



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB1983

Introduced 2/6/2025, by Sen. Mary Edly-Allen

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 09170 LNS 19226 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

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

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

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

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

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

26 (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.

1 "Organizational Unit CWI" is determined by calculating
2 the CWI in the region and original county in which an
3 Organizational Unit's primary administrative office is
4 located as set forth in this paragraph, provided that if
5 the Organizational Unit CWI as calculated in accordance
6 with this paragraph is less than 0.9, the Organizational
7 Unit CWI shall be increased to 0.9. Each county's current
8 CWI value shall be adjusted based on the CWI value of that
9 county's neighboring Illinois counties, to create a
10 "weighted adjusted index value". This shall be calculated
11 by summing the CWI values of all of a county's adjacent
12 Illinois counties and dividing by the number of adjacent
13 Illinois counties, then taking the weighted value of the
14 original county's CWI value and the adjacent Illinois
15 county average. To calculate this weighted value, if the
16 number of adjacent Illinois counties is greater than 2,
17 the original county's CWI value will be weighted at 0.25
18 and the adjacent Illinois county average will be weighted
19 at 0.75. If the number of adjacent Illinois counties is 2,
20 the original county's CWI value will be weighted at 0.33
21 and the adjacent Illinois county average will be weighted
22 at 0.66. The greater of the county's current CWI value and
23 its weighted adjusted index value shall be used as the
24 Organizational Unit CWI.

25 "Preceding Tax Year" means the property tax levy year
26 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

1 Organizational Unit shall receive the funding required
2 to support that number of FTE core teacher positions
3 as is needed to keep the respective class sizes of the
4 Organizational Unit to the following maximum numbers:

5 (i) For grades kindergarten through 3, the
6 Organizational Unit shall receive funding required
7 to support one FTE core teacher position for every
8 15 Low-Income Count students in those grades and
9 one FTE core teacher position for every 20
10 non-Low-Income Count students in those grades.

11 (ii) For grades 4 through 12, the
12 Organizational Unit shall receive funding required
13 to support one FTE core teacher position for every
14 20 Low-Income Count students in those grades and
15 one FTE core teacher position for every 25
16 non-Low-Income Count students in those grades.

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

21 (B) Specialist teacher investments. Each
22 Organizational Unit shall receive the funding needed
23 to cover that number of FTE specialist teacher
24 positions that correspond to the following
25 percentages:

26 (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;

1 (iii) for Organizational Units serving grades
2 9 through 12, the Local Capacity Ratio shall be
3 multiplied by 4/13; and

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

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

1 Laboratory School. For a regional office of education
2 or an intermediate service center operating one or
3 more alternative education programs, the Local
4 Capacity Percentage must be set at 10% in recognition
5 of the absence of EAV and resources from school
6 districts that are allocated to the regional office of
7 education or intermediate service center. The weighted
8 mean for the Local Capacity Percentage shall be
9 determined by multiplying each Organizational Unit's
10 Local Capacity Ratio times the ASE for the unit
11 creating a weighted value, summing the weighted values
12 of all Organizational Units, and dividing by the total
13 ASE of all Organizational Units. The weighted standard
14 deviation shall be determined by taking the square
15 root of the weighted variance of all Organizational
16 Units' Local Capacity Ratio, where the variance is
17 calculated by squaring the difference between each
18 unit's Local Capacity Ratio and the weighted mean,
19 then multiplying the variance for each unit times the
20 ASE for the unit to create a weighted variance for each
21 unit, then summing all units' weighted variance and
22 dividing by the total ASE of all units.

23 (D) For any Organizational Unit, the
24 Organizational Unit's Adjusted Local Capacity Target
25 shall be reduced by either (i) the school board's
26 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

1 amount of any abatement of taxes under subsection (a)
2 of Section 18-165 of the Property Tax Code by the same
3 percentage rates for district type as specified in
4 this subparagraph (B-5).

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

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

21 (4) An Organizational Unit's Adjusted EAV shall be the
22 average of its EAV over the immediately preceding 3 years
23 or the lesser of its EAV in the immediately preceding year
24 or the average of its EAV over the immediately preceding 3
25 years if the EAV in the immediately preceding year has
26 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 (truants' 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 it 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).

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

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

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

22 (g) Evidence-Based Funding formula distribution system.

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

subsection (g). To allocate New State Funds, the Evidence-Based Funding formula distribution system first places all Organizational Units into one of 4 tiers in accordance with paragraph (3) of this subsection (g), based on the Organizational Unit's Final Percent of Adequacy. New State Funds are allocated to each of the 4 tiers as follows: Tier 1 Aggregate Funding equals 50% of all New State Funds, Tier 2 Aggregate Funding equals 49% of all New State Funds, Tier 3 Aggregate Funding equals 0.9% of all New State Funds, and Tier 4 Aggregate Funding equals 0.1% of all New State Funds. Each Organizational Unit within Tier 1 or Tier 2 receives an allocation of New State Funds equal to its tier Funding Gap, as defined in the following sentence, multiplied by the tier's Allocation Rate determined pursuant to paragraph (4) of this subsection (g). For Tier 1, an Organizational Unit's Funding Gap equals the tier's Target Ratio, as specified in paragraph (5) of this subsection (g), multiplied by the Organizational Unit's Adequacy Target, with the resulting amount reduced by the Organizational Unit's Final Resources. For Tier 2, an Organizational Unit's Funding Gap equals the tier's Target Ratio, as described in paragraph (5) of this subsection (g), multiplied by the Organizational Unit's Adequacy Target, with the resulting amount reduced by the Organizational Unit's Final 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

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

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

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

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

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

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

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

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

21 (i) Professional Review Panel.

22 (1) A Professional Review Panel is created to study
23 and review topics related to the implementation and effect
24 of Evidence-Based Funding, as assigned by a joint
25 resolution or Public Act of the General Assembly or a
26 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.

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

3 (D) "At-risk student" definition.

4 (E) Benefits.

5 (F) Technology.

6 (G) Local Capacity Target.

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

10 (I) Funding for college and career acceleration
11 strategies.

12 (J) Special education investments.

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

15 (4) (Blank).

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

23 (6) (Blank).

24 (7) To ensure that (i) the Adequacy Target calculation
25 under subsection (b) accurately reflects the needs of
26 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.)