

**104TH GENERAL ASSEMBLY****State of Illinois****2025 and 2026****HB3090**

Introduced 2/18/2025, by Rep. Daniel Didech

**SYNOPSIS AS INTRODUCED:**

105 ILCS 5/14A-15  
105 ILCS 5/14A-30  
105 ILCS 5/14A-35  
105 ILCS 5/18-8.15

Amends the School Code. Removes language providing that a local program for the education of gifted and talented children may be approved for funding by the State Board of Education if funds for that purpose are available and if the local program submits an application for funds that includes a comprehensive plan. Removes language providing that the State Board of Education staff person in charge of educational programs for gifted and talented children shall be responsible for developing an approval process for educational programs for gifted and talented children. With respect to the evidence-based funding provisions, provides that in the adequacy target calculation, each organizational unit shall receive \$40 per kindergarten through grade 12 for advanced academic programs (rather than for gifted investments). Makes related changes.

LRB104 09171 LNS 19227 b

1           AN ACT concerning education.

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

4           Section 5. The School Code is amended by changing Sections  
5           14A-15, 14A-30, 14A-35, and 18-8.15 as follows:

6           (105 ILCS 5/14A-15)

7           Sec. 14A-15. Purpose. The purpose of this Article is to  
8           provide encouragement, assistance, and guidance to school  
9           districts in the development and improvement of educational  
10          programs for gifted and talented children and children  
11          eligible for accelerated placement as defined in Sections  
12          14A-20 and 14A-17 of this Code. School districts shall  
13          continue to have the authority and flexibility to design  
14          education programs for gifted and talented children in  
15          response to community needs, ~~but these programs must comply~~  
16          ~~with the requirements established in Section 14A-30 of this~~  
17          ~~Code by no later than September 1, 2006 in order to merit~~  
18          ~~approval by the State Board of Education in order to qualify~~  
19          ~~for State funding for the education of gifted and talented~~  
20          ~~children, should such funding become available.~~

21           (Source: P.A. 100-421, eff. 7-1-18.)

22           (105 ILCS 5/14A-30)

1       Sec. 14A-30. Local Funding of local gifted education  
2 programs. A local program for the education of gifted and  
3 talented children may include, but need not be limited to, be  
4 ~~approved for funding by the State Board of Education, pursuant~~  
5 ~~to a request for proposals process, if funds for that purpose~~  
6 ~~are available and, beginning with the beginning of the~~  
7 ~~2010 2011 academic year, if the local program submits an~~  
8 ~~application for funds that includes a comprehensive plan (i)~~  
9 ~~showing that the applicant is capable of meeting a portion of~~  
10 ~~the following requirements, (ii) showing the program elements~~  
11 ~~currently in place and a timeline for implementation of other~~  
12 ~~elements, and (iii) demonstrating to the satisfaction of the~~  
13 ~~State Board of Education that the applicant is capable of~~  
14 ~~implementing a program of gifted education consistent with~~  
15 ~~this Article:~~

16           (1) The use of assessment instruments, such as  
17       nonverbal ability tests and tests in students' native  
18       languages, and a selection process that is equitable to  
19       and inclusive of underrepresented groups, including  
20       low-income students, minority students, students with  
21       disabilities, twice-exceptional students, and English  
22       learners.

23           (2) (Blank). A priority emphasis on language arts and  
24 ~~mathematics.~~

25           (3) The use of multiple valid assessments that assess  
26       both demonstrated achievement and potential for

1 achievement, including cognitive ability tests and general  
2 or subject specific achievement tests, applied universally  
3 to all students, and appropriate for the content focus of  
4 the gifted services that will be provided. School  
5 districts and schools may add other local, valid  
6 assessments, such as portfolios. Assessments and selection  
7 processes must ensure multiple pathways into the program.

8 (4) The use of score ranges on assessments that are  
9 appropriate for the school or district population,  
10 including the use of local norms for achievement to  
11 identify high potential students.

12 (5) A process of identification of gifted and talented  
13 children that is of equal rigor in each area of aptitude  
14 addressed by the program.

15 (6) The use of identification procedures that  
16 appropriately correspond with the planned programs,  
17 curricula, and services.

18 (7) A fair and equitable decision-making process.

19 (8) The availability of a fair and impartial appeal  
20 process within the school, school district, or cooperative  
21 of school districts operating a program for parents or  
22 guardians whose children are aggrieved by a decision of  
23 the school, school district, or cooperative of school  
24 districts regarding eligibility for participation in a  
25 program.

26 (9) Procedures for annually informing the community

1 at-large, including parents, about the program and the  
2 methods used for the identification of gifted and talented  
3 children.

4 (10) Procedures for notifying parents or guardians of  
5 a child of a decision affecting that child's participation  
6 in a program.

7 (11) A description of how gifted and talented children  
8 will be grouped and instructed in order to maximize the  
9 educational benefits the children derive from  
10 participation in the program, including curriculum  
11 modifications and options that accelerate and add depth  
12 and complexity to the curriculum content.

13 (12) An explanation of how the program emphasizes  
14 higher-level skills attainment, including  
15 problem-solving, critical thinking, creative thinking, and  
16 research skills, as embedded within relevant content  
17 areas.

18 (13) A methodology for measuring academic growth for  
19 gifted and talented children and a procedure for  
20 communicating a child's progress to his or her parents or  
21 guardian, including, but not limited to, a report card.

22 (14) The collection of data on growth in learning for  
23 children in a program for gifted and talented children and  
24 the reporting of the data to the State Board of Education.

25 (15) The designation of a supervisor responsible for  
26 overseeing the educational program for gifted and talented

1           children.

2           (16) A showing that the certified teachers who are  
3           assigned to teach gifted and talented children understand  
4           the characteristics and educational needs of children and  
5           are able to differentiate the curriculum and apply  
6           instructional methods to meet the needs of the children.

7           (17) Plans for the continuation of professional  
8           development for staff assigned to the program serving  
9           gifted and talented children.

10          (Source: P.A. 99-706, eff. 7-29-16.)

11          (105 ILCS 5/14A-35)

12          Sec. 14A-35. Administrative functions of the State Board  
13          of Education for gifted and talented children programs.

14          (a) The State Board of Education must designate a staff  
15          person who shall be in charge of educational programs for  
16          gifted and talented children. This staff person shall, at a  
17          minimum, ~~(i) be responsible for developing an approval process~~  
18          ~~for educational programs for gifted and talented children by~~  
19          ~~no later than September 1, 2006, (ii)~~ receive and maintain the  
20          written descriptions of all programs for gifted and talented  
21          children in the State, ~~(iii)~~ collect and maintain the annual  
22          growth in learning data submitted by a school, school  
23          district, or cooperative of school districts, ~~(iv)~~ identify  
24          potential funding sources for the education of gifted and  
25          talented children, and ~~(v)~~ serve as the main contact person at

1 the State Board of Education for program supervisors and other  
2 school officials, parents, and other stakeholders regarding  
3 the education of gifted and talented children.

4 (b) Subject to the availability of funds for these  
5 purposes, the State Board of Education may perform a variety  
6 of additional administrative functions with respect to the  
7 education of gifted and talented children, including, but not  
8 limited to, supervision, quality assurance, compliance  
9 monitoring, and oversight of local programs, analysis of  
10 performance outcome data submitted by local educational  
11 agencies, the establishment of personnel standards, and a  
12 program of personnel development for teachers and  
13 administrative personnel in the education of gifted and  
14 talented children.

15 (Source: P.A. 100-421, eff. 7-1-18.)

16 (105 ILCS 5/18-8.15)

17 Sec. 18-8.15. Evidence-Based Funding for student success  
18 for the 2017-2018 and subsequent school years.

19 (a) General provisions.

20 (1) The purpose of this Section is to ensure that, by  
21 June 30, 2027 and beyond, this State has a kindergarten  
22 through grade 12 public education system with the capacity  
23 to ensure the educational development of all persons to  
24 the limits of their capacities in accordance with Section  
25 1 of Article X of the Constitution of the State of

1       Illinois. To accomplish that objective, this Section  
2       creates a method of funding public education that is  
3       evidence-based; is sufficient to ensure every student  
4       receives a meaningful opportunity to learn irrespective of  
5       race, ethnicity, sexual orientation, gender, or  
6       community-income level; and is sustainable and  
7       predictable. When fully funded under this Section, every  
8       school shall have the resources, based on what the  
9       evidence indicates is needed, to:

10               (A) provide all students with a high quality  
11               education that offers the academic, enrichment, social  
12               and emotional support, technical, and career-focused  
13               programs that will allow them to become competitive  
14               workers, responsible parents, productive citizens of  
15               this State, and active members of our national  
16               democracy;

17               (B) ensure all students receive the education they  
18               need to graduate from high school with the skills  
19               required to pursue post-secondary education and  
20               training for a rewarding career;

21               (C) reduce, with a goal of eliminating, the  
22               achievement gap between at-risk and non-at-risk  
23               students by raising the performance of at-risk  
24               students and not by reducing standards; and

25               (D) ensure this State satisfies its obligation to  
26               assume the primary responsibility to fund public

education and simultaneously relieve the disproportionate burden placed on local property taxes to fund schools.

(2) The Evidence-Based Funding formula under this Section shall be applied to all Organizational Units in this State. The Evidence-Based Funding formula outlined in this Act is based on the formula outlined in Senate Bill 1 of the 100th General Assembly, as passed by both legislative chambers. As further defined and described in this Section, there are 4 major components of the Evidence-Based Funding model:

(A) First, the model calculates a unique Adequacy Target for each Organizational Unit in this State that considers the costs to implement research-based activities, the unit's student demographics, and regional wage differences.

(B) Second, the model calculates each Organizational Unit's Local Capacity, or the amount each Organizational Unit is assumed to contribute toward its Adequacy Target from local resources.

(C) Third, the model calculates how much funding the State currently contributes to the Organizational Unit and adds that to the unit's Local Capacity to determine the unit's overall current adequacy of funding.

(D) Finally, the model's distribution method

1           allocates new State funding to those Organizational  
2        Units that are least well-funded, considering both  
3        Local Capacity and State funding, in relation to their  
4        Adequacy Target.

5           (3) An Organizational Unit receiving any funding under  
6        this Section may apply those funds to any fund so received  
7        for which that Organizational Unit is authorized to make  
8        expenditures by law.

9           (4) As used in this Section, the following terms shall  
10       have the meanings ascribed in this paragraph (4):

11           "Adequacy Target" is defined in paragraph (1) of  
12       subsection (b) of this Section.

13           "Adjusted EAV" is defined in paragraph (4) of  
14       subsection (d) of this Section.

15           "Adjusted Local Capacity Target" is defined in  
16       paragraph (3) of subsection (c) of this Section.

17           "Adjusted Operating Tax Rate" means a tax rate for all  
18       Organizational Units, for which the State Superintendent  
19       shall calculate and subtract for the Operating Tax Rate a  
20       transportation rate based on total expenses for  
21       transportation services under this Code, as reported on  
22       the most recent Annual Financial Report in Pupil  
23       Transportation Services, function 2550 in both the  
24       Education and Transportation funds and functions 4110 and  
25       4120 in the Transportation fund, less any corresponding  
26       fiscal year State of Illinois scheduled payments excluding

1       net adjustments for prior years for regular, vocational,  
2       or special education transportation reimbursement pursuant  
3       to Section 29-5 or subsection (b) of Section 14-13.01 of  
4       this Code divided by the Adjusted EAV. If an  
5       Organizational Unit's corresponding fiscal year State of  
6       Illinois scheduled payments excluding net adjustments for  
7       prior years for regular, vocational, or special education  
8       transportation reimbursement pursuant to Section 29-5 or  
9       subsection (b) of Section 14-13.01 of this Code exceed the  
10      total transportation expenses, as defined in this  
11      paragraph, no transportation rate shall be subtracted from  
12      the Operating Tax Rate.

13       "Allocation Rate" is defined in paragraph (3) of  
14      subsection (g) of this Section.

15       "Alternative School" means a public school that is  
16      created and operated by a regional superintendent of  
17      schools and approved by the State Board.

18       "Applicable Tax Rate" is defined in paragraph (1) of  
19      subsection (d) of this Section.

20       "Assessment" means any of those benchmark, progress  
21      monitoring, formative, diagnostic, and other assessments,  
22      in addition to the State accountability assessment, that  
23      assist teachers' needs in understanding the skills and  
24      meeting the needs of the students they serve.

25       "Assistant principal" means a school administrator  
26      duly endorsed to be employed as an assistant principal in

1                   this State.

2                   " At-risk student " means a student who is at risk of  
3                   not meeting the Illinois Learning Standards or not  
4                   graduating from elementary or high school and who  
5                   demonstrates a need for vocational support or social  
6                   services beyond that provided by the regular school  
7                   program. All students included in an Organizational Unit 's  
8                   Low-Income Count, as well as all English learner and  
9                   disabled students attending the Organizational Unit, shall  
10                  be considered at-risk students under this Section.

11                  " Average Student Enrollment " or " ASE " for fiscal year  
12                  2018 means, for an Organizational Unit, the greater of the  
13                  average number of students (grades K through 12) reported  
14                  to the State Board as enrolled in the Organizational Unit  
15                  on October 1 in the immediately preceding school year,  
16                  plus the pre-kindergarten students who receive special  
17                  education services of 2 or more hours a day as reported to  
18                  the State Board on December 1 in the immediately preceding  
19                  school year, or the average number of students (grades K  
20                  through 12) reported to the State Board as enrolled in the  
21                  Organizational Unit on October 1, plus the  
22                  pre-kindergarten students who receive special education  
23                  services of 2 or more hours a day as reported to the State  
24                  Board on December 1, for each of the immediately preceding  
25                  3 school years. For fiscal year 2019 and each subsequent  
26                  fiscal year, " Average Student Enrollment " or " ASE " means,

1 for an Organizational Unit, the greater of the average  
2 number of students (grades K through 12) reported to the  
3 State Board as enrolled in the Organizational Unit on  
4 October 1 and March 1 in the immediately preceding school  
5 year, plus the pre-kindergarten students who receive  
6 special education services as reported to the State Board  
7 on October 1 and March 1 in the immediately preceding  
8 school year, or the average number of students (grades K  
9 through 12) reported to the State Board as enrolled in the  
10 Organizational Unit on October 1 and March 1, plus the  
11 pre-kindergarten students who receive special education  
12 services as reported to the State Board on October 1 and  
13 March 1, for each of the immediately preceding 3 school  
14 years. For the purposes of this definition, "enrolled in  
15 the Organizational Unit" means the number of students  
16 reported to the State Board who are enrolled in schools  
17 within the Organizational Unit that the student attends or  
18 would attend if not placed or transferred to another  
19 school or program to receive needed services. For the  
20 purposes of calculating "ASE", all students, grades K  
21 through 12, excluding those attending kindergarten for a  
22 half day and students attending an alternative education  
23 program operated by a regional office of education or  
24 intermediate service center, shall be counted as 1.0. All  
25 students attending kindergarten for a half day shall be  
26 counted as 0.5, unless in 2017 by June 15 or by March 1 in

1       subsequent years, the school district reports to the State  
2       Board of Education the intent to implement full-day  
3       kindergarten district-wide for all students, then all  
4       students attending kindergarten shall be counted as 1.0.  
5       Special education pre-kindergarten students shall be  
6       counted as 0.5 each. If the State Board does not collect or  
7       has not collected both an October 1 and March 1 enrollment  
8       count by grade or a December 1 collection of special  
9       education pre-kindergarten students as of August 31, 2017  
10      (the effective date of Public Act 100-465), it shall  
11      establish such collection for all future years. For any  
12      year in which a count by grade level was collected only  
13      once, that count shall be used as the single count  
14      available for computing a 3-year average ASE. Funding for  
15      programs operated by a regional office of education or an  
16      intermediate service center must be calculated using the  
17      Evidence-Based Funding formula under this Section for the  
18      2019-2020 school year and each subsequent school year  
19      until separate adequacy formulas are developed and adopted  
20      for each type of program. ASE for a program operated by a  
21      regional office of education or an intermediate service  
22      center must be determined by the March 1 enrollment for  
23      the program. For the 2019-2020 school year, the ASE used  
24      in the calculation must be the first-year ASE and, in that  
25      year only, the assignment of students served by a regional  
26      office of education or intermediate service center shall

1 not result in a reduction of the March enrollment for any  
2 school district. For the 2020-2021 school year, the ASE  
3 must be the greater of the current-year ASE or the 2-year  
4 average ASE. Beginning with the 2021-2022 school year, the  
5 ASE must be the greater of the current-year ASE or the  
6 3-year average ASE. School districts shall submit the data  
7 for the ASE calculation to the State Board within 45 days  
8 of the dates required in this Section for submission of  
9 enrollment data in order for it to be included in the ASE  
10 calculation. For fiscal year 2018 only, the ASE  
11 calculation shall include only enrollment taken on October  
12 1. In recognition of the impact of COVID-19, the  
13 definition of "Average Student Enrollment" or "ASE" shall  
14 be adjusted for calculations under this Section for fiscal  
15 years 2022 through 2024. For fiscal years 2022 through  
16 2024, the enrollment used in the calculation of ASE  
17 representing the 2020-2021 school year shall be the  
18 greater of the enrollment for the 2020-2021 school year or  
19 the 2019-2020 school year.

20 "Base Funding Guarantee" is defined in paragraph (10)  
21 of subsection (g) of this Section.

22 "Base Funding Minimum" is defined in subsection (e) of  
23 this Section.

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

1           "Base Tax Year's Extension" means the product of the  
2        equalized assessed valuation utilized by the county clerk  
3        in the Base Tax Year multiplied by the limiting rate as  
4        calculated by the county clerk and defined in PTELL.

5           "Bilingual Education Allocation" means the amount of  
6        an Organizational Unit's final Adequacy Target  
7        attributable to bilingual education divided by the  
8        Organizational Unit's final Adequacy Target, the product  
9        of which shall be multiplied by the amount of new funding  
10      received pursuant to this Section. An Organizational  
11      Unit's final Adequacy Target attributable to bilingual  
12      education shall include all additional investments in  
13      English learner students' adequacy elements.

14           "Budget Year" means the school year for which primary  
15      State aid is calculated and awarded under this Section.

16           "Central office" means individual administrators and  
17      support service personnel charged with managing the  
18      instructional programs, business and operations, and  
19      security of the Organizational Unit.

20           "Comparable Wage Index" or "CWI" means a regional cost  
21      differentiation metric that measures systemic, regional  
22      variations in the salaries of college graduates who are  
23      not educators. The CWI utilized for this Section shall,  
24      for the first 3 years of Evidence-Based Funding  
25      implementation, be the CWI initially developed by the  
26      National Center for Education Statistics, as most recently

1       updated by Texas A & M University. In the fourth and  
2       subsequent years of Evidence-Based Funding implementation,  
3       the State Superintendent shall re-determine the CWI using  
4       a similar methodology to that identified in the Texas A & M  
5       University study, with adjustments made no less frequently  
6       than once every 5 years.

7       "Computer technology and equipment" means computers  
8       servers, notebooks, network equipment, copiers, printers,  
9       instructional software, security software, curriculum  
10      management courseware, and other similar materials and  
11      equipment.

12      "Computer technology and equipment investment  
13      allocation" means the final Adequacy Target amount of an  
14      Organizational Unit assigned to Tier 1 or Tier 2 in the  
15      prior school year attributable to the additional \$285.50  
16      per student computer technology and equipment investment  
17      grant divided by the Organizational Unit's final Adequacy  
18      Target, the result of which shall be multiplied by the  
19      amount of new funding received pursuant to this Section.  
20      An Organizational Unit assigned to a Tier 1 or Tier 2 final  
21      Adequacy Target attributable to the received computer  
22      technology and equipment investment grant shall include  
23      all additional investments in computer technology and  
24      equipment adequacy elements.

25      "Core subject" means mathematics; science; reading,  
26      English, writing, and language arts; history and social

1 studies; world languages; and subjects taught as Advanced  
2 Placement in high schools.

3 "Core teacher" means a regular classroom teacher in  
4 elementary schools and teachers of a core subject in  
5 middle and high schools.

6 "Core Intervention teacher (tutor)" means a licensed  
7 teacher providing one-on-one or small group tutoring to  
8 students struggling to meet proficiency in core subjects.

9 "CPPRT" means corporate personal property replacement  
10 tax funds paid to an Organizational Unit during the  
11 calendar year one year before the calendar year in which a  
12 school year begins, pursuant to "An Act in relation to the  
13 abolition of ad valorem personal property tax and the  
14 replacement of revenues lost thereby, and amending and  
15 repealing certain Acts and parts of Acts in connection  
16 therewith", certified August 14, 1979, as amended (Public  
17 Act 81-1st S.S.-1).

18 "EAV" means equalized assessed valuation as defined in  
19 paragraph (2) of subsection (d) of this Section and  
20 calculated in accordance with paragraph (3) of subsection  
21 (d) of this Section.

22 "ECI" means the Bureau of Labor Statistics' national  
23 employment cost index for civilian workers in educational  
24 services in elementary and secondary schools on a  
25 cumulative basis for the 12-month calendar year preceding  
26 the fiscal year of the Evidence-Based Funding calculation.

1           "EIS Data" means the employment information system  
2 data maintained by the State Board on educators within  
3 Organizational Units.

4           "Employee benefits" means health, dental, and vision  
5 insurance offered to employees of an Organizational Unit,  
6 the costs associated with the statutorily required payment  
7 of the normal cost of the Organizational Unit's teacher  
8 pensions, Social Security employer contributions, and  
9 Illinois Municipal Retirement Fund employer contributions.

10          "English learner" or "EL" means a child included in  
11 the definition of "English learners" under Section 14C-2  
12 of this Code participating in a program of transitional  
13 bilingual education or a transitional program of  
14 instruction meeting the requirements and program  
15 application procedures of Article 14C of this Code. For  
16 the purposes of collecting the number of EL students  
17 enrolled, the same collection and calculation methodology  
18 as defined above for "ASE" shall apply to English  
19 learners, with the exception that EL student enrollment  
20 shall include students in grades pre-kindergarten through  
21 12.

22          "Essential Elements" means those elements, resources,  
23 and educational programs that have been identified through  
24 academic research as necessary to improve student success,  
25 improve academic performance, close achievement gaps, and  
26 provide for other per student costs related to the

1 delivery and leadership of the Organizational Unit, as  
2 well as the maintenance and operations of the unit, and  
3 which are specified in paragraph (2) of subsection (b) of  
4 this Section.

5 "Evidence-Based Funding" means State funding provided  
6 to an Organizational Unit pursuant to this Section.

7 "Extended day" means academic and enrichment programs  
8 provided to students outside the regular school day before  
9 and after school or during non-instructional times during  
10 the school day.

11 "Extension Limitation Ratio" means a numerical ratio  
12 in which the numerator is the Base Tax Year's Extension  
13 and the denominator is the Preceding Tax Year's Extension.

14 "Final Percent of Adequacy" is defined in paragraph  
15 (4) of subsection (f) of this Section.

16 "Final Resources" is defined in paragraph (3) of  
17 subsection (f) of this Section.

18 "Full-time equivalent" or "FTE" means the full-time  
19 equivalency compensation for staffing the relevant  
20 position at an Organizational Unit.

21 "Funding Gap" is defined in paragraph (1) of  
22 subsection (g).

23 "Hybrid District" means a partial elementary unit  
24 district created pursuant to Article 11E of this Code.

25 "Instructional assistant" means a core or special  
26 education, non-licensed employee who assists a teacher in

1                   the classroom and provides academic support to students.

2                   "Instructional facilitator" means a qualified teacher  
3                   or licensed teacher leader who facilitates and coaches  
4                   continuous improvement in classroom instruction; provides  
5                   instructional support to teachers in the elements of  
6                   research-based instruction or demonstrates the alignment  
7                   of instruction with curriculum standards and assessment  
8                   tools; develops or coordinates instructional programs or  
9                   strategies; develops and implements training; chooses  
10                   standards-based instructional materials; provides  
11                   teachers with an understanding of current research; serves  
12                   as a mentor, site coach, curriculum specialist, or lead  
13                   teacher; or otherwise works with fellow teachers, in  
14                   collaboration, to use data to improve instructional  
15                   practice or develop model lessons.

16                   "Instructional materials" means relevant  
17                   instructional materials for student instruction,  
18                   including, but not limited to, textbooks, consumable  
19                   workbooks, laboratory equipment, library books, and other  
20                   similar materials.

21                   "Laboratory School" means a public school that is  
22                   created and operated by a public university and approved  
23                   by the State Board.

24                   "Librarian" means a teacher with an endorsement as a  
25                   library information specialist or another individual whose  
26                   primary responsibility is overseeing library resources

1           within an Organizational Unit.

2           "Limiting rate for Hybrid Districts" means the  
3           combined elementary school and high school limiting rates.

4           "Local Capacity" is defined in paragraph (1) of  
5           subsection (c) of this Section.

6           "Local Capacity Percentage" is defined in subparagraph  
7           (A) of paragraph (2) of subsection (c) of this Section.

8           "Local Capacity Ratio" is defined in subparagraph (B)  
9           of paragraph (2) of subsection (c) of this Section.

10          "Local Capacity Target" is defined in paragraph (2) of  
11           subsection (c) of this Section.

12          "Low-Income Count" means, for an Organizational Unit  
13           in a fiscal year, the higher of the average number of  
14           students for the prior school year or the immediately  
15           preceding 3 school years who, as of July 1 of the  
16           immediately preceding fiscal year (as determined by the  
17           Department of Human Services), are eligible for at least  
18           one of the following low-income programs: Medicaid, the  
19           Children's Health Insurance Program, Temporary Assistance  
20           for Needy Families (TANF), or the Supplemental Nutrition  
21           Assistance Program, excluding pupils who are eligible for  
22           services provided by the Department of Children and Family  
23           Services. Until such time that grade level low-income  
24           populations become available, grade level low-income  
25           populations shall be determined by applying the low-income  
26           percentage to total student enrollments by grade level.

1       The low-income percentage is determined by dividing the  
2       Low-Income Count by the Average Student Enrollment. The  
3       low-income percentage for a regional office of education  
4       or an intermediate service center operating one or more  
5       alternative education programs must be set to the weighted  
6       average of the low-income percentages of all of the school  
7       districts in the service region. The weighted low-income  
8       percentage is the result of multiplying the low-income  
9       percentage of each school district served by the regional  
10      office of education or intermediate service center by each  
11      school district's Average Student Enrollment, summarizing  
12      those products and dividing the total by the total Average  
13      Student Enrollment for the service region.

14       "Maintenance and operations" means custodial services,  
15       facility and ground maintenance, facility operations,  
16       facility security, routine facility repairs, and other  
17       similar services and functions.

18       "Minimum Funding Level" is defined in paragraph (9) of  
19       subsection (g) of this Section.

20       "New Property Tax Relief Pool Funds" means, for any  
21       given fiscal year, all State funds appropriated under  
22       Section 2-3.170 of this Code.

23       "New State Funds" means, for a given school year, all  
24       State funds appropriated for Evidence-Based Funding in  
25       excess of the amount needed to fund the Base Funding  
26       Minimum for all Organizational Units in that school year.

1           "\*\*Nurse\*\*" means an individual licensed as a certified  
2        school nurse, in accordance with the rules established for  
3        nursing services by the State Board, who is an employee of  
4        and is available to provide health care-related services  
5        for students of an Organizational Unit.

6           "\*\*Operating Tax Rate\*\*" means the rate utilized in the  
7        previous year to extend property taxes for all purposes,  
8        except Bond and Interest, Summer School, Rent, Capital  
9        Improvement, and Vocational Education Building purposes.  
10       For Hybrid Districts, the Operating Tax Rate shall be the  
11       combined elementary and high school rates utilized in the  
12       previous year to extend property taxes for all purposes,  
13       except Bond and Interest, Summer School, Rent, Capital  
14       Improvement, and Vocational Education Building purposes.

15       "\*\*Organizational Unit\*\*" means a Laboratory School or any  
16       public school district that is recognized as such by the  
17       State Board and that contains elementary schools typically  
18       serving kindergarten through 5th grades, middle schools  
19       typically serving 6th through 8th grades, high schools  
20       typically serving 9th through 12th grades, a program  
21       established under Section 2-3.66 or 2-3.41, or a program  
22       operated by a regional office of education or an  
23       intermediate service center under Article 13A or 13B. The  
24       General Assembly acknowledges that the actual grade levels  
25       served by a particular Organizational Unit may vary  
26       slightly from what is typical.

"Organizational Unit CWI" is determined by calculating the CWI in the region and original county in which an Organizational Unit's primary administrative office is located as set forth in this paragraph, provided that if the Organizational Unit CWI as calculated in accordance with this paragraph is less than 0.9, the Organizational Unit CWI shall be increased to 0.9. Each county's current CWI value shall be adjusted based on the CWI value of that county's neighboring Illinois counties, to create a "weighted adjusted index value". This shall be calculated by summing the CWI values of all of a county's adjacent Illinois counties and dividing by the number of adjacent Illinois counties, then taking the weighted value of the original county's CWI value and the adjacent Illinois county average. To calculate this weighted value, if the number of adjacent Illinois counties is greater than 2, the original county's CWI value will be weighted at 0.25 and the adjacent Illinois county average will be weighted at 0.75. If the number of adjacent Illinois counties is 2, the original county's CWI value will be weighted at 0.33 and the adjacent Illinois county average will be weighted at 0.66. The greater of the county's current CWI value and its weighted adjusted index value shall be used as the Organizational Unit CWI.

"Preceding Tax Year" means the property tax levy year immediately preceding the Base Tax Year.

1           "Preceding Tax Year's Extension" means the product of  
2           the equalized assessed valuation utilized by the county  
3           clerk in the Preceding Tax Year multiplied by the  
4           Operating Tax Rate.

5           "Preliminary Percent of Adequacy" is defined in  
6           paragraph (2) of subsection (f) of this Section.

7           "Preliminary Resources" is defined in paragraph (2) of  
8           subsection (f) of this Section.

9           "Principal" means a school administrator duly endorsed  
10           to be employed as a principal in this State.

11           "Professional development" means training programs for  
12           licensed staff in schools, including, but not limited to,  
13           programs that assist in implementing new curriculum  
14           programs, provide data focused or academic assessment data  
15           training to help staff identify a student's weaknesses and  
16           strengths, target interventions, improve instruction,  
17           encompass instructional strategies for English learner,  
18           gifted, or at-risk students, address inclusivity, cultural  
19           sensitivity, or implicit bias, or otherwise provide  
20           professional support for licensed staff.

21           "Prototypical" means 450 special education  
22           pre-kindergarten and kindergarten through grade 5 students  
23           for an elementary school, 450 grade 6 through 8 students  
24           for a middle school, and 600 grade 9 through 12 students  
25           for a high school.

26           "PTELL" means the Property Tax Extension Limitation

1 Law.

2 "PTELL EAV" is defined in paragraph (4) of subsection  
3 (d) of this Section.

4 "Pupil support staff" means a nurse, psychologist,  
5 social worker, family liaison personnel, or other staff  
6 member who provides support to at-risk or struggling  
7 students.

8 "Real Receipts" is defined in paragraph (1) of  
9 subsection (d) of this Section.

10 "Regionalization Factor" means, for a particular  
11 Organizational Unit, the figure derived by dividing the  
12 Organizational Unit CWI by the Statewide Weighted CWI.

13 "School counselor" means a licensed school counselor  
14 who provides guidance and counseling support for students  
15 within an Organizational Unit.

16 "School site staff" means the primary school secretary  
17 and any additional clerical personnel assigned to a  
18 school.

19 "Special education" means special educational  
20 facilities and services, as defined in Section 14-1.08 of  
21 this Code.

22 "Special Education Allocation" means the amount of an  
23 Organizational Unit's final Adequacy Target attributable  
24 to special education divided by the Organizational Unit's  
25 final Adequacy Target, the product of which shall be  
26 multiplied by the amount of new funding received pursuant

1 to this Section. An Organizational Unit's final Adequacy  
2 Target attributable to special education shall include all  
3 special education investment adequacy elements.

4 "Specialist teacher" means a teacher who provides  
5 instruction in subject areas not included in core  
6 subjects, including, but not limited to, art, music,  
7 physical education, health, driver education,  
8 career-technical education, and such other subject areas  
9 as may be mandated by State law or provided by an  
10 Organizational Unit.

11 "Specially Funded Unit" means an Alternative School,  
12 safe school, Department of Juvenile Justice school,  
13 special education cooperative or entity recognized by the  
14 State Board as a special education cooperative,  
15 State-approved charter school, or alternative learning  
16 opportunities program that received direct funding from  
17 the State Board during the 2016-2017 school year through  
18 any of the funding sources included within the calculation  
19 of the Base Funding Minimum or Glenwood Academy.

20 "Supplemental Grant Funding" means supplemental  
21 general State aid funding received by an Organizational  
22 Unit during the 2016-2017 school year pursuant to  
23 subsection (H) of Section 18-8.05 of this Code (now  
24 repealed).

25 "State Adequacy Level" is the sum of the Adequacy  
26 Targets of all Organizational Units.

1           "State Board" means the State Board of Education.

2           "State Superintendent" means the State Superintendent  
3           of Education.

4           "Statewide Weighted CWI" means a figure determined by  
5           multiplying each Organizational Unit CWI times the ASE for  
6           that Organizational Unit creating a weighted value,  
7           summing all Organizational Units' weighted values, and  
8           dividing by the total ASE of all Organizational Units,  
9           thereby creating an average weighted index.

10          "Student activities" means non-credit producing  
11          after-school programs, including, but not limited to,  
12          clubs, bands, sports, and other activities authorized by  
13          the school board of the Organizational Unit.

14          "Substitute teacher" means an individual teacher or  
15          teaching assistant who is employed by an Organizational  
16          Unit and is temporarily serving the Organizational Unit on  
17          a per diem or per period-assignment basis to replace  
18          another staff member.

19          "Summer school" means academic and enrichment programs  
20          provided to students during the summer months outside of  
21          the regular school year.

22          "Supervisory aide" means a non-licensed staff member  
23          who helps in supervising students of an Organizational  
24          Unit, but does so outside of the classroom, in situations  
25          such as, but not limited to, monitoring hallways and  
26          playgrounds, supervising lunchrooms, or supervising

1       students when being transported in buses serving the  
2       Organizational Unit.

3            "Target Ratio" is defined in paragraph (4) of  
4       subsection (g).

5            "Tier 1", "Tier 2", "Tier 3", and "Tier 4" are defined  
6       in paragraph (3) of subsection (g).

7            "Tier 1 Aggregate Funding", "Tier 2 Aggregate  
8       Funding", "Tier 3 Aggregate Funding", and "Tier 4  
9       Aggregate Funding" are defined in paragraph (1) of  
10      subsection (g).

11           (b) Adequacy Target calculation.

12           (1) Each Organizational Unit's Adequacy Target is the  
13       sum of the Organizational Unit's cost of providing  
14       Essential Elements, as calculated in accordance with this  
15       subsection (b), with the salary amounts in the Essential  
16       Elements multiplied by a Regionalization Factor calculated  
17       pursuant to paragraph (3) of this subsection (b).

18           (2) The Essential Elements are attributable on a pro  
19       rata basis related to defined subgroups of the ASE of each  
20       Organizational Unit as specified in this paragraph (2),  
21       with investments and FTE positions pro rata funded based  
22       on ASE counts in excess of or less than the thresholds set  
23       forth in this paragraph (2). The method for calculating  
24       attributable pro rata costs and the defined subgroups  
25       thereto are as follows:

26            (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 the following maximum numbers:

(i) For grades kindergarten through 3, the Organizational Unit shall receive funding required to support one FTE core teacher position for every 15 Low-Income Count students in those grades and one FTE core teacher position for every 20 non-Low-Income Count students in those grades.

(ii) For grades 4 through 12, the Organizational Unit shall receive funding required to support one FTE core teacher position for every 20 Low-Income Count students in those grades and one FTE core teacher position for every 25 non-Low-Income Count students in those grades.

The number of non-Low-Income Count students in a grade shall be determined by subtracting the Low-Income students in that grade from the ASE of the Organizational Unit for that grade.

(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

1                   elementary or middle school, then 20.00% of the  
2                   number of the Organizational Unit's core teachers,  
3                   as determined under subparagraph (A) of this  
4                   paragraph (2); and

5                   (ii) if such Organizational Unit operates a  
6                   high school, then 33.33% of the number of the  
7                   Organizational Unit's core teachers.

8                   (C) Instructional facilitator investments. Each  
9                   Organizational Unit shall receive the funding needed  
10                  to cover one FTE instructional facilitator position  
11                  for every 200 combined ASE of pre-kindergarten  
12                  children with disabilities and all kindergarten  
13                  through grade 12 students of the Organizational Unit.

14                  (D) Core intervention teacher (tutor) investments.  
15                  Each Organizational Unit shall receive the funding  
16                  needed to cover one FTE teacher position for each  
17                  prototypical elementary, middle, and high school.

18                  (E) Substitute teacher investments. Each  
19                  Organizational Unit shall receive the funding needed  
20                  to cover substitute teacher costs that is equal to  
21                  5.70% of the minimum pupil attendance days required  
22                  under Section 10-19 of this Code for all full-time  
23                  equivalent core, specialist, and intervention  
24                  teachers, school nurses, special education teachers  
25                  and instructional assistants, instructional  
26                  facilitators, and summer school and extended day

1 teacher positions, as determined under this paragraph  
2 (2), at a salary rate of 33.33% of the average salary  
3 for grade K through 12 teachers and 33.33% of the  
4 average salary of each instructional assistant  
5 position.

6 (F) Core school counselor investments. Each  
7 Organizational Unit shall receive the funding needed  
8 to cover one FTE school counselor for each 450  
9 combined ASE of pre-kindergarten children with  
10 disabilities and all kindergarten through grade 5  
11 students, plus one FTE school counselor for each 250  
12 grades 6 through 8 ASE middle school students, plus  
13 one FTE school counselor for each 250 grades 9 through  
14 12 ASE high school students.

15 (G) Nurse investments. Each Organizational Unit  
16 shall receive the funding needed to cover one FTE  
17 nurse for each 750 combined ASE of pre-kindergarten  
18 children with disabilities and all kindergarten  
19 through grade 12 students across all grade levels it  
20 serves.

21 (H) Supervisory aide investments. Each  
22 Organizational Unit shall receive the funding needed  
23 to cover one FTE for each 225 combined ASE of  
24 pre-kindergarten children with disabilities and all  
25 kindergarten through grade 5 students, plus one FTE  
26 for each 225 ASE middle school students, plus one FTE

1 for each 200 ASE high school students.

2 (I) Librarian investments. Each Organizational  
3 Unit shall receive the funding needed to cover one FTE  
4 librarian for each prototypical elementary school,  
5 middle school, and high school and one FTE aide or  
6 media technician for every 300 combined ASE of  
7 pre-kindergarten children with disabilities and all  
8 kindergarten through grade 12 students.

9 (J) Principal investments. Each Organizational  
10 Unit shall receive the funding needed to cover one FTE  
11 principal position for each prototypical elementary  
12 school, plus one FTE principal position for each  
13 prototypical middle school, plus one FTE principal  
14 position for each prototypical high school.

15 (K) Assistant principal investments. Each  
16 Organizational Unit shall receive the funding needed  
17 to cover one FTE assistant principal position for each  
18 prototypical elementary school, plus one FTE assistant  
19 principal position for each prototypical middle  
20 school, plus one FTE assistant principal position for  
21 each prototypical high school.

22 (L) School site staff investments. Each  
23 Organizational Unit shall receive the funding needed  
24 for one FTE position for each 225 ASE of  
25 pre-kindergarten children with disabilities and all  
26 kindergarten through grade 5 students, plus one FTE

1 position for each 225 ASE middle school students, plus  
2 one FTE position for each 200 ASE high school  
3 students.

4 (M) Advanced academic program ~~Gifted~~ investments.  
5 Each Organizational Unit shall receive \$40 per  
6 kindergarten through grade 12 ASE for advanced  
7 academic programs as defined in Section 14A-17.

8 (N) Professional development investments. Each  
9 Organizational Unit shall receive \$125 per student of  
10 the combined ASE of pre-kindergarten children with  
11 disabilities and all kindergarten through grade 12  
12 students for trainers and other professional  
13 development-related expenses for supplies and  
14 materials.

15 (O) Instructional material investments. Each  
16 Organizational Unit shall receive \$190 per student of  
17 the combined ASE of pre-kindergarten children with  
18 disabilities and all kindergarten through grade 12  
19 students to cover instructional material costs.

20 (P) Assessment investments. Each Organizational  
21 Unit shall receive \$25 per student of the combined ASE  
22 of pre-kindergarten children with disabilities and all  
23 kindergarten through grade 12 students to cover  
24 assessment costs.

25 (Q) Computer technology and equipment investments.  
26 Each Organizational Unit shall receive \$285.50 per

1                   student of the combined ASE of pre-kindergarten  
2                   children with disabilities and all kindergarten  
3                   through grade 12 students to cover computer technology  
4                   and equipment costs. For the 2018-2019 school year and  
5                   subsequent school years, Organizational Units assigned  
6                   to Tier 1 and Tier 2 in the prior school year shall  
7                   receive an additional \$285.50 per student of the  
8                   combined ASE of pre-kindergarten children with  
9                   disabilities and all kindergarten through grade 12  
10                  students to cover computer technology and equipment  
11                  costs in the Organizational Unit's Adequacy Target.  
12                  The State Board may establish additional requirements  
13                  for Organizational Unit expenditures of funds received  
14                  pursuant to this subparagraph (Q), including a  
15                  requirement that funds received pursuant to this  
16                  subparagraph (Q) may be used only for serving the  
17                  technology needs of the district. It is the intent of  
18                  Public Act 100-465 that all Tier 1 and Tier 2 districts  
19                  receive the addition to their Adequacy Target in the  
20                  following year, subject to compliance with the  
21                  requirements of the State Board.

22                  (R)        Student activities investments.    Each  
23                  Organizational Unit shall receive the following  
24                  funding amounts to cover student activities: \$100 per  
25                  kindergarten through grade 5 ASE student in elementary  
26                  school, plus \$200 per ASE student in middle school,

1 plus \$675 per ASE student in high school.

2 (S) Maintenance and operations investments. Each  
3 Organizational Unit shall receive \$1,038 per student  
4 of the combined ASE of pre-kindergarten children with  
5 disabilities and all kindergarten through grade 12  
6 students for day-to-day maintenance and operations  
7 expenditures, including salary, supplies, and  
8 materials, as well as purchased services, but  
9 excluding employee benefits. The proportion of salary  
10 for the application of a Regionalization Factor and  
11 the calculation of benefits is equal to \$352.92.

12 (T) Central office investments. Each  
13 Organizational Unit shall receive \$742 per student of  
14 the combined ASE of pre-kindergarten children with  
15 disabilities and all kindergarten through grade 12  
16 students to cover central office operations, including  
17 administrators and classified personnel charged with  
18 managing the instructional programs, business and  
19 operations of the school district, and security  
20 personnel. The proportion of salary for the  
21 application of a Regionalization Factor and the  
22 calculation of benefits is equal to \$368.48.

23 (U) Employee benefit investments. Each  
24 Organizational Unit shall receive 30% of the total of  
25 all salary-calculated elements of the Adequacy Target,  
26 excluding substitute teachers and student activities

1                   investments, to cover benefit costs. For central  
2                   office and maintenance and operations investments, the  
3                   benefit calculation shall be based upon the salary  
4                   proportion of each investment. If at any time the  
5                   responsibility for funding the employer normal cost of  
6                   teacher pensions is assigned to school districts, then  
7                   that amount certified by the Teachers' Retirement  
8                   System of the State of Illinois to be paid by the  
9                   Organizational Unit for the preceding school year  
10                  shall be added to the benefit investment. For any  
11                  fiscal year in which a school district organized under  
12                  Article 34 of this Code is responsible for paying the  
13                  employer normal cost of teacher pensions, then that  
14                  amount of its employer normal cost plus the amount for  
15                  retiree health insurance as certified by the Public  
16                  School Teachers' Pension and Retirement Fund of  
17                  Chicago to be paid by the school district for the  
18                  preceding school year that is statutorily required to  
19                  cover employer normal costs and the amount for retiree  
20                  health insurance shall be added to the 30% specified  
21                  in this subparagraph (U). The Teachers' Retirement  
22                  System of the State of Illinois and the Public School  
23                  Teachers' Pension and Retirement Fund of Chicago shall  
24                  submit such information as the State Superintendent  
25                  may require for the calculations set forth in this  
26                  subparagraph (U).

1 (V) Additional investments in low-income students.

2 In addition to and not in lieu of all other funding  
3 under this paragraph (2), each Organizational Unit  
4 shall receive funding based on the average teacher  
5 salary for grades K through 12 to cover the costs of:

6 (i) one FTE intervention teacher (tutor)  
7 position for every 125 Low-Income Count students;

8 (ii) one FTE pupil support staff position for  
9 every 125 Low-Income Count students;

10 (iii) one FTE extended day teacher position  
11 for every 120 Low-Income Count students; and

12 (iv) one FTE summer school teacher position  
13 for every 120 Low-Income Count students.

14 (W) Additional investments in English learner  
15 students. In addition to and not in lieu of all other  
16 funding under this paragraph (2), each Organizational  
17 Unit shall receive funding based on the average  
18 teacher salary for grades K through 12 to cover the  
19 costs of:

20 (i) one FTE intervention teacher (tutor)  
21 position for every 125 English learner students;

22 (ii) one FTE pupil support staff position for  
23 every 125 English learner students;

24 (iii) one FTE extended day teacher position  
25 for every 120 English learner students;

26 (iv) one FTE summer school teacher position

1 for every 120 English learner students; and

2 (v) one FTE core teacher position for every  
3 100 English learner students.

4 (X) Special education investments. Each  
5 Organizational Unit shall receive funding based on the  
6 average teacher salary for grades K through 12 to  
7 cover special education as follows:

8 (i) one FTE teacher position for every 141  
9 combined ASE of pre-kindergarten children with  
10 disabilities and all kindergarten through grade 12  
11 students;

12 (ii) one FTE instructional assistant for every  
13 141 combined ASE of pre-kindergarten children with  
14 disabilities and all kindergarten through grade 12  
15 students; and

16 (iii) one FTE psychologist position for every  
17 1,000 combined ASE of pre-kindergarten children  
18 with disabilities and all kindergarten through  
19 grade 12 students.

20 (3) For calculating the salaries included within the  
21 Essential Elements, the State Superintendent shall  
22 annually calculate average salaries to the nearest dollar  
23 using the employment information system data maintained by  
24 the State Board, limited to public schools only and  
25 excluding special education and vocational cooperatives,  
26 schools operated by the Department of Juvenile Justice,

1 and charter schools, for the following positions:

2 (A) Teacher for grades K through 8.

3 (B) Teacher for grades 9 through 12.

4 (C) Teacher for grades K through 12.

5 (D) School counselor for grades K through 8.

6 (E) School counselor for grades 9 through 12.

7 (F) School counselor for grades K through 12.

8 (G) Social worker.

9 (H) Psychologist.

10 (I) Librarian.

11 (J) Nurse.

12 (K) Principal.

13 (L) Assistant principal.

14 For the purposes of this paragraph (3), "teacher"  
15 includes core teachers, specialist and elective teachers,  
16 instructional facilitators, tutors, special education  
17 teachers, pupil support staff teachers, English learner  
18 teachers, extended day teachers, and summer school  
19 teachers. Where specific grade data is not required for  
20 the Essential Elements, the average salary for  
21 corresponding positions shall apply. For substitute  
22 teachers, the average teacher salary for grades K through  
23 12 shall apply.

24 For calculating the salaries included within the  
25 Essential Elements for positions not included within EIS  
26 Data, the following salaries shall be used in the first

1 year of implementation of Evidence-Based Funding:

2 (i) school site staff, \$30,000; and

3 (ii) non-instructional assistant, instructional  
4 assistant, library aide, library media tech, or  
5 supervisory aide: \$25,000.

6 In the second and subsequent years of implementation  
7 of Evidence-Based Funding, the amounts in items (i) and  
8 (ii) of this paragraph (3) shall annually increase by the  
9 ECI.

10 The salary amounts for the Essential Elements  
11 determined pursuant to subparagraphs (A) through (L), (S)  
12 and (T), and (V) through (X) of paragraph (2) of  
13 subsection (b) of this Section shall be multiplied by a  
14 Regionalization Factor.

15 (c) Local Capacity calculation.

16 (1) Each Organizational Unit's Local Capacity  
17 represents an amount of funding it is assumed to  
18 contribute toward its Adequacy Target for purposes of the  
19 Evidence-Based Funding formula calculation. "Local  
20 Capacity" means either (i) the Organizational Unit's Local  
21 Capacity Target as calculated in accordance with paragraph  
22 (2) of this subsection (c) if its Real Receipts are equal  
23 to or less than its Local Capacity Target or (ii) the  
24 Organizational Unit's Adjusted Local Capacity, as  
25 calculated in accordance with paragraph (3) of this  
26 subsection (c) if Real Receipts are more than its Local

1 Capacity Target.

2 (2) "Local Capacity Target" means, for an  
3 Organizational Unit, that dollar amount that is obtained  
4 by multiplying its Adequacy Target by its Local Capacity  
5 Ratio.

6 (A) An Organizational Unit's Local Capacity  
7 Percentage is the conversion of the Organizational  
8 Unit's Local Capacity Ratio, as such ratio is  
9 determined in accordance with subparagraph (B) of this  
10 paragraph (2), into a cumulative distribution  
11 resulting in a percentile ranking to determine each  
12 Organizational Unit's relative position to all other  
13 Organizational Units in this State. The calculation of  
14 Local Capacity Percentage is described in subparagraph  
15 (C) of this paragraph (2).

16 (B) An Organizational Unit's Local Capacity Ratio  
17 in a given year is the percentage obtained by dividing  
18 its Adjusted EAV or PTELL EAV, whichever is less, by  
19 its Adequacy Target, with the resulting ratio further  
20 adjusted as follows:

21 (i) for Organizational Units serving grades  
22 kindergarten through 12 and Hybrid Districts, no  
23 further adjustments shall be made;

24 (ii) for Organizational Units serving grades  
25 kindergarten through 8, the ratio shall be  
26 multiplied by 9/13;

(iii) for Organizational Units serving grades 9 through 12, the Local Capacity Ratio shall be multiplied by 4/13; and

(iv) for an Organizational Unit with a different grade configuration than those specified in items (i) through (iii) of this subparagraph (B), the State Superintendent shall determine a comparable adjustment based on the grades served.

(C) The Local Capacity Percentage is equal to the percentile ranking of the district. Local Capacity Percentage converts each Organizational Unit's Local Capacity Ratio to a cumulative distribution resulting in a percentile ranking to determine each Organizational Unit's relative position to all other Organizational Units in this State. The Local Capacity Percentage cumulative distribution resulting in a percentile ranking for each Organizational Unit shall be calculated using the standard normal distribution of the score in relation to the weighted mean and weighted standard deviation and Local Capacity Ratios of all Organizational Units. If the value assigned to any Organizational Unit is in excess of 90%, the value shall be adjusted to 90%. For Laboratory Schools, the Local Capacity Percentage shall be set at 10% in recognition of the absence of EAV and resources from the public university that are allocated to the

Laboratory School. For a regional office of education or an intermediate service center operating one or more alternative education programs, the Local Capacity Percentage must be set at 10% in recognition of the absence of EAV and resources from school districts that are allocated to the regional office of education or intermediate service center. The weighted mean for the Local Capacity Percentage shall be determined by multiplying each Organizational Unit's Local Capacity Ratio times the ASE for the unit creating a weighted value, summing the weighted values of all Organizational Units, and dividing by the total ASE of all Organizational Units. The weighted standard deviation shall be determined by taking the square root of the weighted variance of all Organizational Units' Local Capacity Ratio, where the variance is calculated by squaring the difference between each unit's Local Capacity Ratio and the weighted mean, then multiplying the variance for each unit times the ASE for the unit to create a weighted variance for each unit, then summing all units' weighted variance and dividing by the total ASE of all units.

(D) For any Organizational Unit, the Organizational Unit's Adjusted Local Capacity Target shall be reduced by either (i) the school board's remaining contribution pursuant to paragraph (ii) of

1 subsection (b-4) of Section 16-158 of the Illinois  
2 Pension Code in a given year or (ii) the board of  
3 education's remaining contribution pursuant to  
4 paragraph (iv) of subsection (b) of Section 17-129 of  
5 the Illinois Pension Code absent the employer normal  
6 cost portion of the required contribution and amount  
7 allowed pursuant to subdivision (3) of Section  
8 17-142.1 of the Illinois Pension Code in a given year.  
9 In the preceding sentence, item (i) shall be certified  
10 to the State Board of Education by the Teachers'  
11 Retirement System of the State of Illinois and item  
12 (ii) shall be certified to the State Board of  
13 Education by the Public School Teachers' Pension and  
14 Retirement Fund of the City of Chicago.

15 (3) If an Organizational Unit's Real Receipts are more  
16 than its Local Capacity Target, then its Local Capacity  
17 shall equal an Adjusted Local Capacity Target as  
18 calculated in accordance with this paragraph (3). The  
19 Adjusted Local Capacity Target is calculated as the sum of  
20 the Organizational Unit's Local Capacity Target and its  
21 Real Receipts Adjustment. The Real Receipts Adjustment  
22 equals the Organizational Unit's Real Receipts less its  
23 Local Capacity Target, with the resulting figure  
24 multiplied by the Local Capacity Percentage.

25 As used in this paragraph (3), "Real Percent of  
26 Adequacy" means the sum of an Organizational Unit's Real

1 Receipts, CPPRT, and Base Funding Minimum, with the  
2 resulting figure divided by the Organizational Unit's  
3 Adequacy Target.

4 (d) Calculation of Real Receipts, EAV, and Adjusted EAV  
5 for purposes of the Local Capacity calculation.

6 (1) An Organizational Unit's Real Receipts are the  
7 product of its Applicable Tax Rate and its Adjusted EAV.  
8 An Organizational Unit's Applicable Tax Rate is its  
9 Adjusted Operating Tax Rate for property within the  
10 Organizational Unit.

11 (2) The State Superintendent shall calculate the  
12 equalized assessed valuation, or EAV, of all taxable  
13 property of each Organizational Unit as of September 30 of  
14 the previous year in accordance with paragraph (3) of this  
15 subsection (d). The State Superintendent shall then  
16 determine the Adjusted EAV of each Organizational Unit in  
17 accordance with paragraph (4) of this subsection (d),  
18 which Adjusted EAV figure shall be used for the purposes  
19 of calculating Local Capacity.

20 (3) To calculate Real Receipts and EAV, the Department  
21 of Revenue shall supply to the State Superintendent the  
22 value as equalized or assessed by the Department of  
23 Revenue of all taxable property of every Organizational  
24 Unit, together with (i) the applicable tax rate used in  
25 extending taxes for the funds of the Organizational Unit  
26 as of September 30 of the previous year and (ii) the

1 limiting rate for all Organizational Units subject to  
2 property tax extension limitations as imposed under PTELL.

3 (A) The Department of Revenue shall add to the  
4 equalized assessed value of all taxable property of  
5 each Organizational Unit situated entirely or  
6 partially within a county that is or was subject to the  
7 provisions of Section 15-176 or 15-177 of the Property  
8 Tax Code (i) an amount equal to the total amount by  
9 which the homestead exemption allowed under Section  
10 15-176 or 15-177 of the Property Tax Code for real  
11 property situated in that Organizational Unit exceeds  
12 the total amount that would have been allowed in that  
13 Organizational Unit if the maximum reduction under  
14 Section 15-176 was (I) \$4,500 in Cook County or \$3,500  
15 in all other counties in tax year 2003 or (II) \$5,000  
16 in all counties in tax year 2004 and thereafter and  
17 (ii) an amount equal to the aggregate amount for the  
18 taxable year of all additional exemptions under  
19 Section 15-175 of the Property Tax Code for owners  
20 with a household income of \$30,000 or less. The county  
21 clerk of any county that is or was subject to the  
22 provisions of Section 15-176 or 15-177 of the Property  
23 Tax Code shall annually calculate and certify to the  
24 Department of Revenue for each Organizational Unit all  
25 homestead exemption amounts under Section 15-176 or  
26 15-177 of the Property Tax Code and all amounts of

1           additional exemptions under Section 15-175 of the  
2           Property Tax Code for owners with a household income  
3           of \$30,000 or less. It is the intent of this  
4           subparagraph (A) that if the general homestead  
5           exemption for a parcel of property is determined under  
6           Section 15-176 or 15-177 of the Property Tax Code  
7           rather than Section 15-175, then the calculation of  
8           EAV shall not be affected by the difference, if any,  
9           between the amount of the general homestead exemption  
10           allowed for that parcel of property under Section  
11           15-176 or 15-177 of the Property Tax Code and the  
12           amount that would have been allowed had the general  
13           homestead exemption for that parcel of property been  
14           determined under Section 15-175 of the Property Tax  
15           Code. It is further the intent of this subparagraph  
16           (A) that if additional exemptions are allowed under  
17           Section 15-175 of the Property Tax Code for owners  
18           with a household income of less than \$30,000, then the  
19           calculation of EAV shall not be affected by the  
20           difference, if any, because of those additional  
21           exemptions.

22           (B) With respect to any part of an Organizational  
23           Unit within a redevelopment project area in respect to  
24           which a municipality has adopted tax increment  
25           allocation financing pursuant to the Tax Increment  
26           Allocation Redevelopment Act, Division 74.4 of Article

1           11 of the Illinois Municipal Code, or the Industrial  
2           Jobs Recovery Law, Division 74.6 of Article 11 of the  
3           Illinois Municipal Code, no part of the current EAV of  
4           real property located in any such project area that is  
5           attributable to an increase above the total initial  
6           EAV of such property shall be used as part of the EAV  
7           of the Organizational Unit, until such time as all  
8           redevelopment project costs have been paid, as  
9           provided in Section 11-74.4-8 of the Tax Increment  
10          Allocation Redevelopment Act or in Section 11-74.6-35  
11          of the Industrial Jobs Recovery Law. For the purpose  
12          of the EAV of the Organizational Unit, the total  
13          initial EAV or the current EAV, whichever is lower,  
14          shall be used until such time as all redevelopment  
15          project costs have been paid.

16           (B-5) The real property equalized assessed  
17          valuation for a school district shall be adjusted by  
18          subtracting from the real property value, as equalized  
19          or assessed by the Department of Revenue, for the  
20          district an amount computed by dividing the amount of  
21          any abatement of taxes under Section 18-170 of the  
22          Property Tax Code by 3.00% for a district maintaining  
23          grades kindergarten through 12, by 2.30% for a  
24          district maintaining grades kindergarten through 8, or  
25          by 1.05% for a district maintaining grades 9 through  
26          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-5).

(C) For Organizational Units that are Hybrid Districts, the State Superintendent shall use the lesser of the adjusted equalized assessed valuation for property within the partial elementary unit district for elementary purposes, as defined in Article 11E of this Code, or the adjusted equalized assessed valuation for property within the partial elementary unit district for high school purposes, as defined in Article 11E of this Code.

(D) If a school district's boundaries span multiple counties, then the Department of Revenue shall send to the State Board, for the purposes of calculating Evidence-Based Funding, the limiting rate and individual rates by purpose for the county that contains the majority of the school district's equalized assessed valuation.

(4) An Organizational Unit's Adjusted EAV shall be the average of its EAV over the immediately preceding 3 years or the lesser of its EAV in the immediately preceding year or the average of its EAV over the immediately preceding 3 years if the EAV in the immediately preceding year has declined by 10% or more when comparing the 2 most recent

1       years. In the event of Organizational Unit reorganization,  
2       consolidation, or annexation, the Organizational Unit's  
3       Adjusted EAV for the first 3 years after such change shall  
4       be as follows: the most current EAV shall be used in the  
5       first year, the average of a 2-year EAV or its EAV in the  
6       immediately preceding year if the EAV declines by 10% or  
7       more when comparing the 2 most recent years for the second  
8       year, and the lesser of a 3-year average EAV or its EAV in  
9       the immediately preceding year if the Adjusted EAV  
10      declines by 10% or more when comparing the 2 most recent  
11      years for the third year. For any school district whose  
12      EAV in the immediately preceding year is used in  
13      calculations, in the following year, the Adjusted EAV  
14      shall be the average of its EAV over the immediately  
15      preceding 2 years or the immediately preceding year if  
16      that year represents a decline of 10% or more when  
17      comparing the 2 most recent years.

18       "PTELL EAV" means a figure calculated by the State  
19      Board for Organizational Units subject to PTELL as  
20      described in this paragraph (4) for the purposes of  
21      calculating an Organizational Unit's Local Capacity Ratio.  
22      Except as otherwise provided in this paragraph (4), the  
23      PTELL EAV of an Organizational Unit shall be equal to the  
24      product of the equalized assessed valuation last used in  
25      the calculation of general State aid under Section 18-8.05  
26      of this Code (now repealed) or Evidence-Based Funding

1       under this Section and the Organizational Unit's Extension  
2       Limitation Ratio. If an Organizational Unit has approved  
3       or does approve an increase in its limiting rate, pursuant  
4       to Section 18-190 of the Property Tax Code, affecting the  
5       Base Tax Year, the PTELL EAV shall be equal to the product  
6       of the equalized assessed valuation last used in the  
7       calculation of general State aid under Section 18-8.05 of  
8       this Code (now repealed) or Evidence-Based Funding under  
9       this Section multiplied by an amount equal to one plus the  
10      percentage increase, if any, in the Consumer Price Index  
11      for All Urban Consumers for all items published by the  
12      United States Department of Labor for the 12-month  
13      calendar year preceding the Base Tax Year, plus the  
14      equalized assessed valuation of new property, annexed  
15      property, and recovered tax increment value and minus the  
16      equalized assessed valuation of disconnected property.

17           As used in this paragraph (4), "new property" and  
18       "recovered tax increment value" shall have the meanings  
19       set forth in the Property Tax Extension Limitation Law.

20       (e) Base Funding Minimum calculation.

21           (1) For the 2017-2018 school year, the Base Funding  
22       Minimum of an Organizational Unit or a Specially Funded  
23       Unit shall be the amount of State funds distributed to the  
24       Organizational Unit or Specially Funded Unit during the  
25       2016-2017 school year prior to any adjustments and  
26       specified appropriation amounts described in this

1       paragraph (1) from the following Sections, as calculated  
2       by the State Superintendent: Section 18-8.05 of this Code  
3       (now repealed); Section 5 of Article 224 of Public Act  
4       99-524 (equity grants); Section 14-7.02b of this Code  
5       (funding for children requiring special education  
6       services); Section 14-13.01 of this Code (special  
7       education facilities and staffing), except for  
8       reimbursement of the cost of transportation pursuant to  
9       Section 14-13.01; Section 14C-12 of this Code (English  
10      learners); and Section 18-4.3 of this Code (summer  
11      school), based on an appropriation level of \$13,121,600.  
12      For a school district organized under Article 34 of this  
13      Code, the Base Funding Minimum also includes (i) the funds  
14      allocated to the school district pursuant to Section 1D-1  
15      of this Code attributable to funding programs authorized  
16      by the Sections of this Code listed in the preceding  
17      sentence and (ii) the difference between (I) the funds  
18      allocated to the school district pursuant to Section 1D-1  
19      of this Code attributable to the funding programs  
20      authorized by Section 14-7.02 (non-public special  
21      education reimbursement), subsection (b) of Section  
22      14-13.01 (special education transportation), Section 29-5  
23      (transportation), Section 2-3.80 (agricultural  
24      education), Section 2-3.66 (truant's alternative  
25      education), Section 2-3.62 (educational service centers),  
26      and Section 14-7.03 (special education - orphanage) of

1       this Code and Section 15 of the Childhood Hunger Relief  
2       Act (free breakfast program) and (II) the school  
3       district's actual expenditures for its non-public special  
4       education, special education transportation,  
5       transportation programs, agricultural education, truants'  
6       alternative education, services that would otherwise be  
7       performed by a regional office of education, special  
8       education orphanage expenditures, and free breakfast, as  
9       most recently calculated and reported pursuant to  
10      subsection (f) of Section 1D-1 of this Code. The Base  
11      Funding Minimum for Glenwood Academy shall be \$952,014.  
12      For programs operated by a regional office of education or  
13      an intermediate service center, the Base Funding Minimum  
14      must be the total amount of State funds allocated to those  
15      programs in the 2018-2019 school year and amounts provided  
16      pursuant to Article 34 of Public Act 100-586 and Section  
17      3-16 of this Code. All programs established after June 5,  
18      2019 (the effective date of Public Act 101-10) and  
19      administered by a regional office of education or an  
20      intermediate service center must have an initial Base  
21      Funding Minimum set to an amount equal to the first-year  
22      ASE multiplied by the amount of per pupil funding received  
23      in the previous school year by the lowest funded similar  
24      existing program type. If the enrollment for a program  
25      operated by a regional office of education or an  
26      intermediate service center is zero, then it may not

1 receive Base Funding Minimum funds for that program in the  
2 next fiscal year, and those funds must be distributed to  
3 Organizational Units under subsection (g).

4 (2) For the 2018-2019 and subsequent school years, the  
5 Base Funding Minimum of Organizational Units and Specially  
6 Funded Units shall be the sum of (i) the amount of  
7 Evidence-Based Funding for the prior school year, (ii) the  
8 Base Funding Minimum for the prior school year, and (iii)  
9 any amount received by a school district pursuant to  
10 Section 7 of Article 97 of Public Act 100-21.

11 For the 2022-2023 school year, the Base Funding  
12 Minimum of Organizational Units shall be the amounts  
13 recalculated by the State Board of Education for Fiscal  
14 Year 2019 through Fiscal Year 2022 that were necessary due  
15 to average student enrollment errors for districts  
16 organized under Article 34 of this Code, plus the Fiscal  
17 Year 2022 property tax relief grants provided under  
18 Section 2-3.170 of this Code, ensuring each Organizational  
19 Unit has the correct amount of resources for Fiscal Year  
20 2023 Evidence-Based Funding calculations and that Fiscal  
21 Year 2023 Evidence-Based Funding Distributions are made in  
22 accordance with this Section.

23 (3) Subject to approval by the General Assembly as  
24 provided in this paragraph (3), an Organizational Unit  
25 that meets all of the following criteria, as determined by  
26 the State Board, shall have District Intervention Money

1       added to its Base Funding Minimum at the time the Base  
2       Funding Minimum is calculated by the State Board:

3               (A) The Organizational Unit is operating under an  
4       Independent Authority under Section 2-3.25f-5 of this  
5       Code for a minimum of 4 school years or is subject to  
6       the control of the State Board pursuant to a court  
7       order for a minimum of 4 school years.

8               (B) The Organizational Unit was designated as a  
9       Tier 1 or Tier 2 Organizational Unit in the previous  
10      school year under paragraph (3) of subsection (g) of  
11      this Section.

12               (C) The Organizational Unit demonstrates  
13      sustainability through a 5-year financial and  
14      strategic plan.

15               (D) The Organizational Unit has made sufficient  
16      progress and achieved sufficient stability in the  
17      areas of governance, academic growth, and finances.

18       As part of its determination under this paragraph (3),  
19      the State Board may consider the Organizational Unit's  
20      summative designation, any accreditations of the  
21      Organizational Unit, or the Organizational Unit's  
22      financial profile, as calculated by the State Board.

23       If the State Board determines that an Organizational  
24      Unit has met the criteria set forth in this paragraph (3),  
25      it must submit a report to the General Assembly, no later  
26      than January 2 of the fiscal year in which the State Board

1       makes its determination, on the amount of District  
2       Intervention Money to add to the Organizational Unit's  
3       Base Funding Minimum. The General Assembly must review the  
4       State Board's report and may approve or disapprove, by  
5       joint resolution, the addition of District Intervention  
6       Money. If the General Assembly fails to act on the report  
7       within 40 calendar days from the receipt of the report,  
8       the addition of District Intervention Money is deemed  
9       approved. If the General Assembly approves the amount of  
10      District Intervention Money to be added to the  
11      Organizational Unit's Base Funding Minimum, the District  
12      Intervention Money must be added to the Base Funding  
13      Minimum annually thereafter.

14       For the first 4 years following the initial year that  
15       the State Board determines that an Organizational Unit has  
16       met the criteria set forth in this paragraph (3) and has  
17       received funding under this Section, the Organizational  
18       Unit must annually submit to the State Board, on or before  
19       November 30, a progress report regarding its financial and  
20       strategic plan under subparagraph (C) of this paragraph  
21       (3). The plan shall include the financial data from the  
22       past 4 annual financial reports or financial audits that  
23       must be presented to the State Board by November 15 of each  
24       year and the approved budget financial data for the  
25       current year. The plan shall be developed according to the  
26       guidelines presented to the Organizational Unit by the

1       State Board. The plan shall further include financial  
2       projections for the next 3 fiscal years and include a  
3       discussion and financial summary of the Organizational  
4       Unit's facility needs. If the Organizational Unit does not  
5       demonstrate sufficient progress toward its 5-year plan or  
6       if it has failed to file an annual financial report, an  
7       annual budget, a financial plan, a deficit reduction plan,  
8       or other financial information as required by law, the  
9       State Board may establish a Financial Oversight Panel  
10      under Article 1H of this Code. However, if the  
11      Organizational Unit already has a Financial Oversight  
12      Panel, the State Board may extend the duration of the  
13      Panel.

14      (f) Percent of Adequacy and Final Resources calculation.

15           (1) The Evidence-Based Funding formula establishes a  
16       Percent of Adequacy for each Organizational Unit in order  
17       to place such units into tiers for the purposes of the  
18       funding distribution system described in subsection (g) of  
19       this Section. Initially, an Organizational Unit's  
20       Preliminary Resources and Preliminary Percent of Adequacy  
21       are calculated pursuant to paragraph (2) of this  
22       subsection (f). Then, an Organizational Unit's Final  
23       Resources and Final Percent of Adequacy are calculated to  
24       account for the Organizational Unit's poverty  
25       concentration levels pursuant to paragraphs (3) and (4) of  
26       this subsection (f).

(2) An Organizational Unit's Preliminary Resources are equal to the sum of its Local Capacity Target, CPPRT, and Base Funding Minimum. An Organizational Unit's Preliminary Percent of Adequacy is the lesser of (i) its Preliminary Resources divided by its Adequacy Target or (ii) 100%.

(3) Except for Specially Funded Units, an Organizational Unit's Final Resources are equal to the sum of its Local Capacity, CPPRT, and Adjusted Base Funding Minimum. The Base Funding Minimum of each Specially Funded Unit shall serve as its Final Resources, except that the Base Funding Minimum for State-approved charter schools shall not include any portion of general State aid allocated in the prior year based on the per capita tuition charge times the charter school enrollment.

(4) An Organizational Unit's Final Percent of Adequacy is its Final Resources divided by its Adequacy Target. An Organizational Unit's Adjusted Base Funding Minimum is equal to its Base Funding Minimum less its Supplemental Grant Funding, with the resulting figure added to the product of its Supplemental Grant Funding and Preliminary Percent of Adequacy.

(g) Evidence-Based Funding formula distribution system.

(1) In each school year under the Evidence-Based Funding formula, each Organizational Unit receives funding equal to the sum of its Base Funding Minimum and the unit's allocation of New State Funds determined pursuant to this

1 subsection (g). To allocate New State Funds, the  
2 Evidence-Based Funding formula distribution system first  
3 places all Organizational Units into one of 4 tiers in  
4 accordance with paragraph (3) of this subsection (g),  
5 based on the Organizational Unit's Final Percent of  
6 Adequacy. New State Funds are allocated to each of the 4  
7 tiers as follows: Tier 1 Aggregate Funding equals 50% of  
8 all New State Funds, Tier 2 Aggregate Funding equals 49%  
9 of all New State Funds, Tier 3 Aggregate Funding equals  
10 0.9% of all New State Funds, and Tier 4 Aggregate Funding  
11 equals 0.1% of all New State Funds. Each Organizational  
12 Unit within Tier 1 or Tier 2 receives an allocation of New  
13 State Funds equal to its tier Funding Gap, as defined in  
14 the following sentence, multiplied by the tier's  
15 Allocation Rate determined pursuant to paragraph (4) of  
16 this subsection (g). For Tier 1, an Organizational Unit's  
17 Funding Gap equals the tier's Target Ratio, as specified  
18 in paragraph (5) of this subsection (g), multiplied by the  
19 Organizational Unit's Adequacy Target, with the resulting  
20 amount reduced by the Organizational Unit's Final  
21 Resources. For Tier 2, an Organizational Unit's Funding  
22 Gap equals the tier's Target Ratio, as described in  
23 paragraph (5) of this subsection (g), multiplied by the  
24 Organizational Unit's Adequacy Target, with the resulting  
25 amount reduced by the Organizational Unit's Final  
26 Resources and its Tier 1 funding allocation. To determine

1       the Organizational Unit's Funding Gap, the resulting  
2       amount is then multiplied by a factor equal to one minus  
3       the Organizational Unit's Local Capacity Target  
4       percentage. Each Organizational Unit within Tier 3 or Tier  
5       4 receives an allocation of New State Funds equal to the  
6       product of its Adequacy Target and the tier's Allocation  
7       Rate, as specified in paragraph (4) of this subsection  
8       (g).

9               (2) To ensure equitable distribution of dollars for  
10       all Tier 2 Organizational Units, no Tier 2 Organizational  
11       Unit shall receive fewer dollars per ASE than any Tier 3  
12       Organizational Unit. Each Tier 2 and Tier 3 Organizational  
13       Unit shall have its funding allocation divided by its ASE.  
14       Any Tier 2 Organizational Unit with a funding allocation  
15       per ASE below the greatest Tier 3 allocation per ASE shall  
16       get a funding allocation equal to the greatest Tier 3  
17       funding allocation per ASE multiplied by the  
18       Organizational Unit's ASE. Each Tier 2 Organizational  
19       Unit's Tier 2 funding allocation shall be multiplied by  
20       the percentage calculated by dividing the original Tier 2  
21       Aggregate Funding by the sum of all Tier 2 Organizational  
22       Units' Tier 2 funding allocation after adjusting  
23       districts' funding below Tier 3 levels.

24               (3) Organizational Units are placed into one of 4  
25       tiers as follows:

26                       (A) Tier 1 consists of all Organizational Units,

1                   except for Specially Funded Units, with a Percent of  
2                   Adequacy less than the Tier 1 Target Ratio. The Tier 1  
3                   Target Ratio is the ratio level that allows for Tier 1  
4                   Aggregate Funding to be distributed, with the Tier 1  
5                   Allocation Rate determined pursuant to paragraph (4)  
6                   of this subsection (g).

7                   (B) Tier 2 consists of all Tier 1 Units and all  
8                   other Organizational Units, except for Specially  
9                   Funded Units, with a Percent of Adequacy of less than  
10                  0.90.

11                  (C) Tier 3 consists of all Organizational Units,  
12                  except for Specially Funded Units, with a Percent of  
13                  Adequacy of at least 0.90 and less than 1.0.

14                  (D) Tier 4 consists of all Organizational Units  
15                  with a Percent of Adequacy of at least 1.0.

16                  (4) The Allocation Rates for Tiers 1 through 4 are  
17                  determined as follows:

18                  (A) The Tier 1 Allocation Rate is 30%.

19                  (B) The Tier 2 Allocation Rate is the result of the  
20                  following equation: Tier 2 Aggregate Funding, divided  
21                  by the sum of the Funding Gaps for all Tier 2  
22                  Organizational Units, unless the result of such  
23                  equation is higher than 1.0. If the result of such  
24                  equation is higher than 1.0, then the Tier 2  
25                  Allocation Rate is 1.0.

26                  (C) The Tier 3 Allocation Rate is the result of the

1                   following equation: Tier 3 Aggregate Funding, divided  
2                   by the sum of the Adequacy Targets of all Tier 3  
3                   Organizational Units.

4                   (D) The Tier 4 Allocation Rate is the result of the  
5                   following equation: Tier 4 Aggregate Funding, divided  
6                   by the sum of the Adequacy Targets of all Tier 4  
7                   Organizational Units.

8                   (5) A tier's Target Ratio is determined as follows:

9                   (A) The Tier 1 Target Ratio is the ratio level that  
10                   allows for Tier 1 Aggregate Funding to be distributed  
11                   with the Tier 1 Allocation Rate.

12                   (B) The Tier 2 Target Ratio is 0.90.

13                   (C) The Tier 3 Target Ratio is 1.0.

14                   (6) If, at any point, the Tier 1 Target Ratio is  
15                   greater than 90%, then all Tier 1 funding shall be  
16                   allocated to Tier 2 and no Tier 1 Organizational Unit's  
17                   funding may be identified.

18                   (7) In the event that all Tier 2 Organizational Units  
19                   receive funding at the Tier 2 Target Ratio level, any  
20                   remaining New State Funds shall be allocated to Tier 3 and  
21                   Tier 4 Organizational Units.

22                   (8) If any Specially Funded Units, excluding Glenwood  
23                   Academy, recognized by the State Board do not qualify for  
24                   direct funding following the implementation of Public Act  
25                   100-465 from any of the funding sources included within  
26                   the definition of Base Funding Minimum, the unqualified

1 portion of the Base Funding Minimum shall be transferred  
2 to one or more appropriate Organizational Units as  
3 determined by the State Superintendent based on the prior  
4 year ASE of the Organizational Units.

5 (8.5) If a school district withdraws from a special  
6 education cooperative, the portion of the Base Funding  
7 Minimum that is attributable to the school district may be  
8 redistributed to the school district upon withdrawal. The  
9 school district and the cooperative must include the  
10 amount of the Base Funding Minimum that is to be  
11 reapportioned in their withdrawal agreement and notify the  
12 State Board of the change with a copy of the agreement upon  
13 withdrawal.

14 (9) The Minimum Funding Level is intended to establish  
15 a target for State funding that will keep pace with  
16 inflation and continue to advance equity through the  
17 Evidence-Based Funding formula. The target for State  
18 funding of New Property Tax Relief Pool Funds is  
19 \$50,000,000 for State fiscal year 2019 and subsequent  
20 State fiscal years. The Minimum Funding Level is equal to  
21 \$350,000,000. In addition to any New State Funds, no more  
22 than \$50,000,000 New Property Tax Relief Pool Funds may be  
23 counted toward the Minimum Funding Level. If the sum of  
24 New State Funds and applicable New Property Tax Relief  
25 Pool Funds are less than the Minimum Funding Level, than  
26 funding for tiers shall be reduced in the following

1 manner:

2 (A) First, Tier 4 funding shall be reduced by an  
3 amount equal to the difference between the Minimum  
4 Funding Level and New State Funds until such time as  
5 Tier 4 funding is exhausted.

6 (B) Next, Tier 3 funding shall be reduced by an  
7 amount equal to the difference between the Minimum  
8 Funding Level and New State Funds and the reduction in  
9 Tier 4 funding until such time as Tier 3 funding is  
10 exhausted.

11 (C) Next, Tier 2 funding shall be reduced by an  
12 amount equal to the difference between the Minimum  
13 Funding Level and New State Funds and the reduction in  
14 Tier 4 and Tier 3.

15 (D) Finally, Tier 1 funding shall be reduced by an  
16 amount equal to the difference between the Minimum  
17 Funding level and New State Funds and the reduction in  
18 Tier 2, 3, and 4 funding. In addition, the Allocation  
19 Rate for Tier 1 shall be reduced to a percentage equal  
20 to the Tier 1 Allocation Rate set by paragraph (4) of  
21 this subsection (g), multiplied by the result of New  
22 State Funds divided by the Minimum Funding Level.

23 (9.5) For State fiscal year 2019 and subsequent State  
24 fiscal years, if New State Funds exceed \$300,000,000, then  
25 any amount in excess of \$300,000,000 shall be dedicated  
26 for purposes of Section 2-3.170 of this Code up to a

1 maximum of \$50,000,000.

2 (10) In the event of a decrease in the amount of the  
3 appropriation for this Section in any fiscal year after  
4 implementation of this Section, the Organizational Units  
5 receiving Tier 1 and Tier 2 funding, as determined under  
6 paragraph (3) of this subsection (g), shall be held  
7 harmless by establishing a Base Funding Guarantee equal to  
8 the per pupil kindergarten through grade 12 funding  
9 received in accordance with this Section in the prior  
10 fiscal year. Reductions shall be made to the Base Funding  
11 Minimum of Organizational Units in Tier 3 and Tier 4 on a  
12 per pupil basis equivalent to the total number of the ASE  
13 in Tier 3-funded and Tier 4-funded Organizational Units  
14 divided by the total reduction in State funding. The Base  
15 Funding Minimum as reduced shall continue to be applied to  
16 Tier 3 and Tier 4 Organizational Units and adjusted by the  
17 relative formula when increases in appropriations for this  
18 Section resume. In no event may State funding reductions  
19 to Organizational Units in Tier 3 or Tier 4 exceed an  
20 amount that would be less than the Base Funding Minimum  
21 established in the first year of implementation of this  
22 Section. If additional reductions are required, all school  
23 districts shall receive a reduction by a per pupil amount  
24 equal to the aggregate additional appropriation reduction  
25 divided by the total ASE of all Organizational Units.

26 (11) The State Superintendent shall make minor

1       adjustments to the distribution formula set forth in this  
2       subsection (g) to account for the rounding of percentages  
3       to the nearest tenth of a percentage and dollar amounts to  
4       the nearest whole dollar.

5       (h) State Superintendent administration of funding and  
6       district submission requirements.

7               (1) The State Superintendent shall, in accordance with  
8       appropriations made by the General Assembly, meet the  
9       funding obligations created under this Section.

10              (2) The State Superintendent shall calculate the  
11       Adequacy Target for each Organizational Unit under this  
12       Section. No Evidence-Based Funding shall be distributed  
13       within an Organizational Unit without the approval of the  
14       unit's school board.

15              (3) Annually, the State Superintendent shall calculate  
16       and report to each Organizational Unit the unit's  
17       aggregate financial adequacy amount, which shall be the  
18       sum of the Adequacy Target for each Organizational Unit.  
19       The State Superintendent shall calculate and report  
20       separately for each Organizational Unit the unit's total  
21       State funds allocated for its students with disabilities.  
22       The State Superintendent shall calculate and report  
23       separately for each Organizational Unit the amount of  
24       funding and applicable FTE calculated for each Essential  
25       Element of the unit's Adequacy Target.

26              (4) Annually, the State Superintendent shall calculate

1 and report to each Organizational Unit the amount the unit  
2 must expend on special education and bilingual education  
3 and computer technology and equipment for Organizational  
4 Units assigned to Tier 1 or Tier 2 that received an  
5 additional \$285.50 per student computer technology and  
6 equipment investment grant to their Adequacy Target  
7 pursuant to the unit's Base Funding Minimum, Special  
8 Education Allocation, Bilingual Education Allocation, and  
9 computer technology and equipment investment allocation.

10 (5) Moneys distributed under this Section shall be  
11 calculated on a school year basis, but paid on a fiscal  
12 year basis, with payments beginning in August and  
13 extending through June. Unless otherwise provided, the  
14 moneys appropriated for each fiscal year shall be  
15 distributed in 22 equal payments at least 2 times monthly  
16 to each Organizational Unit. If moneys appropriated for  
17 any fiscal year are distributed other than monthly, the  
18 distribution shall be on the same basis for each  
19 Organizational Unit.

20 (6) Any school district that fails, for any given  
21 school year, to maintain school as required by law or to  
22 maintain a recognized school is not eligible to receive  
23 Evidence-Based Funding. In case of non-recognition of one  
24 or more attendance centers in a school district otherwise  
25 operating recognized schools, the claim of the district  
26 shall be reduced in the proportion that the enrollment in

1       the attendance center or centers bears to the enrollment  
2       of the school district. "Recognized school" means any  
3       public school that meets the standards for recognition by  
4       the State Board. A school district or attendance center  
5       not having recognition status at the end of a school term  
6       is entitled to receive State aid payments due upon a legal  
7       claim that was filed while it was recognized.

8               (7) School district claims filed under this Section  
9       are subject to Sections 18-9 and 18-12 of this Code,  
10      except as otherwise provided in this Section.

11               (8) Each fiscal year, the State Superintendent shall  
12      calculate for each Organizational Unit an amount of its  
13      Base Funding Minimum and Evidence-Based Funding that shall  
14      be deemed attributable to the provision of special  
15      educational facilities and services, as defined in Section  
16      14-1.08 of this Code, in a manner that ensures compliance  
17      with maintenance of State financial support requirements  
18      under the federal Individuals with Disabilities Education  
19      Act. An Organizational Unit must use such funds only for  
20      the provision of special educational facilities and  
21      services, as defined in Section 14-1.08 of this Code, and  
22      must comply with any expenditure verification procedures  
23      adopted by the State Board.

24               (9) All Organizational Units in this State must submit  
25      annual spending plans, as part of the budget submission  
26      process, no later than October 31 of each year to the State

1       Board. The spending plan shall describe how each  
2       Organizational Unit will utilize the Base Funding Minimum  
3       and Evidence-Based Funding it receives from this State  
4       under this Section with specific identification of the  
5       intended utilization of Low-Income, English learner, and  
6       special education resources. Additionally, the annual  
7       spending plans of each Organizational Unit shall describe  
8       how the Organizational Unit expects to achieve student  
9       growth and how the Organizational Unit will achieve State  
10      education goals, as defined by the State Board, and shall  
11      indicate which stakeholder groups the Organizational Unit  
12      engaged with to inform its annual spending plans. The  
13      State Superintendent may, from time to time, identify  
14      additional requisites for Organizational Units to satisfy  
15      when compiling the annual spending plans required under  
16      this subsection (h). The format and scope of annual  
17      spending plans shall be developed by the State  
18      Superintendent and the State Board of Education. School  
19      districts that serve students under Article 14C of this  
20      Code shall continue to submit information as required  
21      under Section 14C-12 of this Code. Annual spending plans  
22      required under this subsection (h) shall be integrated  
23      into annual school district budgets completed pursuant to  
24      Section 17-1 or Section 34-43. Organizational Units that  
25      do not submit a budget to the State Board shall be provided  
26      with a separate planning template developed by the State

1       Board. The State Board shall create an Evidence-Based  
2       Funding spending plan tool to make Evidence-Based Funding  
3       spending plan data for each Organizational Unit available  
4       on the State Board's website no later than December 31,  
5       2025, with annual updates thereafter. The tool shall allow  
6       for the selection and review of each Organizational Unit's  
7       planned use of Evidence-Based Funding.

8               (10) No later than January 1, 2018, the State  
9       Superintendent shall develop a 5-year strategic plan for  
10       all Organizational Units to help in planning for adequacy  
11       funding under this Section. The State Superintendent shall  
12       submit the plan to the Governor and the General Assembly,  
13       as provided in Section 3.1 of the General Assembly  
14       Organization Act. The plan shall include recommendations  
15       for:

16                       (A) a framework for collaborative, professional,  
17       innovative, and 21st century learning environments  
18       using the Evidence-Based Funding model;

19                       (B) ways to prepare and support this State's  
20       educators for successful instructional careers;

21                       (C) application and enhancement of the current  
22       financial accountability measures, the approved State  
23       plan to comply with the federal Every Student Succeeds  
24       Act, and the Illinois Balanced Accountability Measures  
25       in relation to student growth and elements of the  
26       Evidence-Based Funding model; and

(D) implementation of an effective school adequacy funding system based on projected and recommended funding levels from the General Assembly.

(11) On an annual basis, the State Superintendent must recalibrate all of the following per pupil elements of the Adequacy Target and applied to the formulas, based on the study of average expenses and as reported in the most recent annual financial report:

(A) Gifted under subparagraph (M) of paragraph (2) of subsection (b).

(B) Instructional materials under subparagraph (O) of paragraph (2) of subsection (b).

(C) Assessment under subparagraph (P) of paragraph (2) of subsection (b).

(D) Student activities under subparagraph (R) of paragraph (2) of subsection (b).

(E) Maintenance and operations under subparagraph (S) of paragraph (2) of subsection (b).

(F) Central office under subparagraph (T) of paragraph (2) of subsection (b).

(i) Professional Review Panel.

(1) A Professional Review Panel is created to study and review topics related to the implementation and effect of Evidence-Based Funding, as assigned by a joint resolution or Public Act of the General Assembly or a motion passed by the State Board of Education. The Panel

1 must provide recommendations to and serve the Governor,  
2 the General Assembly, and the State Board. The State  
3 Superintendent or his or her designee must serve as a  
4 voting member and chairperson of the Panel. The State  
5 Superintendent must appoint a vice chairperson from the  
6 membership of the Panel. The Panel must advance  
7 recommendations based on a three-fifths majority vote of  
8 Panel members present and voting. A minority opinion may  
9 also accompany any recommendation of the Panel. The Panel  
10 shall be appointed by the State Superintendent, except as  
11 otherwise provided in paragraph (2) of this subsection (i)  
12 and include the following members:

13 (A) Two appointees that represent district  
14 superintendents, recommended by a statewide  
15 organization that represents district superintendents.

16 (B) Two appointees that represent school boards,  
17 recommended by a statewide organization that  
18 represents school boards.

19 (C) Two appointees from districts that represent  
20 school business officials, recommended by a statewide  
21 organization that represents school business  
22 officials.

23 (D) Two appointees that represent school  
24 principals, recommended by a statewide organization  
25 that represents school principals.

26 (E) Two appointees that represent teachers,

1                   recommended by a statewide organization that  
2                   represents teachers.

3                   (F) Two appointees that represent teachers,  
4                   recommended by another statewide organization that  
5                   represents teachers.

6                   (G) Two appointees that represent regional  
7                   superintendents of schools, recommended by  
8                   organizations that represent regional superintendents.

9                   (H) Two independent experts selected solely by the  
10                   State Superintendent.

11                   (I) Two independent experts recommended by public  
12                   universities in this State.

13                   (J) One member recommended by a statewide  
14                   organization that represents parents.

15                   (K) Two representatives recommended by collective  
16                   impact organizations that represent major metropolitan  
17                   areas or geographic areas in Illinois.

18                   (L) One member from a statewide organization  
19                   focused on research-based education policy to support  
20                   a school system that prepares all students for  
21                   college, a career, and democratic citizenship.

22                   (M) One representative from a school district  
23                   organized under Article 34 of this Code.

24                   The State Superintendent shall ensure that the  
25                   membership of the Panel includes representatives from  
26                   school districts and communities reflecting the

1 geographic, socio-economic, racial, and ethnic diversity  
2 of this State. The State Superintendent shall additionally  
3 ensure that the membership of the Panel includes  
4 representatives with expertise in bilingual education and  
5 special education. Staff from the State Board shall staff  
6 the Panel.

7 (2) In addition to those Panel members appointed by  
8 the State Superintendent, 4 members of the General  
9 Assembly shall be appointed as follows: one member of the  
10 House of Representatives appointed by the Speaker of the  
11 House of Representatives, one member of the Senate  
12 appointed by the President of the Senate, one member of  
13 the House of Representatives appointed by the Minority  
14 Leader of the House of Representatives, and one member of  
15 the Senate appointed by the Minority Leader of the Senate.  
16 There shall be one additional member appointed by the  
17 Governor. All members appointed by legislative leaders or  
18 the Governor shall be non-voting, *ex officio* members.

19 (3) The Panel must study topics at the direction of  
20 the General Assembly or State Board of Education, as  
21 provided under paragraph (1). The Panel may also study the  
22 following topics at the direction of the chairperson:

23 (A) The format and scope of annual spending plans  
24 referenced in paragraph (9) of subsection (h) of this  
25 Section.

26 (B) The Comparable Wage Index under this Section.

(C) Maintenance and operations, including capital maintenance and construction costs.

(D) "At-risk student" definition.

(E) Benefits.

(F) Technology.

(G) Local Capacity Target.

(H) Funding for Alternative Schools, Laboratory Schools, safe schools, and alternative learning opportunities programs.

(I) Funding for college and career acceleration strategies.

(J) Special education investments.

(K) Early childhood investments, in collaboration with the Illinois Early Learning Council.

(4) (Blank).

(5) Within 5 years after the implementation of this Section, and every 5 years thereafter, the Panel shall complete an evaluative study of the entire Evidence-Based Funding model, including an assessment of whether or not the formula is achieving State goals. The Panel shall report to the State Board, the General Assembly, and the Governor on the findings of the study.

(6) (Blank).

(7) To ensure that (i) the Adequacy Target calculation under subsection (b) accurately reflects the needs of students living in poverty or attending schools located in

1       areas of high poverty, (ii) racial equity within the  
2       Evidence-Based Funding formula is explicitly explored and  
3       advanced, and (iii) the funding goals of the formula  
4       distribution system established under this Section are  
5       sufficient to provide adequate funding for every student  
6       and to fully fund every school in this State, the Panel  
7       shall review the Essential Elements under paragraph (2) of  
8       subsection (b). The Panel shall consider all of the  
9       following in its review:

10                   (A) The financial ability of school districts to  
11                   provide instruction in a foreign language to every  
12                   student and whether an additional Essential Element  
13                   should be added to the formula to ensure that every  
14                   student has access to instruction in a foreign  
15                   language.

16                   (B) The adult-to-student ratio for each Essential  
17                   Element in which a ratio is identified. The Panel  
18                   shall consider whether the ratio accurately reflects  
19                   the staffing needed to support students living in  
20                   poverty or who have traumatic backgrounds.

21                   (C) Changes to the Essential Elements that may be  
22                   required to better promote racial equity and eliminate  
23                   structural racism within schools.

24                   (D) The impact of investing \$350,000,000 in  
25                   additional funds each year under this Section and an  
26                   estimate of when the school system will become fully

1 funded under this level of appropriation.

2 (E) Provide an overview of alternative funding  
3 structures that would enable the State to become fully  
4 funded at an earlier date.

5 (F) The potential to increase efficiency and to  
6 find cost savings within the school system to expedite  
7 the journey to a fully funded system.

8 (G) The appropriate levels for reenrolling and  
9 graduating high-risk high school students who have  
10 been previously out of school. These outcomes shall  
11 include enrollment, attendance, skill gains, credit  
12 gains, graduation or promotion to the next grade  
13 level, and the transition to college, training, or  
14 employment, with an emphasis on progressively  
15 increasing the overall attendance.

16 (H) The evidence-based or research-based practices  
17 that are shown to reduce the gaps and disparities  
18 experienced by African American students in academic  
19 achievement and educational performance, including  
20 practices that have been shown to reduce disparities  
21 in disciplinary rates, drop-out rates, graduation  
22 rates, college matriculation rates, and college  
23 completion rates.

24 On or before December 31, 2021, the Panel shall report  
25 to the State Board, the General Assembly, and the Governor  
26 on the findings of its review. This paragraph (7) is

1                   inoperative on and after July 1, 2022.

2                   (8) On or before April 1, 2024, the Panel must submit a  
3                   report to the General Assembly on annual adjustments to  
4                   Glenwood Academy's base-funding minimum in a similar  
5                   fashion to school districts under this Section.

6                   (j) References. Beginning July 1, 2017, references in  
7                   other laws to general State aid funds or calculations under  
8                   Section 18-8.05 of this Code (now repealed) shall be deemed to  
9                   be references to evidence-based model formula funds or  
10                  calculations under this Section.

11                  (Source: P.A. 102-33, eff. 6-25-21; 102-197, eff. 7-30-21;  
12                  102-558, eff. 8-20-21; 102-699, eff. 4-19-22; 102-782, eff.  
13                  1-1-23; 102-813, eff. 5-13-22; 102-894, eff. 5-20-22; 103-8,  
14                  eff. 6-7-23; 103-154, eff. 6-30-23; 103-175, eff. 6-30-23;  
15                  103-605, eff. 7-1-24; 103-780, eff. 8-2-24; 103-802, eff.  
16                  1-1-25; revised 11-26-24.)