Radogno	
Cunningham	Luechtefeld	Raoul	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

On motion of Senator Radogno, **House Bill No. 6083** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 54; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Manar	Rezin
Anderson	Haine	Martinez	Righter
Barickman	Harmon	McCann	Rose
Bennett	Harris	McCarter	Sandoval
Bertino-Tarrant	Hastings	McConchie	Stadelman

Biss	Holmes	McConnaughay	Steans
Bivins	Hunter	McGuire	Sullivan
Brady	Hutchinson	Morrison	Syverson
Bush	Jones, E.	Mulroe	Trotter
Clayborne	Koehler	Muñoz	Van Pelt
Collins	Landek	Murphy, L.	Weaver
Connelly	Lightford	Murphy, M.	Mr. President
Cullerton, T.	Link	Radogno	
Cunningham	Luechtefeld	Raoul	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

On motion of Senator Holmes, **House Bill No. 6084** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 51; NAYS None.

The following voted in the affirmative:

Althoff	Cunningham	Link	Raoul
Anderson	Forby	Manar	Righter
Barickman	Haine	Martinez	Rose
Bennett	Harmon	McCann	Sandoval
Bertino-Tarrant	Harris	McConchie	Stadelman
Biss	Hastings	McConnaughay	Steans
Bivins	Holmes	McGuire	Sullivan
Brady	Hunter	Morrison	Syverson
Bush	Hutchinson	Mulroe	Trotter
Clayborne	Jones, E.	Muñoz	Van Pelt
Collins	Koehler	Murphy, L.	Weaver
Connelly	Landek	Murphy, M.	Mr. President
Cullerton, T.	Lightford	Radogno	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

On motion of Senator Koehler, **House Bill No. 6123** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 53; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Manar	Rezin
Anderson	Haine	Martinez	Righter
Barickman	Harmon	McCann	Rose
Bennett	Harris	McCarter	Sandoval
Bertino-Tarrant	Hastings	McConchie	Stadelman

Biss	Holmes	McConnaughay	Steans
Bivins	Hunter	McGuire	Sullivan
Brady	Hutchinson	Morrison	Trotter
Bush	Jones, E.	Mulroe	Van Pelt
Clayborne	Koehler	Muñoz	Weaver
Collins	Landek	Murphy, L.	Mr. President
Connelly	Lightford	Murphy, M.	
Cullerton, T.	Link	Radogno	
Cunningham	Luechtefeld	Raoul	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendments adopted thereto.

On motion of Senator Steans, **House Bill No. 6125** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 50; NAYS None.

The following voted in the affirmative:

Althoff	Haine	Manar	Righter
Anderson	Harmon	Martinez	Rose
Barickman	Harris	McCann	Sandoval
Bennett	Hastings	McConnaughay	Stadelman
Bertino-Tarrant	Holmes	McGuire	Steans
Biss	Hunter	Morrison	Sullivan
Brady	Hutchinson	Mulroe	Syverson
Bush	Jones, E.	Muñoz	Trotter
Clayborne	Koehler	Murphy, L.	Van Pelt
Connelly	Landek	Murphy, M.	Weaver
Cullerton, T.	Lightford	Radogno	Mr. President
Cunningham	Link	Raoul	
Forby	Luechtefeld	Rezin	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

On motion of Senator Link, **House Bill No. 6167** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 54; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Manar	Rezin
Anderson	Haine	Martinez	Righter
Barickman	Harmon	McCann	Rose
Bennett	Harris	McCarter	Sandoval
Bertino-Tarrant	Hastings	McConchie	Stadelman

Biss	Holmes	McConnaughay	Steans
Bivins	Hunter	McGuire	Sullivan
Brady	Hutchinson	Morrison	Syverson
Bush	Jones, E.	Mulroe	Trotter
Clayborne	Koehler	Muñoz	Van Pelt
Collins	Landek	Murphy, L.	Weaver
Connelly	Lightford	Murphy, M.	Mr. President
Cullerton, T.	Link	Radogno	
Cunningham	Luechtefeld	Raoul	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

HOUSE BILL RECALLED

On motion of Senator Collins, **House Bill No. 6200** was recalled from the order of third reading to the order of second reading.

Senator Collins offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO HOUSE BILL 6200

AMENDMENT NO. 1. Amend House Bill 6200 by replacing everything after the enacting clause with the following:

"Section 1. Legislative findings and intent. The General Assembly finds that the ability of an individual incarcerated to maintain contact with the community and family is critical to a successful re-entry after release from prison. In addition, many incarcerated people are parents. Communication has been proven essential to the healthy development of their children. Many people are incarcerated far away from where their family and friends reside, which in some cases may be a country outside the United States. Telephone calls are frequently the only method available to maintain vital contact with loved ones. The purpose of this legislation is to ensure that people incarcerated can maintain contact with their loved ones without creating an undue burden on the person incarcerated or the recipient of phone calls. The General Assembly intends that when determining the best value of a telephone service, the lowest possible cost to the telephone user shall be emphasized.

Section 5. The Unified Code of Corrections is amended by changing Section 3-4-1 as follows:

(730 ILCS 5/3-4-1) (from Ch. 38, par. 1003-4-1)

Sec. 3-4-1. Gifts and Grants; Special Trusts Funds; Department of Corrections Reimbursement and Education Fund.

(a) The Department may accept, receive and use, for and in behalf of the State, any moneys, goods or services given for general purposes of this Code by the federal government or from any other source, public or private, including collections from inmates, reimbursement of payments under the Workers' Compensation Act, and commissions from inmate collect call telephone systems under an agreement with the Department of Central Management Services. For these purposes the Department may comply with such conditions and enter into such agreements upon such covenants, terms, and conditions as the Department may deem necessary or desirable, if the agreement is not in conflict with State law.

(a-5) Beginning January 1, 2018, the Department of Central Management Services shall contract with the qualified vendor who proposes the lowest per minute rate not exceeding 7 cents per minute for debit, prepaid, collect calls and who does not bill to any party any tax, service charge, or additional fee exceeding the per minute rate, including, but not limited to, any per call surcharge, account set up fee, bill statement fee, monthly account maintenance charge, or refund fee as established by the Federal Communications Commission Order for state prisons in the Matter of Rates for Interstate Inmate Calling Services, Second Report and Order, WC Docket 12-375, FCC 15-136 (adopted Oct. 22, 2015). Telephone services made available through a prepaid or collect call system shall include international calls; those calls shall be made available at reasonable rates subject to Federal Communications Commission rules and regulations, but not to exceed 23 cents per minute. This amendatory Act of the 99th General Assembly applies to any new or renewal contract for inmate calling services.

(b) On July 1, 1998, the Department of Corrections Reimbursement Fund and the Department of Corrections Education Fund shall be combined into a single fund to be known as the Department of Corrections Reimbursement and Education Fund, which is hereby created as a special fund in the State Treasury. The moneys deposited into the Department of Corrections Reimbursement and Education Fund shall be appropriated to the Department of Corrections for the expenses of the Department.

The following shall be deposited into the Department of Corrections Reimbursement and Education Fund:

(i) Moneys received or recovered by the Department of Corrections as reimbursement for expenses incurred for the incarceration of committed persons.

(ii) Moneys received or recovered by the Department as reimbursement of payments made under the Workers' Compensation Act.

(iii) Moneys received by the Department as commissions from inmate collect call telephone systems.

(iv) Moneys received or recovered by the Department as reimbursement for expenses incurred by the employment of persons referred to the Department as participants in the federal Job Training Partnership Act programs.

(v) Federal moneys, including reimbursement and advances for services rendered or to be rendered and moneys for other than educational purposes, under grant or contract.

(vi) Moneys identified for deposit into the Fund under Section 13-44.4 of the School Code.

(vii) Moneys in the Department of Corrections Reimbursement Fund and the Department of Corrections Education Fund at the close of business on June 30, 1998.

(Source: P.A. 90-9, eff. 7-1-97; 90-587, eff. 7-1-98.)

Section 99. Effective date. This Act takes effect January 1, 2017.".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Collins, **House Bill No. 6200** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

YEAS 54; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Manar	Rezin
Anderson	Haine	Martinez	Righter
Barickman	Harmon	McCann	Rose
Bennett	Harris	McCarter	Sandoval
Bertino-Tarrant	Hastings	McConchie	Stadelman
Biss	Holmes	McConnaughay	Steans
Bivins	Hunter	McGuire	Sullivan
Brady	Hutchinson	Morrison	Syverson
Bush	Jones, E.	Mulroe	Trotter
Clayborne	Koehler	Muñoz	Van Pelt
Collins	Landek	Murphy, L.	Weaver
Connelly	Lightford	Murphy, M.	Mr. President
Cullerton, T.	Link	Radogno	
Cunningham	Luechtefeld	Raoul	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

On motion of Senator Biss, **House Bill No. 6213** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 53; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Manar	Righter
Anderson	Haine	Martinez	Rose
Barickman	Harmon	McCarter	Sandoval
Bennett	Harris	McConchie	Stadelman
Bertino-Tarrant	Hastings	McConnaughay	Steans
Biss	Holmes	McGuire	Sullivan
Bivins	Hunter	Morrison	Syverson
Brady	Hutchinson	Mulroe	Trotter
Bush	Jones, E.	Muñoz	Van Pelt
Clayborne	Koehler	Murphy, L.	Weaver
Collins	Landek	Murphy, M.	Mr. President
Connelly	Lightford	Radogno	
Cullerton, T.	Link	Raoul	
Cunningham	Luechtefeld	Rezin	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendments adopted thereto.

On motion of Senator Harmon, **House Bill No. 6252** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 49; NAYS None.

The following voted in the affirmative:

Althoff	Haine	Manar	Righter
Anderson	Harmon	Martinez	Rose
Barickman	Harris	McCann	Stadelman
Bertino-Tarrant	Hastings	McCarter	Steans
Biss	Holmes	McConchie	Sullivan
Bivins	Hunter	McConnaughay	Syverson
Brady	Hutchinson	McGuire	Trotter
Bush	Jones, E.	Morrison	Van Pelt
Clayborne	Koehler	Mulroe	Weaver
Collins	Landek	Muñoz	Mr. President
Connelly	Lightford	Murphy, M.	
Cullerton, T.	Link	Raoul	
Cunningham	Luechtefeld	Rezin	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

HOUSE BILL RECALLED

On motion of Senator Biss, **House Bill No. 6292** was recalled from the order of third reading to the order of second reading.

Senator Biss offered the following amendment:

AMENDMENT NO. 2 TO HOUSE BILL 6292

AMENDMENT NO. 2. Amend House Bill 6292, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Pension Code is amended by adding Sections 1-113.17, 1-113.17a, 1-113.17b, and 1-113.17c as follows:

(40 ILCS 5/1-113.17 new)

Sec. 1-113.17. Investment transparency; definitions. As used in this Section and Sections 1-113.17a, 1-113.17b, and 1-113.17c:

(a) "Affiliate" means any person directly or indirectly controlling or controlled by, or under direct or indirect common control with, another person.

(a-5) "Alternative investment fund" means a private equity fund, hedge fund, absolute return fund, or total return fund.

(b) "Board" or "public retirement system board" means the board of trustees of a public retirement system and includes the Illinois State Board of Investment established under Article 22A of this Code.

(c) "External manager" means either of the following:

(1) A person who manages an alternative investment fund and who offers or sells, or has offered or sold, an ownership interest in the alternative investment fund to a board.

(2) A general partner, managing member entity, fund manager, fund adviser, or other similar person or entity with decision-making authority over an alternative investment fund.

(d) "External manager group" means (1) the external manager, (2) its affiliates, (3) any other parties described in the external manager's marketing materials for the relevant alternative investment fund as providing services to or on behalf of portfolio holdings, and (4) any other parties described in the external manager's affiliated adviser's SEC Form ADV filing as receiving portfolio holding fees or portfolio holding other compensation. "External manager group" does not include the affiliated alternative investment fund in which the public retirement system is an investor, nor does it include an alternative investment fund used to effectuate investments of the affiliated fund in which the public retirement system is an investor.

(e) "Marketing materials" means (1) a prospectus, (2) a private placement memorandum, (3) a prospective investor presentation, (4) a due diligence questionnaire, but only if the questions are authored by an external manager, or (5) any other written material provided by an external manager for the purpose of soliciting a commitment to an alternative investment fund.

(f) "New agreement" means an agreement that is proposed or executed after February 1, 2019, and includes any modification to or amendment of such an agreement that modifies or alters any of the provisions required to be disclosed under Section 1-113.17a or 1-113.17b. "New agreement" also means any subsequent agreement that implements, memorializes, or provides detail about such an agreement.

(g) "Person" means an individual, corporation, partnership, limited partnership, limited liability company, or association, either domestic or foreign.

(h) "Portfolio holding" means any business, partnership, real property, or other business entity or asset in which an alternative investment fund has, at any time, held either an interest in the securities thereof or a real property interest in, or has acted as a lender to, the entity or asset.

(i) "Portfolio holding fee" means the total payment obligation of a portfolio holding, regardless of whether it is actually paid or accrued, and regardless of whether the payment obligation is satisfied in cash, securities, or other consideration, and regardless of whether it is incurred as compensation for services provided or as reimbursement for expenses incurred.

(j) "Private equity fund" means a pooled investment entity that is, or holds itself out as being, engaged primarily, or proposes to engage primarily, in investment strategies involving equity or debt financings

that are provided for purchasing or expanding private or public companies, or for related purposes such as financing for capital, research and development, introduction of a product or process into the marketplace, or similar needs requiring risk capital. This includes, but is not limited to, financing classified as venture capital, mezzanine, buyout, or growth funds.

(k) "Public retirement system" means a pension fund or retirement system subject to Article 5, 6, 7, 8, 9, 11, 12, 13, 15, 16, or 17 of this Code, and includes the Illinois State Board of Investment established under Article 22A of this Code.

(l) "Task Force" means the Investment Transparency Task Force created under Section 1-113.17c of this Code.

(40 ILCS 5/1-113.17a new)

Sec. 1-113.17a. Investment transparency; disclosure of alternative investment fund agreements.

(a) The definitions in Section 1-113.17 of this Code apply to this Section.

(b) Within 90 days after entering into a new agreement to invest in an alternative investment fund, a public retirement system must disclose, in the manner provided under this Section, the existence of the agreement and all of the following parts and provisions of the agreement:

(1) All management fee waiver provisions, including, but not limited to, provisions that permit the external manager or general partner to waive fees, or that specify the mechanics of the fee waiver or its repayment, or that specify the magnitude of the fee waiver, or that are necessary to understand how the fee waiver works, and all defined terms related to or affecting the fee waiver.

(2) All indemnification provisions, including, but not limited to, provisions that require the alternative investment fund or its investors to indemnify the external manager or general partner, or any of its affiliates, for settlements or judgments paid, and including all provisions necessary to understand how the indemnification works and all defined terms related to or affecting indemnification.

(3) All clawback provisions, including, but not limited to, provisions that allow the external manager or general partner to pay back an amount less than the full cost of the overpayment received by the manager, and including all provisions necessary to understand how the clawback works and all defined terms related to or affecting clawbacks.

(4) The cover page and signature block of the agreement.

However, in the case of a new agreement that consists of a modification of or amendment to a previous new agreement for which the disclosures required under this subsection have already been made, it is sufficient for the public retirement system (i) to identify the previous disclosures and disclose only the parts and provisions of the modification of or amendment to the agreement that modify, alter, or affect any of the provisions previously disclosed under this subsection or (ii) to make and disclose a finding that the modification or amendment does not modify, alter, or affect any of the provisions previously disclosed under this subsection, whichever is applicable.

(c) The public retirement system shall make the disclosures required under subsection (b) by doing all of the following:

(1) filing a copy of the required material with the Public Pension Division of the Illinois Department of Insurance;

(2) filing a copy of the required material with the Illinois Secretary of State; and

(3) posting and maintaining the required material on the public retirement system's website.

(d) A new agreement shall not be deemed to be violated or made invalid by the public retirement system's good faith effort to make the disclosures required under subsection (b) of this Section, nor due to harmless or inadvertent failure by the public retirement system to correctly include or identify a component of a required disclosure.

(e) The following are public records and are subject to disclosure under the Freedom of Information Act:

(1) All of the material required to be disclosed under subsection (b) of this Section.

(2) Any amounts paid in indemnification and any amounts deducted from payments owed by the general partner or external manager under an agreement establishing or providing for participation in an alternative investment fund by a public retirement system, and any documents submitted to a public retirement system justifying the demand for payment relating to the indemnification.

(3) The cover page and a legible copy of the executed signature block of any new agreement to establish or participate in an alternative investment fund by a public retirement system.

(f) If a public retirement system adopts and implements the recommendations of the Task Force that apply to this Section, and those recommendations are not rejected by the General Assembly under subsection (f) of Section 1-113.17c, then disclosures made in conformance with those recommendations shall constitute compliance with the disclosure requirements of this Section.

(40 ILCS 5/1-113.17b new)

Sec. 1-113.17b. Investment transparency; disclosure of certain investment fees.

(a) The definitions in Section 1-113.17 of this Code apply to this Section. For the purposes of this Section, "carried interest" means a share of the profits of an alternative investment fund that is paid, accrued, or due to the general partner or the external manager or their affiliates.

(b) This Section applies to any new agreement that a public retirement system enters into in order to establish or participate in an alternative investment fund. A public retirement system shall not enter into such new agreement without a written undertaking by the alternative investment fund external managers and general partners that they will comply with this Section and the requirements of the public retirement system pursuant to subsection (c), except as provided in subsection (e).

(c) Every public retirement system shall require its alternative investment fund external managers and general partners to make the following disclosures annually, in a manner and form prescribed by the system, in regard to each alternative investment fund:

(1) The fees and expenses that the public retirement system pays directly to the alternative investment fund, or to the alternative investment fund external manager or general partner.

(2) The public retirement system's share of all fees and expenses not included in paragraph (1), including carried interest, that are paid or allocated from the alternative investment fund to the external manager or general partners, or that are deducted from payments owed from the external manager or general partners to the alternative investment fund.

(3) The amount of all management fee waivers made by the alternative investment fund external managers or general partners.

(4) The total amount of portfolio holding fees incurred by each portfolio holding of the alternative investment fund as payment to any person who is a member of the external manager group.

An alternative investment fund external manager or general partner may provide a public retirement system with a completed reporting template developed by the Institutional Limited Partners Association, and such provision shall constitute compliance with the reporting requirements of this subsection.

(d) A public retirement system shall make the information received under subsection (c) available by:

(1) filing a copy of the received material with the Public Pension Division of the Illinois Department of Insurance; and

(2) posting and maintaining the received information on the public retirement system's website, together with sufficient identifying and explanatory material to facilitate access and understanding by the public.

(e) If a public retirement system adopts and implements the recommendations of the Task Force that apply to this Section, and those recommendations are not rejected by the General Assembly under subsection (f) of Section 1-113.17c, then disclosures made in conformance with those recommendations shall constitute compliance with the disclosure requirements of this Section.

(40 ILCS 5/1-113.17c new)

Sec. 1-113.17c. Investment Transparency Task Force.

(a) The definitions in Section 1-113.17 of this Code apply to this Section.

(b) There is created the Investment Transparency Task Force. It is the purpose of the Task Force to study, identify best available practices, and make recommendations relating to: (1) disclosure of, and best practices related to, the portions of limited partnership agreements addressing indemnification provisions, clawback provisions, and management fee waivers, which are the subject of Section 1-113.17a; and (2) disclosure of fees and expenses incurred, including related fee waivers and portfolio holding fees, which are the subject of Section 1-113.17b.

(c) The Task Force shall consist of the following persons:

(1) The executive director (or his or her designee) of each public retirement system subject to Article 5, 6, 7, 8, 9, 11, 12, 13, 15, 16, or 17 of this Code, and the director of the Illinois State Board of Investment established under Article 22A of this Code (or the director's designee).

(2) One person appointed by each of the 4 Legislative Leaders.

(3) The State Treasurer, or his or her designee.

(4) One person representing the interests of external managers, appointed by the State Treasurer.

(5) One person representing the interests of the beneficiaries of public retirement systems, appointed by the State Treasurer.

(6) One person representing the interests of Illinois taxpayers, appointed by the State Treasurer.

All members shall be appointed for the life of the Task Force. In the case of a resignation or other vacancy occurring among persons appointed under item (2), (3), (4), (5), or (6), a replacement member may be appointed by the applicable appointing authority.

(d) Members of the Task Force shall serve without compensation, but may be reimbursed for their necessary expenses from funds lawfully available for that purpose.

(e) No later than January 15, 2018, the Task Force shall report to the General Assembly and the public retirement systems its findings and recommendations, which must be adopted by a majority of the members appointed. The report of the Task Force shall separate and clearly designate the portions of its findings and recommendations that relate (i) to Section 1-113.17a and (ii) to Section 1-113.17b. In each portion, the findings and recommendations shall be prepared and presented in a form that can be readily identified, adopted, and implemented by any public retirement system wishing to do so. Copies of the report shall be made available to the public as provided by law.

(f) The 100th General Assembly may, by joint resolution, reject the portion of the report relating to Section 1-113.17a, the portion of the report relating to Section 1-113.17b, or both. Any part of the report that is not so rejected shall be deemed to have been accepted by the General Assembly as consistent with the public policy of the State.

(g) A public retirement system may adopt and implement any of the recommendations of the Task Force at any time. However, if one or both portions of the report are rejected by the General Assembly under subsection (f), the public retirement system shall adjust its implementation of the rejected provision as necessary to comply with the requirements of Section 1-113.17a or 1-113.17b or both, as applicable.

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

Senator Biss moved the foregoing amendment be ordered to lie on the table.

The motion to table prevailed.

Senator Biss offered the following amendment and moved its adoption:

AMENDMENT NO. 3 TO HOUSE BILL 6292

AMENDMENT NO. 3. Amend House Bill 6292, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 3. The Freedom of Information Act is amended by changing Section 7 as follows:

(5 ILCS 140/7) (from Ch. 116, par. 207)

Sec. 7. Exemptions.

(1) When a request is made to inspect or copy a public record that contains information that is exempt from disclosure under this Section, but also contains information that is not exempt from disclosure, the public body may elect to redact the information that is exempt. The public body shall make the remaining information available for inspection and copying. Subject to this requirement, the following shall be exempt from inspection and copying:

(a) Information specifically prohibited from disclosure by federal or State law or rules and regulations implementing federal or State law.

(b) Private information, unless disclosure is required by another provision of this Act, a State or federal law or a court order.

(b-5) Files, documents, and other data or databases maintained by one or more law enforcement agencies and specifically designed to provide information to one or more law enforcement agencies regarding the physical or mental status of one or more individual subjects.

(c) Personal information contained within public records, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, unless the disclosure is consented to in writing by the individual subjects of the information. "Unwarranted invasion of personal privacy" means the disclosure of information that is highly personal or objectionable to a reasonable person and in which the subject's right to privacy outweighs any legitimate public interest in obtaining the information. The disclosure of information that bears on the public duties of public employees and officials shall not be considered an invasion of personal privacy.

(d) Records in the possession of any public body created in the course of administrative enforcement proceedings, and any law enforcement or correctional agency for law enforcement purposes, but only to the extent that disclosure would:

(i) interfere with pending or actually and reasonably contemplated law enforcement proceedings conducted by any law enforcement or correctional agency that is the recipient of the request;

(ii) interfere with active administrative enforcement proceedings conducted by the public body that is the recipient of the request;

(iii) create a substantial likelihood that a person will be deprived of a fair trial or an impartial hearing;

(iv) unavoidably disclose the identity of a confidential source, confidential

information furnished only by the confidential source, or persons who file complaints with or provide information to administrative, investigative, law enforcement, or penal agencies; except that the identities of witnesses to traffic accidents, traffic accident reports, and rescue reports shall be provided by agencies of local government, except when disclosure would interfere with an active criminal investigation conducted by the agency that is the recipient of the request;

(v) disclose unique or specialized investigative techniques other than those generally used and known or disclose internal documents of correctional agencies related to detection, observation or investigation of incidents of crime or misconduct, and disclosure would result in demonstrable harm to the agency or public body that is the recipient of the request;

(vi) endanger the life or physical safety of law enforcement personnel or any other person; or

(vii) obstruct an ongoing criminal investigation by the agency that is the recipient of the request.

(d-5) A law enforcement record created for law enforcement purposes and contained in a shared electronic record management system if the law enforcement agency that is the recipient of the request did not create the record, did not participate in or have a role in any of the events which are the subject of the record, and only has access to the record through the shared electronic record management system.

(e) Records that relate to or affect the security of correctional institutions and detention facilities.

(e-5) Records requested by persons committed to the Department of Corrections if those materials are available in the library of the correctional facility where the inmate is confined.

(e-6) Records requested by persons committed to the Department of Corrections if those materials include records from staff members' personnel files, staff rosters, or other staffing assignment information.

(e-7) Records requested by persons committed to the Department of Corrections if those materials are available through an administrative request to the Department of Corrections.

(f) Preliminary drafts, notes, recommendations, memoranda and other records in which opinions are expressed, or policies or actions are formulated, except that a specific record or relevant portion of a record shall not be exempt when the record is publicly cited and identified by the head of the public body. The exemption provided in this paragraph (f) extends to all those records of officers and agencies of the General Assembly that pertain to the preparation of legislative documents.

(g) Trade secrets and commercial or financial information obtained from a person or business where the trade secrets or commercial or financial information are furnished under a claim that they are proprietary, privileged or confidential, and that disclosure of the trade secrets or commercial or financial information would cause competitive harm to the person or business, and only insofar as the claim directly applies to the records requested.

The information included under this exemption includes all trade secrets and commercial or financial information obtained by a public body, including a public pension fund, from a private equity fund or a privately held company within the investment portfolio of a private equity fund as a result of either investing or evaluating a potential investment of public funds in a private equity fund. The exemption contained in this item does not apply to the aggregate financial performance information of a private equity fund, nor to the identity of the fund's managers or general partners. The exemption contained in this item does not apply to the identity of a privately held company within the investment portfolio of a private equity fund, unless the disclosure of the identity of a privately held company may cause competitive harm. Neither the exemption contained in this item, nor any other exemption under this Act, applies to information that is required to be disclosed under Section 1-113.17a of the Illinois Pension Code or is declared in that Section to be a public record.

Nothing contained in this paragraph (g) shall be construed to prevent a person or business from consenting to disclosure.

(h) Proposals and bids for any contract, grant, or agreement, including information which if it were disclosed would frustrate procurement or give an advantage to any person proposing to enter into a contractor agreement with the body, until an award or final selection is made. Information prepared by or for the body in preparation of a bid solicitation shall be exempt until an award or final selection is made.

(i) Valuable formulae, computer geographic systems, designs, drawings and research data obtained or produced by any public body when disclosure could reasonably be expected to produce private gain or public loss. The exemption for "computer geographic systems" provided in this paragraph (i) does not extend to requests made by news media as defined in Section 2 of this Act when

the requested information is not otherwise exempt and the only purpose of the request is to access and disseminate information regarding the health, safety, welfare, or legal rights of the general public.

(j) The following information pertaining to educational matters:

(i) test questions, scoring keys and other examination data used to administer an academic examination;

(ii) information received by a primary or secondary school, college, or university under its procedures for the evaluation of faculty members by their academic peers;

(iii) information concerning a school or university's adjudication of student disciplinary cases, but only to the extent that disclosure would unavoidably reveal the identity of the student; and

(iv) course materials or research materials used by faculty members.

(k) Architects' plans, engineers' technical submissions, and other construction related technical documents for projects not constructed or developed in whole or in part with public funds and the same for projects constructed or developed with public funds, including but not limited to power generating and distribution stations and other transmission and distribution facilities, water treatment facilities, airport facilities, sport stadiums, convention centers, and all government owned, operated, or occupied buildings, but only to the extent that disclosure would compromise security.

(l) Minutes of meetings of public bodies closed to the public as provided in the Open Meetings Act until the public body makes the minutes available to the public under Section 2.06 of the Open Meetings Act.

(m) Communications between a public body and an attorney or auditor representing the public body that would not be subject to discovery in litigation, and materials prepared or compiled by or for a public body in anticipation of a criminal, civil or administrative proceeding upon the request of an attorney advising the public body, and materials prepared or compiled with respect to internal audits of public bodies.

(n) Records relating to a public body's adjudication of employee grievances or disciplinary cases; however, this exemption shall not extend to the final outcome of cases in which discipline is imposed.

(o) Administrative or technical information associated with automated data processing operations, including but not limited to software, operating protocols, computer program abstracts, file layouts, source listings, object modules, load modules, user guides, documentation pertaining to all logical and physical design of computerized systems, employee manuals, and any other information that, if disclosed, would jeopardize the security of the system or its data or the security of materials exempt under this Section.

(p) Records relating to collective negotiating matters between public bodies and their employees or representatives, except that any final contract or agreement shall be subject to inspection and copying.

(q) Test questions, scoring keys, and other examination data used to determine the qualifications of an applicant for a license or employment.

(r) The records, documents, and information relating to real estate purchase negotiations until those negotiations have been completed or otherwise terminated. With regard to a parcel involved in a pending or actually and reasonably contemplated eminent domain proceeding under the Eminent Domain Act, records, documents and information relating to that parcel shall be exempt except as may be allowed under discovery rules adopted by the Illinois Supreme Court. The records, documents and information relating to a real estate sale shall be exempt until a sale is consummated.

(s) Any and all proprietary information and records related to the operation of an intergovernmental risk management association or self-insurance pool or jointly self-administered health and accident cooperative or pool. Insurance or self insurance (including any intergovernmental risk management association or self insurance pool) claims, loss or risk management information, records, data, advice or communications.

(t) Information contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of a public body responsible for the regulation or supervision of financial institutions or insurance companies, unless disclosure is otherwise required by State law.

(u) Information that would disclose or might lead to the disclosure of secret or confidential information, codes, algorithms, programs, or private keys intended to be used to create electronic or digital signatures under the Electronic Commerce Security Act.

(v) Vulnerability assessments, security measures, and response policies or plans that are designed to identify, prevent, or respond to potential attacks upon a community's population or systems, facilities, or installations, the destruction or contamination of which would constitute a clear

and present danger to the health or safety of the community, but only to the extent that disclosure could reasonably be expected to jeopardize the effectiveness of the measures or the safety of the personnel who implement them or the public. Information exempt under this item may include such things as details pertaining to the mobilization or deployment of personnel or equipment, to the operation of communication systems or protocols, or to tactical operations.

(w) (Blank).

(x) Maps and other records regarding the location or security of generation, transmission, distribution, storage, gathering, treatment, or switching facilities owned by a utility, by a power generator, or by the Illinois Power Agency.

(y) Information contained in or related to proposals, bids, or negotiations related to electric power procurement under Section 1-75 of the Illinois Power Agency Act and Section 16-111.5 of the Public Utilities Act that is determined to be confidential and proprietary by the Illinois Power Agency or by the Illinois Commerce Commission.

(z) Information about students exempted from disclosure under Sections 10-20.38 or 34-18.29 of the School Code, and information about undergraduate students enrolled at an institution of higher education exempted from disclosure under Section 25 of the Illinois Credit Card Marketing Act of 2009.

(aa) Information the disclosure of which is exempted under the Viatical Settlements Act of 2009.

(bb) Records and information provided to a mortality review team and records maintained by a mortality review team appointed under the Department of Juvenile Justice Mortality Review Team Act.

(cc) Information regarding interments, entombments, or inurnments of human remains that are submitted to the Cemetery Oversight Database under the Cemetery Care Act or the Cemetery Oversight Act, whichever is applicable.

(dd) Correspondence and records (i) that may not be disclosed under Section 11-9 of the Public Aid Code or (ii) that pertain to appeals under Section 11-8 of the Public Aid Code.

(ee) The names, addresses, or other personal information of persons who are minors and are also participants and registrants in programs of park districts, forest preserve districts, conservation districts, recreation agencies, and special recreation associations.

(ff) The names, addresses, or other personal information of participants and registrants in programs of park districts, forest preserve districts, conservation districts, recreation agencies, and special recreation associations where such programs are targeted primarily to minors.

(gg) Confidential information described in Section 1-100 of the Illinois Independent Tax Tribunal Act of 2012.

(hh) The report submitted to the State Board of Education by the School Security and Standards Task Force under item (8) of subsection (d) of Section 2-3.160 of the School Code and any information contained in that report.

(ii) Records requested by persons committed to or detained by the Department of Human Services under the Sexually Violent Persons Commitment Act or committed to the Department of Corrections under the Sexually Dangerous Persons Act if those materials: (i) are available in the library of the facility where the individual is confined; (ii) include records from staff members' personnel files, staff rosters, or other staffing assignment information; or (iii) are available through an administrative request to the Department of Human Services or the Department of Corrections.

(jj) ~~(ii)~~ Confidential information described in Section 5-535 of the Civil Administrative Code of Illinois.

(1.5) Any information exempt from disclosure under the Judicial Privacy Act shall be redacted from public records prior to disclosure under this Act.

(2) A public record that is not in the possession of a public body but is in the possession of a party with whom the agency has contracted to perform a governmental function on behalf of the public body, and that directly relates to the governmental function and is not otherwise exempt under this Act, shall be considered a public record of the public body, for purposes of this Act.

(3) This Section does not authorize withholding of information or limit the availability of records to the public, except as stated in this Section or otherwise provided in this Act.

(Source: P.A. 98-463, eff. 8-16-13; 98-578, eff. 8-27-13; 98-695, eff. 7-3-14; 99-298, eff. 8-6-15; 99-346, eff. 1-1-16; revised 1-11-16.)

Section 5. The Illinois Pension Code is amended by adding Sections 1-113.17, 1-113.17a, 1-113.17b, and 1-113.17c as follows:

(40 ILCS 5/1-113.17 new)

Sec. 1-113.17. Investment transparency; definitions. As used in this Section and Sections 1-113.17a, 1-113.17b, and 1-113.17c:

(a) "Affiliate" means any person directly or indirectly controlling or controlled by, or under direct or indirect common control with, another person.

(a-5) "Alternative investment fund" means a private equity fund, hedge fund, or absolute return fund.

(b) "Board" or "public retirement system board" means the board of trustees of a public retirement system and includes the Illinois State Board of Investment established under Article 22A of this Code.

(c) "External manager" means either of the following:

(1) A person who manages an alternative investment fund and who offers or sells, or has offered or sold, an ownership interest in the alternative investment fund to a board.

(2) A general partner, managing member entity, fund manager, fund adviser, or other similar person or entity with decision-making authority over an alternative investment fund.

(d) "External manager group" means (1) the external manager, (2) its affiliates, (3) any other parties described in the external manager's marketing materials for the relevant alternative investment fund as providing services to or on behalf of portfolio holdings, and (4) any other parties described in the external manager's affiliated adviser's SEC Form ADV filing as receiving portfolio holding fees or portfolio holding other compensation. "External manager group" does not include the affiliated alternative investment fund in which the public retirement system is an investor, nor does it include an alternative investment fund used to effectuate investments of the affiliated fund in which the public retirement system is an investor.

(e) "Marketing materials" means (1) a prospectus, (2) a private placement memorandum, (3) a prospective investor presentation, (4) a due diligence questionnaire, but only if the questions are authored by an external manager, or (5) any other written material provided by an external manager for the purpose of soliciting a commitment to an alternative investment fund.

(f) "New agreement" means an agreement that is proposed or executed after February 1, 2019, and includes any modification to or amendment of such an agreement that modifies or alters any of the provisions required to be disclosed under Section 1-113.17a or 1-113.17b. "New agreement" also means any subsequent agreement that implements, memorializes, or provides detail about such an agreement.

(g) "Person" means an individual, corporation, partnership, limited partnership, limited liability company, or association, either domestic or foreign.

(h) "Portfolio holding" means any business, partnership, real property, or other business entity or asset in which an alternative investment fund has, at any time, held either an interest in the securities thereof or a real property interest in, or has acted as a lender to, the entity or asset.

(i) "Portfolio holding fee" means the total payment obligation of a portfolio holding, regardless of whether it is actually paid or accrued, and regardless of whether the payment obligation is satisfied in cash, securities, or other consideration, and regardless of whether it is incurred as compensation for services provided or as reimbursement for expenses incurred.

(j) "Private equity fund" means a pooled investment entity that is, or holds itself out as being, engaged primarily, or proposes to engage primarily, in investment strategies involving equity or debt financings that are provided for purchasing or expanding private or public companies, or for related purposes such as financing for capital, research and development, introduction of a product or process into the marketplace, or similar needs requiring risk capital. This includes, but is not limited to, financing classified as venture capital, mezzanine, buyout, or growth funds.

(k) "Public retirement system" means a pension fund or retirement system subject to Article 5, 6, 7, 8, 9, 11, 12, 13, 15, 16, or 17 of this Code, and includes the Illinois State Board of Investment established under Article 22A of this Code.

(l) "Task Force" means the Investment Transparency Task Force created under Section 1-113.17c of this Code.

(40 ILCS 5/1-113.17a new)

Sec. 1-113.17a. Investment transparency; disclosure of alternative investment fund agreements.

(a) The definitions in Section 1-113.17 of this Code apply to this Section.

(b) Within 90 days after entering into a new agreement to invest in an alternative investment fund, a public retirement system must disclose, in the manner provided under this Section, the existence of the agreement and all of the following parts and provisions of the agreement:

(1) All management fee waiver provisions, including, but not limited to, provisions that permit the external manager or general partner to waive fees, or that specify the mechanics of the fee waiver or its repayment, or that specify the magnitude of the fee waiver, or that are necessary to understand how the fee waiver works, and all defined terms related to or affecting the fee waiver.

(2) All indemnification provisions, including, but not limited to, provisions that require the alternative investment fund or its investors to indemnify the external manager or general partner, or any of its affiliates, for settlements or judgments paid, and including all provisions necessary to understand how the indemnification works and all defined terms related to or affecting indemnification.

(3) All clawback provisions, including, but not limited to, provisions that allow the external manager or general partner to pay back an amount less than the full cost of the overpayment received by the manager, and including all provisions necessary to understand how the clawback works and all defined terms related to or affecting clawbacks.

(4) The cover page and signature block of the agreement.

However, in the case of a new agreement that consists of a modification of or amendment to a previous new agreement for which the disclosures required under this subsection have already been made, it is sufficient for the public retirement system (i) to identify the previous disclosures and disclose only the parts and provisions of the modification of or amendment to the agreement that modify, alter, or affect any of the provisions previously disclosed under this subsection or (ii) to make and disclose a finding that the modification or amendment does not modify, alter, or affect any of the provisions previously disclosed under this subsection, whichever is applicable.

(c) The public retirement system shall make the disclosures required under subsection (b) by doing all of the following:

(1) filing a copy of the required material with the Public Pension Division of the Illinois Department of Insurance;

(2) filing a copy of the required material with the Illinois Secretary of State; and

(3) posting and maintaining the required material on the public retirement system's website.

(d) A new agreement shall not be deemed to be violated or made invalid by the public retirement system's good faith effort to make the disclosures required under subsection (b) of this Section, nor due to harmless or inadvertent failure by the public retirement system to correctly include or identify a component of a required disclosure.

(e) The following are public records and are subject to disclosure under the Freedom of Information Act:

(1) All of the material required to be disclosed under subsection (b) of this Section.

(2) Any amounts paid in indemnification and any amounts deducted from payments owed by the general partner or external manager under an agreement establishing or providing for participation in an alternative investment fund by a public retirement system, and any documents submitted to a public retirement system justifying the demand for payment relating to the indemnification.

(3) The cover page and a legible copy of the executed signature block of any new agreement to establish or participate in an alternative investment fund by a public retirement system.

(f) If a public retirement system adopts and implements the recommendations of the Task Force that apply to this Section, and those recommendations are not rejected by the General Assembly under subsection (f) of Section 1-113.17c, then disclosures made in conformance with those recommendations shall constitute compliance with the disclosure requirements of this Section.

(40 ILCS 5/1-113.17b new)

Sec. 1-113.17b. Investment transparency; disclosure of certain investment fees.

(a) The definitions in Section 1-113.17 of this Code apply to this Section. For the purposes of this Section, "carried interest" means a share of the profits of an alternative investment fund that is paid, accrued, or due to the general partner or the external manager or their affiliates.

(b) This Section applies to any new agreement that a public retirement system enters into in order to establish or participate in an alternative investment fund. A public retirement system shall not enter into such new agreement without a written undertaking by the alternative investment fund external managers and general partners that they will comply with this Section and the requirements of the public retirement system under subsection (c), or under subsection (e) if applicable.

(c) Every public retirement system shall require its alternative investment fund external managers and general partners to make the following disclosures annually, in a manner and form prescribed by the system, in regard to each alternative investment fund:

(1) The fees and expenses that the public retirement system pays directly to the alternative investment fund, or to the alternative investment fund external manager or general partner.

(2) The public retirement system's share of all fees and expenses not included in paragraph (1), including carried interest, that are paid or allocated from the alternative investment fund to the external manager or general partners, or that are deducted from payments owed from the external manager or general partners to the alternative investment fund.

(3) The amount of all management fee waivers made by the alternative investment fund external managers or general partners.

(4) The total amount of portfolio holding fees incurred by each portfolio holding of the alternative investment fund as payment to any person who is a member of the external manager group.

An alternative investment fund external manager or general partner may provide the public retirement system with a completed reporting template developed by the Institutional Limited Partners Association for the relevant category of investment; doing so constitutes compliance with that external manager or general partner's annual disclosure requirements under this subsection for the year covered in the completed template.

(d) A public retirement system shall make the information received under subsection (c) available by:

(1) filing a copy of the received material with the Public Pension Division of the Illinois Department of Insurance; and

(2) posting and maintaining the received information on the public retirement system's website, together with sufficient identifying and explanatory material to facilitate access and understanding by the public.

(e) If a public retirement system adopts and implements the recommendations of the Task Force that apply to this Section, and those recommendations are not rejected by the General Assembly under subsection (f) of Section 1-113.17c, then disclosures made in conformance with those recommendations shall constitute compliance with the disclosure requirements of this Section.

(40 ILCS 5/1-113.17c new)

Sec. 1-113.17c. Investment Transparency Task Force.

(a) The definitions in Section 1-113.17 of this Code apply to this Section.

(b) There is created the Investment Transparency Task Force. It is the purpose of the Task Force to study, identify best available practices, and make recommendations relating to: (1) disclosure of, and best practices related to, the portions of limited partnership agreements addressing indemnification provisions, clawback provisions, and management fee waivers, which are the subject of Section 1-113.17a; and (2) disclosure of fees and expenses incurred, including related fee waivers and portfolio holding fees, which are the subject of Section 1-113.17b.

(c) The Task Force shall consist of the following persons:

(1) The executive director (or his or her designee) of each public retirement system subject to Article 5, 6, 7, 8, 9, 11, 12, 13, 15, 16, or 17 of this Code, and the director of the Illinois State Board of Investment established under Article 22A of this Code (or the director's designee).

(2) One person appointed by each of the 4 Legislative Leaders.

(3) The State Treasurer, or his or her designee.

(4) One person representing the interests of external managers, appointed by the State Treasurer.

(5) One person representing the interests of the beneficiaries of public retirement systems, appointed by the State Treasurer.

(6) One person representing the interests of Illinois taxpayers, appointed by the State Treasurer.

All members shall be appointed for the life of the Task Force. In the case of a resignation or other vacancy occurring among persons appointed under item (2), (3), (4), (5), or (6), a replacement member may be appointed by the applicable appointing authority.

(d) Members of the Task Force shall serve without compensation, but may be reimbursed for their necessary expenses from funds lawfully available for that purpose.

(e) No later than January 15, 2018, the Task Force shall report to the General Assembly and the public retirement systems its findings and recommendations, which must be adopted by a majority of the members appointed. The report of the Task Force shall separate and clearly designate the portions of its findings and recommendations that relate (i) to Section 1-113.17a and (ii) to Section 1-113.17b. In each portion, the findings and recommendations shall be prepared and presented in a form that can be readily identified, adopted, and implemented by any public retirement system wishing to do so. Copies of the report shall be made available to the public as provided by law.

(f) The 100th General Assembly may, by joint resolution, reject the portion of the report relating to Section 1-113.17a, the portion of the report relating to Section 1-113.17b, or both. Any part of the report that is not so rejected shall be deemed to have been accepted by the General Assembly as consistent with the public policy of the State.

(g) A public retirement system may adopt and implement any of the recommendations of the Task Force at any time. However, if one or both portions of the report are rejected by the General Assembly under subsection (f), the public retirement system shall adjust its implementation of the rejected provision as necessary to comply with the requirements of Section 1-113.17a or 1-113.17b or both, as applicable.

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

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILL FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Biss, **House Bill No. 6292** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 32; NAYS 16; Present 1.

The following voted in the affirmative:

Bennett	Harris	Martinez	Steans
Bertino-Tarrant	Holmes	McGuire	Sullivan
Biss	Hunter	Morrison	Trotter
Bush	Hutchinson	Mulroe	Van Pelt
Clayborne	Jones, E.	Muñoz	Mr. President
Collins	Koehler	Murphy, L.	
Cunningham	Lightford	Raoul	
Haine	Link	Sandoval	
Harmon	Manar	Stadelman	

The following voted in the negative:

Althoff	Luechtefeld	Murphy, M.	Weaver
Anderson	McCann	Radogno	
Bivins	McCarter	Rezin	
Brady	McConchie	Righter	
Connelly	McConnaughay	Rose	

The following voted present:

Landek

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendments adopted thereto.

HOUSE BILL RECALLED

On motion of Senator Biss, **House Bill No. 6298** was recalled from the order of third reading to the order of second reading.

Senator Biss offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO HOUSE BILL 6298

AMENDMENT NO. 1. Amend House Bill 6298 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Pension Code is amended by changing Sections 17-143.5 and 17-149 as follows:

(40 ILCS 5/17-143.5 new)

Sec. 17-143.5. Testimony and the production of records. The Board shall have the power to issue subpoenas to compel the attendance of witnesses and the production of documents and records in conjunction with the determination of employer payments required under subsection (c) of Section 17-116, a disability claim, an administrative review proceeding, an attempt to obtain information to assist in the collection of sums due to the Fund, or a felony forfeiture investigation. The fees of witnesses for attendance and travel shall be the same as the fees of witnesses before the circuit courts of this State and shall be paid by the party seeking the subpoena. The Board may apply to any circuit court in the State for an order requiring compliance with a subpoena issued under this Section. Subpoenas issued under this Section shall be subject to applicable provisions of the Code of Civil Procedure.

(40 ILCS 5/17-149) (from Ch. 108 1/2, par. 17-149)

Sec. 17-149. Cancellation of pensions.

(a) If any person receiving a disability retirement pension from the Fund is re-employed as a teacher by an Employer, the pension shall be cancelled on the date the re-employment begins, or on the first day of a payroll period for which service credit was validated, whichever is earlier.

(b) If any person receiving a service retirement pension from the Fund is re-employed as a teacher on a permanent or annual basis by an Employer, the pension shall be cancelled on the date the re-employment begins, or on the first day of a payroll period for which service credit was validated, whichever is earlier. However, subject to the limitations and requirements of subsection (c-5), the pension shall not be cancelled in the case of a service retirement pensioner who is re-employed on a temporary and non-annual basis or on an hourly basis.

(c) If the date of re-employment on a permanent or annual basis occurs within 5 school months after the date of previous retirement, exclusive of any vacation period, the member shall be deemed to have been out of service only temporarily and not permanently retired. Such person shall be entitled to pension payments for the time he could have been employed as a teacher and received salary, but shall not be entitled to pension for or during the summer vacation prior to his return to service.

When the member again retires on pension, the time of service and the money contributed by him during re-employment shall be added to the time and money previously credited. Such person must acquire 3 consecutive years of additional contributing service before he may retire again on a pension at a rate and under conditions other than those in force or attained at the time of his previous retirement.

(c-5) The service retirement pension shall not be cancelled in the case of a service retirement pensioner who is re-employed as a teacher on a temporary and non-annual basis or on an hourly basis, so long as the person (1) does not work as a teacher for compensation on more than 100 days in a school year or (2) does not accept gross compensation for the re-employment in a school year in excess of (i) $30,000 or (ii) in the case of a person who retires with at least 5 years of service as a principal, an amount that is equal to the daily rate normally paid to retired principals multiplied by 100. These limitations apply only to school years that begin on or after August 8, 2012 (the effective date of Public Act 97-912) ~~this amendatory Act of the 97th General Assembly~~. Such re-employment does not require contributions, result in service credit, or constitute active membership in the Fund.

Notwithstanding the 100-day limit set forth in item (1) of this subsection (c-5), the service retirement pension shall not be cancelled in the case of a service retirement pensioner who teaches only driver education courses after regular school hours and does not teach any other subject area, so long as the person does not work as a teacher for compensation for more than 900 hours in a school year. The $30,000 limit set forth in subitem (i) of item (2) of this subsection (c-5) shall apply to a service retirement pensioner who teaches only driver education courses after regular school hours and does not teach any other subject area.

To be eligible for such re-employment without cancellation of pension, the pensioner must notify the Fund and the Board of Education of his or her intention to accept re-employment under this subsection (c-5) before beginning that re-employment (or if the re-employment began before the effective date of this amendatory Act, then within 30 days after that effective date).

An Employer must certify to the Fund the temporary and non-annual or hourly status and the compensation of each pensioner re-employed under this subsection at least quarterly, and when the pensioner is approaching the earnings limitation under this subsection.

If the pensioner works more than 100 days or accepts excess gross compensation for such re-employment in any school year that begins on or after August 8, 2012 (the effective date of Public Act 97-912) ~~this amendatory Act of the 97th General Assembly~~, the service retirement pension shall thereupon be cancelled.

If the pensioner who only teaches drivers education courses after regular school hours works more than 900 hours or accepts excess gross compensation for such re-employment in any school year that begins on

or after the effective date of this amendatory Act of the 99th General Assembly, the service retirement pension shall thereupon be cancelled.

The Board of the Fund shall adopt rules for the implementation and administration of this subsection.

(d) Notwithstanding Sections 1-103.1 and 17-157, the changes to this Section made by Public Act 90-32 apply without regard to whether termination of service occurred before the effective date of that Act and apply retroactively to August 23, 1989.

Notwithstanding Sections 1-103.1 and 17-157, the changes to this Section and Section 17-106 made by Public Act 92-599 apply without regard to whether termination of service occurred before the effective date of that Act.

Notwithstanding Sections 1-103.1 and 17-157, the changes to this Section made by this amendatory Act of the 97th General Assembly apply without regard to whether termination of service occurred before the effective date of this amendatory Act.

(Source: P.A. 99-176, eff. 7-29-15.)

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

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Biss, **House Bill No. 6298** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 50; NAYS None; Present 1.

The following voted in the affirmative:

Althoff	Forby	Manar	Raoul
Anderson	Haine	Martinez	Righter
Barickman	Harmon	McCann	Rose
Bennett	Harris	McCarter	Sandoval
Bertino-Tarrant	Holmes	McConchie	Stadelman
Biss	Hunter	McConnaughay	Steans
Bivins	Hutchinson	McGuire	Sullivan
Brady	Jones, E.	Morrison	Trotter
Bush	Koehler	Mulroe	Van Pelt
Clayborne	Landek	Muñoz	Weaver
Collins	Lightford	Murphy, L.	Mr. President
Connelly	Link	Murphy, M.	
Cunningham	Luechtefeld	Radogno	

The following voted present:

Rezin

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

On motion of Senator Radogno, **House Bill No. 6303** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 51; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Manar	Raoul
Anderson	Haine	Martinez	Rezin
Barickman	Harmon	McCann	Righter
Bennett	Harris	McCarter	Rose
Bertino-Tarrant	Holmes	McConchie	Sandoval
Biss	Hunter	McConnaughay	Stadelman
Bivins	Hutchinson	McGuire	Steans
Brady	Jones, E.	Morrison	Sullivan
Bush	Koehler	Mulroe	Trotter
Clayborne	Landek	Muñoz	Van Pelt
Collins	Lightford	Murphy, L.	Weaver
Connelly	Link	Murphy, M.	Mr. President
Cunningham	Luechtefeld	Radogno	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

On motion of Senator Koehler, **House Bill No. 6333** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 50; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Manar	Rezin
Anderson	Haine	Martinez	Righter
Barickman	Harmon	McCarter	Rose
Bennett	Harris	McConchie	Sandoval
Bertino-Tarrant	Holmes	McConnaughay	Stadelman
Biss	Hunter	McGuire	Steans
Bivins	Hutchinson	Morrison	Sullivan
Brady	Jones, E.	Mulroe	Trotter
Bush	Koehler	Muñoz	Van Pelt
Clayborne	Landek	Murphy, L.	Weaver
Collins	Lightford	Murphy, M.	Mr. President
Connelly	Link	Radogno	
Cunningham	Luechtefeld	Raoul	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

HOUSE BILL RECALLED

On motion of Senator Raoul, **House Bill No. 5973** was recalled from the order of third reading to the order of second reading.

Senator Raoul offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO HOUSE BILL 5973

AMENDMENT NO. _2_. Amend House Bill 5973, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 1, on page 24, line 5, by replacing "15-72" with "7.1"; and

on page 35, line 21, by replacing "15-72" with "4-6.1".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Raoul, **House Bill No. 5973** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 42; NAY 1.

The following voted in the affirmative:

Althoff	Haine	Manar	Righter
Anderson	Harmon	Martinez	Sandoval
Barickman	Harris	McConchie	Stadelman
Bertino-Tarrant	Hunter	McConnaughay	Steans
Biss	Hutchinson	McGuire	Sullivan
Brady	Jones, E.	Mulroe	Trotter
Clayborne	Koehler	Muñoz	Van Pelt
Collins	Landek	Murphy, M.	Weaver
Connelly	Lightford	Radogno	Mr. President
Cunningham	Link	Raoul	
Forby	Luechtefeld	Rezin	

The following voted in the negative:

Rose

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendments adopted thereto.

On motion of Senator Harmon, **House Bill No. 3554** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 48; NAYS None.

The following voted in the affirmative:

Althoff	Forby	McCann	Rose

Anderson	Haine	McCarter	Sandoval
Barickman	Harmon	McConchie	Stadelman
Bennett	Holmes	McConnaughay	Steans
Bertino-Tarrant	Hunter	McGuire	Sullivan
Biss	Jones, E.	Morrison	Trotter
Bivins	Koehler	Mulroe	Van Pelt
Brady	Landek	Muñoz	Weaver
Bush	Lightford	Murphy, L.	Mr. President
Clayborne	Link	Murphy, M.	
Collins	Luechtefeld	Raoul	
Connelly	Manar	Rezin	
Cunningham	Martinez	Righter	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

Senator Muñoz, Chairperson of the Committee on Executive Appointments, moved that the Senate resolve itself into Executive Session to consider the report of that Committee relative to the appointment messages.

The motion prevailed.

EXECUTIVE SESSION

Senator Muñoz, Chairperson of the Committee on Executive Appointments, to which was referred Appointment Message 990216, reported the same back with the recommendation that the Senate advise and consent to the following appointment:

Appointment Message No. 990216

Title of Office: Member

Agency or Other Body: Illinois State Toll Highway Authority

Start Date: May 25, 2015

End Date: May 1, 2019

Name: Joseph Gomez

Residence: 298 Eaton St., Northfield, IL 60093

Annual Compensation: $31,426

Per diem: Not Applicable

Nominee's Senator: Senator Daniel Biss

Most Recent Holder of Office: Mark Peterson

Superseded Appointment Message: Not Applicable

Senator Muñoz moved that the Senate advise and consent to the foregoing appointment.

And on that motion, a call of the roll was had resulting as follows:

YEAS 48; NAYS None.

The following voted in the affirmative:

Althoff	Forby	McCann	Rose
Anderson	Haine	McCarter	Sandoval
Barickman	Harris	McConchie	Stadelman
Bennett	Holmes	McConnaughay	Steans
Bertino-Tarrant	Hunter	McGuire	Sullivan
Biss	Hutchinson	Morrison	Trotter
Bivins	Jones, E.	Mulroe	Van Pelt
Brady	Koehler	Muñoz	Weaver
Bush	Landek	Murphy, L.	Mr. President
Clayborne	Lightford	Murphy, M.	
Collins	Link	Radogno	
Connelly	Luechtefeld	Raoul	
Cunningham	Manar	Rezin	

The motion prevailed.
Whereupon the President of the Senate announced confirmation of the foregoing appointment.

Senator Muñoz, Chairperson of the Committee on Executive Appointments, to which was referred Appointment Message 990217, reported the same back with the recommendation that the Senate advise and consent to the following appointment:

Appointment Message No. 990217

Title of Office: Member

Agency or Other Body: Illinois State Toll Highway Authority

Start Date: May 25, 2015

End Date: May 1, 2019

Name: David A. Gonzalez

Residence: 15 Holbrook Circle, Chicago Heights, IL 60411

Annual Compensation: $31,426

Per diem: Not Applicable

Nominee's Senator: Senator Toi W. Hutchinson

Most Recent Holder of Office: Reappointment

Superseded Appointment Message: Not Applicable

Senator Muñoz moved that the Senate advise and consent to the foregoing appointment.
And on that motion, a call of the roll was had resulting as follows:

YEAS 49; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Martinez	Rezin
Anderson	Haine	McCann	Rose
Barickman	Harris	McCarter	Sandoval
Bennett	Holmes	McConchie	Stadelman
Bertino-Tarrant	Hunter	McConnaughay	Steans
Biss	Hutchinson	McGuire	Sullivan

Bivins	Jones, E.	Morrison	Trotter
Brady	Koehler	Mulroe	Van Pelt
Bush	Landek	Muñoz	Weaver
Clayborne	Lightford	Murphy, L.	Mr. President
Collins	Link	Murphy, M.	
Connelly	Luechtefeld	Radogno	
Cunningham	Manar	Raoul	

The motion prevailed.
Whereupon the President of the Senate announced confirmation of the foregoing appointment.

Senator Muñoz, Chairperson of the Committee on Executive Appointments, to which was referred Appointment Message 990218, reported the same back with the recommendation that the Senate advise and consent to the following appointment:

Appointment Message No. 990218

Title of Office: Member

Agency or Other Body: Illinois State Toll Highway Authority

Start Date: May 25, 2015

End Date: May 1, 2019

Name: Craig Johnson

Residence: 615 Meadow Court, Elk Grove Village, IL 60007

Annual Compensation: $31,426

Per diem: Not Applicable

Nominee's Senator: Senator Dan Kotowski

Most Recent Holder of Office: Terrence D'Arcy

Superseded Appointment Message: Not Applicable

Senator Muñoz moved that the Senate advise and consent to the foregoing appointment.
And on that motion, a call of the roll was had resulting as follows:

YEAS 49; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Martinez	Rezin
Anderson	Haine	McCann	Rose
Barickman	Harris	McCarter	Sandoval
Bennett	Holmes	McConchie	Stadelman
Bertino-Tarrant	Hunter	McConnaughay	Steans
Biss	Hutchinson	McGuire	Sullivan
Bivins	Jones, E.	Morrison	Trotter
Brady	Koehler	Mulroe	Van Pelt
Bush	Landek	Muñoz	Weaver
Clayborne	Lightford	Murphy, L.	Mr. President
Collins	Link	Murphy, M.	
Connelly	Luechtefeld	Radogno	
Cunningham	Manar	Raoul	

The motion prevailed.

Whereupon the President of the Senate announced confirmation of the foregoing appointment.

On motion of Senator Muñoz, the Executive Session arose and the Senate resumed consideration of business.

Senator Sullivan, presiding.

READING BILL FROM THE HOUSE OF REPRESENTATIVES A SECOND TIME

On motion of Senator Collins, **House Bill No. 6328** was taken up, read by title a second time.

Floor Amendment No. 1 was held in the Committee on Criminal Law.

There being no further amendments, the bill was ordered to a third reading.

CONSIDERATION OF RESOLUTIONS ON SECRETARY'S DESK

Senator Mulroe moved that **Senate Joint Resolution No. 58**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.

Senator Mulroe moved that Senate Joint Resolution No. 58 be adopted.

And on that motion, a call of the roll was had resulting as follows:

YEAS 33; NAYS 16.

The following voted in the affirmative:

Bennett	Harris	Manar	Stadelman
Bertino-Tarrant	Holmes	Martinez	Steans
Biss	Hunter	McGuire	Sullivan
Bush	Hutchinson	Morrison	Trotter
Clayborne	Jones, E.	Mulroe	Van Pelt
Collins	Koehler	Muñoz	Mr. President
Cunningham	Landek	Murphy, L.	
Forby	Lightford	Raoul	
Haine	Link	Sandoval	

The following voted in the negative:

Althoff	Luechtefeld	Murphy, M.	Weaver
Anderson	McCann	Radogno	
Barickman	McCarter	Rezin	
Bivins	McConchie	Rose	
Connelly	McConnaughay	Syverson	

The motion prevailed.

And the resolution was adopted.

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

Senator Mulroe moved that **Senate Resolution No. 957**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.

Senator Mulroe moved that Senate Resolution No. 957 be adopted.

The motion prevailed.

And the resolution was adopted.

Senator Mulroe moved that **Senate Resolution No. 1364**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.
Senator Mulroe moved that Senate Resolution No. 1364 be adopted.
The motion prevailed.
And the resolution was adopted.

Senator Trotter moved that **Senate Resolution No. 1781**, on the Secretary's Desk, be taken up for immediate consideration.
The motion prevailed.
Senator Trotter moved that Senate Resolution No. 1781 be adopted.
The motion prevailed.
And the resolution was adopted.

Senator Harris moved that **House Joint Resolution No. 124**, on the Secretary's Desk, be taken up for immediate consideration.
The motion prevailed.
The following amendment was offered in the Committee on Judiciary, adopted and ordered printed:

AMENDMENT NO. 1 TO HOUSE JOINT RESOLUTION 124

AMENDMENT NO. 1. Amend House Joint Resolution 124 as follows:

on page 1, line 5, by replacing "(a)" with "(b)";

on page 1, line 8, by replacing "(a)" with "(b)"; and

on page 1, line 17, by replacing "(a)" with "(b)".

Senator Harris moved that House Joint Resolution No. 124, as amended, be adopted.
The motion prevailed.
And the resolution, as amended, was adopted.
Ordered that the Secretary inform the House of Representatives thereof.

MESSAGE FROM THE HOUSE

A message from the House by
Mr. Mapes, Clerk:
Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:
SENATE BILL NO. 2929
A bill for AN ACT concerning public aid.
Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:
House Amendment No. 2 to SENATE BILL NO. 2929
Passed the House, as amended, May 27, 2016.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 2 TO SENATE BILL 2929

AMENDMENT NO. 2. Amend Senate Bill 2929 by replacing everything after the enacting clause with the following:

"Section 5. The Hospital Licensing Act is amended by changing Section 6.09 as follows:
(210 ILCS 85/6.09) (from Ch. 111 1/2, par. 147.09)
Sec. 6.09. (a) In order to facilitate the orderly transition of aged patients and patients with disabilities from hospitals to post-hospital care, whenever a patient who qualifies for the federal Medicare program is hospitalized, the patient shall be notified of discharge at least 24 hours prior to discharge from the hospital. With regard to pending discharges to a skilled nursing facility, the hospital must notify the case coordination unit, as defined in 89 Ill. Adm. Code 240.260, at least 24 hours prior to discharge. When the

assessment is completed in the hospital, the case coordination unit shall provide ~~the discharge planner with~~ a copy of the required assessment documentation directly to the nursing home to which the patient is being discharged prior to discharge. The Department on Aging shall provide notice of this requirement to case coordination units. When a case coordination unit is unable to complete an assessment in a hospital prior to the discharge of a patient, 60 years of age or older, to a nursing home, the case coordination unit shall notify the Department on Aging which shall notify the Department of Healthcare and Family Services. The Department of Healthcare and Family Services and the Department on Aging shall adopt rules to address these instances to ensure that the patient is able to access nursing home care, the nursing home is not penalized for accepting the admission, and the patient's timely discharge from the hospital is not delayed, to the extent permitted under federal law or regulation. Nothing in this subsection shall preclude federal requirements for a pre-admission screening/mental health (PAS/MH) as required under Section 2-201.5 of the Nursing Home Care Act or State or federal law or regulation. ~~prescreening information and accompanying materials, which the discharge planner shall transmit when the patient is discharged to a skilled nursing facility.~~ If home health services are ordered, the hospital must inform its designated case coordination unit, as defined in 89 Ill. Adm. Code 240.260, of the pending discharge and must provide the patient with the case coordination unit's telephone number and other contact information.

(b) Every hospital shall develop procedures for a physician with medical staff privileges at the hospital or any appropriate medical staff member to provide the discharge notice prescribed in subsection (a) of this Section. The procedures must include prohibitions against discharging or referring a patient to any of the following if unlicensed, uncertified, or unregistered: (i) a board and care facility, as defined in the Board and Care Home Act; (ii) an assisted living and shared housing establishment, as defined in the Assisted Living and Shared Housing Act; (iii) a facility licensed under the Nursing Home Care Act, the Specialized Mental Health Rehabilitation Act of 2013, the ID/DD Community Care Act, or the MC/DD Act; (iv) a supportive living facility, as defined in Section 5-5.01a of the Illinois Public Aid Code; or (v) a free-standing hospice facility licensed under the Hospice Program Licensing Act if licensure, certification, or registration is required. The Department of Public Health shall annually provide hospitals with a list of licensed, certified, or registered board and care facilities, assisted living and shared housing establishments, nursing homes, supportive living facilities, facilities licensed under the ID/DD Community Care Act, the MC/DD Act, or the Specialized Mental Health Rehabilitation Act of 2013, and hospice facilities. Reliance upon this list by a hospital shall satisfy compliance with this requirement. The procedure may also include a waiver for any case in which a discharge notice is not feasible due to a short length of stay in the hospital by the patient, or for any case in which the patient voluntarily desires to leave the hospital before the expiration of the 24 hour period.

(c) At least 24 hours prior to discharge from the hospital, the patient shall receive written information on the patient's right to appeal the discharge pursuant to the federal Medicare program, including the steps to follow to appeal the discharge and the appropriate telephone number to call in case the patient intends to appeal the discharge.

(d) Before transfer of a patient to a long term care facility licensed under the Nursing Home Care Act where elderly persons reside, a hospital shall as soon as practicable initiate a name-based criminal history background check by electronic submission to the Department of State Police for all persons between the ages of 18 and 70 years; provided, however, that a hospital shall be required to initiate such a background check only with respect to patients who:

(1) are transferring to a long term care facility for the first time;

(2) have been in the hospital more than 5 days;

(3) are reasonably expected to remain at the long term care facility for more than 30 days;

(4) have a known history of serious mental illness or substance abuse; and

(5) are independently ambulatory or mobile for more than a temporary period of time.

A hospital may also request a criminal history background check for a patient who does not meet any of the criteria set forth in items (1) through (5).

A hospital shall notify a long term care facility if the hospital has initiated a criminal history background check on a patient being discharged to that facility. In all circumstances in which the hospital is required by this subsection to initiate the criminal history background check, the transfer to the long term care facility may proceed regardless of the availability of criminal history results. Upon receipt of the results, the hospital shall promptly forward the results to the appropriate long term care facility. If the results of the background check are inconclusive, the hospital shall have no additional duty or obligation to seek additional information from, or about, the patient.

(Source: P.A. 98-104, eff. 7-22-13; 98-651, eff. 6-16-14; 99-143, eff. 7-27-15; 99-180, eff. 7-29-15; revised 10-14-15.)".

Under the rules, the foregoing **Senate Bill No. 2929**, with House Amendment No. 2, was referred to the Secretary's Desk.

JOINT ACTION MOTIONS FILED

The following Joint Action Motions to the Senate Bills listed below have been filed with the Secretary and referred to the Committee on Assignments:

Motion to Concur in House Amendment 2 to Senate Bill 2823
Motion to Concur in House Amendment 2 to Senate Bill 2929
Motion to Concur in House Amendment 1 to Senate Bill 3335

MESSAGE FROM THE SECRETARY OF STATE

OFFICE OF THE SECRETARY OF STATE
JESSE WHITE • Secretary of State

May 27, 2016

To the Honorable President of the Senate:

In compliance with the provisions of the Constitution of the State of Illinois, I am forwarding herewith the enclosed Senate Bill from the 99th General Assembly as vetoed by the Governor together with his objections

SENATE BILL

777

Respectfully
s/Jesse White
JESSE WHITE
Secretary of State

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

To the Honorable Members of
The Illinois Senate,
99th General Assembly:

Today I veto Senate Bill 777. This bill continues the irresponsible practice of deferring funding decisions necessary to ensure pension fund solvency well into the future. The bill effectively makes Chicago taxpayers borrow from the pension funds at an additional cost of $18.6 billion. It's a game politicians like to play with taxpayers' dollars by delaying payments today and forcing future elected officials to deal with pension funding issues tomorrow. As all know by now, that practice led to our current pension woes across state and local pension systems. Chicago police retirees are rightfully opposed to the bill. Instead of doubling-down on our past mistakes, we must learn from them. In vetoing this bill, I stand with all

Chicago taxpayers who will be saddled with higher future pension contributions if the bill were to become law.

The cost to Chicago's taxpayers of kicking this can down the road is truly staggering. Actuaries estimate that between now and 2055, when the law would require these funds to achieve the 90% funded ratio, the total contributions to the Policemen's Annuity and Benefit Fund of Chicago would increase by approximately $13 billion—an increase of 47.4% over contributions required under the current law. For the Firemen's Annuity and Benefit Fund of Chicago, the total contributions would increase by approximately $5.6 billion, or 47.1% over the amounts under the current law. In other words, by deferring responsible funding decisions until 2021 and then extending the timeline for reaching responsible funding levels from 2040 to 2055, Chicago is borrowing against its taxpayers to the tune of $18.6 billion. This practice has to stop. If we continue, we've learned nothing from our past mistakes.

Irresponsible funding decisions have left us with state pension funds that are collectively underfunded to the tune of $111 billion. The poor fiscal health of these pension funds means we have to spend nearly 25 cents out of every dollar of the state budget on pensions, which significantly impairs our ability to provide vital services to those in need.

Irresponsible funding decisions have left teachers in Chicago with a drop in pension reserves from 100% funded as recently as 2001 to 51.8% funded today. On that trajectory, teachers can count on receiving only slightly more than 50 cents of every dollar owed to them in retirement – all because of a decade of pension holidays in which Chicago skipped the necessary contributions to the teachers' pension fund.

Irresponsible funding decisions have left two of Chicago's main employee pension funds near insolvency. The Municipal Employees' Annuity and Benefit Fund of Chicago and the Laborers' Annuity and Benefit Fund of Chicago, covering some 79,000 current and former Chicago workers, are projected to have zero balances as early as 2026 and 2029, respectively.

This is what happens when you fail to responsibly fund pension obligations.

And now, against this historic backdrop, Chicago wants to do it again, this time gambling with the pensions of its police officers and firefighters. SB 777 would permit Chicago to contribute to the two pension funds for its public safety workers far less than is actuarially required during fiscal years 2016 through 2020. Even worse, the bill would allow Chicago an additional 15 years to bring the funds to a responsible funding level of 90%, with the target year shifting from 2040 to 2055. Current and retired police officers and firefighters would have to wait until 2055 to know their pensions are secure. This is bad policy regardless of any fiscal impact, but doubly so when it comes with a price tag of $18.6 billion.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 777, entitled "AN ACT concerning public employee benefits", with the foregoing objections, vetoed in its entirety.

Sincerely,
s/Bruce Rauner
Bruce Rauner
GOVERNOR

RESOLUTIONS CONSENT CALENDAR

SENATE RESOLUTION NO. 1900

Offered by Senator Koehler and all Senators:
Mourns the death of Floyd L. Nolan of Peoria.

SENATE RESOLUTION NO. 1901

Offered by Senator Althoff and all Senators:
Mourns the death of Ray Merrill Evans of Richmond.

SENATE RESOLUTION NO. 1902

Offered by Senator Althoff and all Senators:
Mourns the death of Marjorie L. Stevens of Richmond.

SENATE RESOLUTION NO. 1903
Offered by Senator Althoff and all Senators:
Mourns the death of Kenneth P. Miller of Woodstock.

SENATE RESOLUTION NO. 1904
Offered by Senator Althoff and all Senators:
Mourns the death of Norma Charlotte Anderson of Woodstock.

SENATE RESOLUTION NO. 1905
Offered by Senator Althoff and all Senators:
Mourns the death of Joseph Valdez of McHenry.

SENATE RESOLUTION NO. 1906
Offered by Senator Althoff and all Senators:
Mourns the death of Debbra J. Spitzbart of Woodstock.

SENATE RESOLUTION NO. 1907
Offered by Senator Link and all Senators:
Mourns the death of James Joseph Cockerill of Gurnee.

SENATE RESOLUTION NO. 1908
Offered by Senator Hunter and all Senators:
Mourns the death of Bill Grimshaw.

SENATE RESOLUTION NO. 1909
Offered by Senator Hunter and all Senators:
Mourns the death of Dr. Delbert Blair.

SENATE RESOLUTION NO. 1910
Offered by Senator McConnaughay and all Senators:
Mourns the death of Anita Sue McMahon.

SENATE RESOLUTION NO. 1911
Offered by Senator McConnaughay and all Senators:
Mourns the death of Steve Chidester of Cortland.

SENATE RESOLUTION NO. 1912
Offered by Senator McConnaughay and all Senators:
Mourns the death of Corwin S. Freeman, Jr., of Elgin and Peachtree City, Georgia.

SENATE RESOLUTION NO. 1915
Offered by Senator Clayborne and all Senators:
Mourns the death of Minevar Ramsey.

SENATE RESOLUTION NO. 1917
Offered by Senator Hunter and all Senators:
Mourns the death of Estella "Stella" Smith.

SENATE RESOLUTION NO. 1918
Offered by Senator Anderson and all Senators:
Mourns the death of Dennis D. Askam of Moline.

SENATE RESOLUTION NO. 1919
Offered by Senator Anderson and all Senators:
Mourns the death of Charles J. Miller of Colona.

SENATE RESOLUTION NO. 1920
Offered by Senator Anderson and all Senators:
Mourns the death of Richard A. "Dick" Puder, Sr., of Silvis.

SENATE RESOLUTION NO. 1921
Offered by Senator Anderson and all Senators:
Mourns the death of Dale S. O'Connor of Silvis.

SENATE RESOLUTION NO. 1922
Offered by Senator Anderson and all Senators:
Mourns the death of Luther Leroy Wages of Moline.

SENATE RESOLUTION NO. 1923
Offered by Senator Anderson and all Senators:
Mourns the death of Clarence R. "Chauncey" Powers of Seminole, Florida, formerly of Moline.

SENATE RESOLUTION NO. 1926
Offered by Senator Koehler and all Senators:
Mourns the death of Larry Dean Byrd of Pekin.

SENATE RESOLUTION NO. 1927
Offered by Senator Hunter and all Senators:
Mourns the death of Boyse Edwards, Jr.

SENATE RESOLUTION NO. 1928
Offered by Senator McCann and all Senators:
Mourns the death of Kim Splain of Jacksonville.

SENATE RESOLUTION NO. 1929
Offered by Senator Althoff and all Senators:
Mourns the death of Donald M. Cameron of McHenry.

SENATE RESOLUTION NO. 1930
Offered by Senator Althoff and all Senators:
Mourns the death of Christine Para.

SENATE RESOLUTION NO. 1931
Offered by Senator Althoff and all Senators:
Mourns the death of John "Jack" Russell Whitney of Woodstock.

SENATE RESOLUTION NO. 1932
Offered by Senator Althoff and all Senators:
Mourns the death of Betty J. Hettermann of Johnsburg.

SENATE RESOLUTION NO. 1933
Offered by Senator Althoff and all Senators:
Mourns the death of Elwanda Marie Ebel.

SENATE RESOLUTION NO. 1934
Offered by Senator Link and all Senators:
Mourns the death of Eileen O'Connell of Palatine.

SENATE RESOLUTION NO. 1935
Offered by Senator L. Murphy and all Senators:
Mourns the death of Roger Wallace Spiegler of Des Plaines.

SENATE RESOLUTION NO. 1936
Offered by Senator L. Murphy and all Senators:
Mourns the death of Ronald C. Schneider of Elk Grove Village.

SENATE RESOLUTION NO. 1937

Offered by Senator Link and all Senators:
Mourns the death of Julian Guerrero, Jr., of Park City.

SENATE RESOLUTION NO. 1939

Offered by Senator McGuire and all Senators:
Mourns the death of Virginia R. Garvey of Joliet.

SENATE RESOLUTION NO. 1940

Offered by Senator McGuire and all Senators:
Mourns the death of Peter Ferro, Sr., of Joliet

The Chair moved the adoption of the Resolutions Consent Calendar.
The motion prevailed, and the resolutions were adopted.

MESSAGE FROM THE PRESIDENT

OFFICE OF THE SENATE PRESIDENT
STATE OF ILLINOIS

JOHN J. CULLERTON
SENATE PRESIDENT

327 STATE CAPITOL
SPRINGFIELD, IL 62706
217-782-2728

May 27, 2016

Mr. Tim Anderson
Secretary of the Senate
Room 401 State House
Springfield, IL 62706

Dear Mr. Secretary:

Pursuant to Rule 3-2(c), I hereby appoint Senator Gary Forby to temporarily replace Senator Bill Cunningham as a member of the Senate Transportation Committee. This appointment is effective immediately and will automatically expire upon adjournment of the Senate Transportation Committee.

Sincerely,
s/John J. Cullerton
John J. Cullerton
Senate President

cc: Senate Minority Leader Christine Radogno

COMMUNICATION

ILLINOIS STATE SENATE
DON HARMON
PRESIDENT PRO TEMPORE
39TH DISTRICT

DISCLOSURE TO THE SENATE

Date: 5/27/16

Legislative Measure(s): Appt. Messages 99-216, 99-217, 99-218

Venue:

Committee on _____

X Full Senate

X Due to a potential conflict of interest (or the potential appearance thereof), I abstained from voting (or voted "present") on the above legislative measure(s).

Notwithstanding a potential conflict of interest (or the potential appearance thereof), I voted in favor of or against the above legislative measure(s) because I believe doing so is in the best interests of the State.

s/Don Harmon
Senator Don Harmon

LEGISLATIVE MEASURES FILED

The following Floor amendments to the Senate Bills listed below have been filed with the Secretary and referred to the Committee on Assignments:

Floor Amendment No. 2 to Senate Bill 463
Floor Amendment No. 2 to Senate Bill 633
Floor Amendment No. 3 to Senate Bill 2939

The following Floor amendments to the House Bills listed below have been filed with the Secretary and referred to the Committee on Assignments:

Floor Amendment No. 2 to House Bill 1646
Floor Amendment No. 1 to House Bill 3126

At the hour of 5:05 o'clock p.m., the Chair announced the Senate stand adjourned until Sunday, May 29, 2016, at 3:00 o'clock p.m.