

## Rep. Rita Mayfield

## Filed: 4/12/2021

	10200HB0007ham001 LRB102 02691 CMG 2404	7 a
1	AMENDMENT TO HOUSE BILL 7	
2	AMENDMENT NO Amend House Bill 7 by replace	ing
3	everything after the enacting clause with the following:	
4	"Section 1. This Act may be referred to as the Classro	oms
5	First Act.	
6 7	Section 5. The School Code is amended by changing Sect 11E-135 and by adding Section 11E-140 as follows:	ion
8	(105 ILCS 5/11E-135)	
9	Sec. 11E-135. Incentives. Except as provided under Sect	ion
10	11E-140, for For districts reorganizing under this Article	and
11	for a district or districts that annex all of the territory	, of
12	one or more entire other school districts in accordance w	<i>i</i> ith
13	Article 7 of this Code, the following payments shall be m	nade
14	from appropriations made for these purposes:	
1 5	(a) (1) For a combined cabool district as defined	

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Section 11E-20 of this Code, or for a unit district, as defined in Section 11E-25 of this Code, for its first year of existence, the general State aid and supplemental general State aid calculated under Section 18-8.05 of this Code or the evidence-based funding calculated under Section 18-8.15 of this Code, as applicable, shall be computed for the new district and for the previously existing districts for which property is totally included within the new district. If the computation on the basis of the previously existing districts is greater, a supplementary payment equal to the difference shall be made for the first 4 years of existence of the new district.

(2) For a school district that annexes all of the territory of one or more entire other school districts as defined in Article 7 of this Code, for the first year during which the change of boundaries attributable to the annexation becomes effective for all purposes, as determined under Section 7-9 of this Code, the general State aid and supplemental general State aid calculated under Section 18-8.05 of this Code or the evidence-based funding calculated under Section 18-8.15 of this Code, as applicable, shall be computed for the annexing district as constituted after the annexation and for the annexing and each annexed district as constituted prior to the annexation; and if the computation on the basis of the annexation is greater, then a supplementary

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payment equal to the difference shall be made for the first 4 years of existence of the annexing school district as constituted upon the annexation.

(3) For 2 or more school districts that annex all of the territory of one or more entire other school districts, as defined in Article 7 of this Code, for the first year during which the change of boundaries attributable to the annexation effective for all purposes, as determined under Section 7-9 of this Code, the general State aid and supplemental general State aid calculated under Section 18-8.05 of this Code or the evidence-based funding calculated under Section 18-8.15 of this Code, as applicable, shall be computed for each annexing district as constituted after the annexation and for each annexing and annexed district as constituted prior to the annexation; and if the aggregate of the general State aid and supplemental general State aid or evidence-based funding, as applicable, as so computed for the annexing districts as constituted after the annexation is less than the aggregate of the general State aid and supplemental general State aid or evidence-based funding, as applicable, as so computed for the annexing and annexed districts, as constituted prior to the annexation, then a supplementary payment equal to the difference shall be made and allocated between or among the annexing districts, as constituted upon the annexation, for the first 4 years of their existence. The total difference payment shall be allocated between or among

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the annexing districts in the same ratio as the pupil enrollment from that portion of the annexed district or districts that is annexed to each annexing district bears to the total pupil enrollment from the entire annexed district or districts, as such pupil enrollment is determined for the school year last ending prior to the date when the change of boundaries attributable to the annexation becomes effective for all purposes. The amount of the total difference payment and the amount thereof to be allocated to the annexing districts shall be computed by the State Board of Education on the basis of pupil enrollment and other data that shall be certified to the State Board of Education, on forms that it shall provide for that purpose, by the regional superintendent of schools for each educational service region in which the annexing and annexed districts are located.

(4) For a school district conversion, as defined in Section 11E-15 of this Code, or a multi-unit conversion, as defined in subsection (b) of Section 11E-30 of this Code, if in their first year of existence the newly created elementary districts and the newly created high school district, from a school district conversion, or the newly created elementary district or districts and newly created combined high school - unit district, from a multi-unit conversion, qualify for less general State aid under Section 18-8.05 of this Code or evidence-based funding under Section 18-8.15 of this Code than would have been payable under Section 18-8.05 or 18-8.15, as

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applicable, for that same year to the previously existing districts, then a supplementary payment equal to that difference shall be made for the first 4 years of existence of the newly created districts. The aggregate amount of each supplementary payment shall be allocated among the newly created districts in the proportion that the deemed pupil enrollment in each district during its first year of existence bears to the actual aggregate pupil enrollment in all of the districts during their first year of existence. For purposes of each allocation:

- (A) the deemed pupil enrollment of the newly created high school district from a school district conversion shall be an amount equal to its actual pupil enrollment for its first year of existence multiplied by 1.25;
- (B) the deemed pupil enrollment of each newly created elementary district from a school district conversion shall be an amount equal to its actual pupil enrollment for its first year of existence reduced by an amount equal to the product obtained when the amount by which the newly created high school district's deemed pupil enrollment exceeds its actual pupil enrollment for its first year of existence is multiplied by a fraction, the numerator of which is the actual pupil enrollment of the newly created elementary district for its first year of existence and the denominator of which is the actual aggregate pupil enrollment of all of the newly created elementary

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districts for their first year of existence;

- (C) the deemed high school pupil enrollment of the newly created combined high school unit district from a multi-unit conversion shall be an amount equal to its actual grades 9 through 12 pupil enrollment for its first year of existence multiplied by 1.25; and
- newly created district from a multi-unit conversion shall be an amount equal to each district's actual grade K through 8 pupil enrollment for its first year of existence, reduced by an amount equal to the product obtained when the amount by which the newly created combined high school unit district's deemed high school pupil enrollment exceeds its actual grade 9 through 12 pupil enrollment for its first year of existence is multiplied by a fraction, the numerator of which is the actual grade K through 8 pupil enrollment of each newly created district for its first year of existence and the denominator of which is the actual aggregate grade K through 8 pupil enrollment of all such newly created districts for their first year of existence.

The aggregate amount of each supplementary payment under this subdivision (4) and the amount thereof to be allocated to the newly created districts shall be computed by the State Board of Education on the basis of pupil enrollment and other data, which shall be certified to the State Board of

- 1 Education, on forms that it shall provide for that purpose, by
- 2 the regional superintendent of schools for each educational
- 3 service region in which the newly created districts are
- 4 located.
- 5 (5) For a partial elementary unit district, as defined in
- 6 subsection (a) or (c) of Section 11E-30 of this Code, if, in
- 7 the first year of existence, the newly created partial
- 8 elementary unit district qualifies for less general State aid
- 9 and supplemental general State aid under Section 18-8.05 of
- this Code or less evidence-based funding under Section 18-8.15
- of this Code, as applicable, than would have been payable
- 12 under those Sections for that same year to the previously
- 13 existing districts that formed the partial elementary unit
- 14 district, then a supplementary payment equal to that
- 15 difference shall be made to the partial elementary unit
- 16 district for the first 4 years of existence of that newly
- 17 created district.
- 18 (6) For an elementary opt-in, as described in subsection
- 19 (d) of Section 11E-30 of this Code, the general State aid or
- 20 evidence-based funding difference shall be computed in
- 21 accordance with paragraph (5) of this subsection (a) as if the
- 22 elementary opt-in was included in an optional elementary unit
- 23 district at the optional elementary unit district's original
- 24 effective date. If the calculation in this paragraph (6) is
- less than that calculated in paragraph (5) of this subsection
- 26 (a) at the optional elementary unit district's original

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- effective date, then no adjustments may be made. If the calculation in this paragraph (6) is more than that calculated in paragraph (5) of this subsection (a) at the optional elementary unit district's original effective date, then the excess must be paid as follows:
  - (A) If the effective date for the elementary opt-in is one year after the effective date for the optional elementary unit district, 100% of the calculated excess shall be paid to the optional elementary unit district in each of the first 4 years after the effective date of the elementary opt-in.
  - (B) If the effective date for the elementary opt-in is 2 years after the effective date for the optional elementary unit district, 75% of the calculated excess shall be paid to the optional elementary unit district in each of the first 4 years after the effective date of the elementary opt-in.
  - (C) If the effective date for the elementary opt-in is 3 years after the effective date for the optional elementary unit district, 50% of the calculated excess shall be paid to the optional elementary unit district in each of the first 4 years after the effective date of the elementary opt-in.
  - (D) If the effective date for the elementary opt-in is 4 years after the effective date for the optional elementary unit district, 25% of the calculated excess

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shall be paid to the optional elementary unit district in each of the first 4 years after the effective date of the elementary opt-in.

- (E) If the effective date for the elementary opt-in is 5 years after the effective date for the optional elementary unit district, the optional elementary unit district is not eligible for any additional incentives due to the elementary opt-in.
- (6.5) For a school district that annexes territory detached from another school district whereby the enrollment of the annexing district increases by 90% or more as a result of the annexation, for the first year during which the change of boundaries attributable to the annexation becomes effective for all purposes as determined under Section 7-9 of this Code, the general State aid and supplemental general State aid or evidence-based funding, as applicable, calculated under this Section shall be computed for the district gaining territory and the district losing territory as constituted after the annexation and for the same districts as constituted prior to the annexation; and if the aggregate of the general State aid and supplemental general State aid or evidence-based funding, as applicable, as so computed for the district gaining territory and the district losing territory as constituted after the annexation is less than the aggregate of the general State aid and supplemental general State aid or evidence-based funding, as applicable, as so computed for the district

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gaining territory and the district losing territory as constituted prior to the annexation, then a supplementary payment shall be made to the annexing district for the first 4 years of existence after the annexation, equal to the difference multiplied by the ratio of student enrollment in the territory detached to the total student enrollment in the district losing territory for the year prior to the effective date of the annexation. The amount of the total difference and the proportion paid to the annexing district shall be computed by the State Board of Education on the basis of pupil enrollment and other data that must be submitted to the State Board of Education in accordance with Section 7-14A of this Code. The changes to this Section made by Public Act 95-707 are intended to be retroactive and applicable to any annexation taking effect on or after July 1, 2004. For annexations that are eligible for payments under this paragraph (6.5) and that are effective on or after July 1, 2004, but before January 11, 2008 (the effective date of Public Act 95-707), the first required yearly payment under this paragraph (6.5) shall be paid in the fiscal year of January 11, 2008 (the effective date of Public Act 95-707). Subsequent required yearly payments shall be paid in subsequent fiscal years until the payment obligation under this paragraph (6.5) is complete.

(7) Claims for financial assistance under this subsection

(a) may not be recomputed except as expressly provided under

Section 18-8.05 or 18-8.15 of this Code.

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- (8) Any supplementary payment made under this subsection
  (a) must be treated as separate from all other payments made
  pursuant to Section 18-8.05 or 18-8.15 of this Code.
  - (b) (1) After the formation of a combined school district, as defined in Section 11E-20 of this Code, or a unit district, as defined in Section 11E-25 of this Code, a computation shall be made to determine the difference between the salaries effective in each of the previously existing districts on June 30, prior to the creation of the new district. For the first 4 years after the formation of the new district, a supplementary State aid reimbursement shall be paid to the new district equal to the difference between the sum of the salaries earned by each of the certificated members of the new district, while employed in one of the previously existing districts during the year immediately preceding the formation of the new district, and the sum of the salaries those certificated members would have been paid during the year immediately prior to the formation of the new district if placed on the salary schedule of the previously existing district with the highest salary schedule.
  - (2) After the territory of one or more school districts is annexed by one or more other school districts as defined in Article 7 of this Code, a computation shall be made to determine the difference between the salaries effective in each annexed district and in the annexing district or districts as they were each constituted on June 30 preceding

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the date when the change of boundaries attributable to the annexation became effective for all purposes, as determined under Section 7-9 of this Code. For the first 4 years after the annexation, a supplementary State aid reimbursement shall be paid to each annexing district as constituted after the annexation equal to the difference between the sum of the salaries earned by each of the certificated members of the annexing district as constituted after the annexation, while employed in an annexed or annexing district during the year immediately preceding the annexation, and the sum of the salaries those certificated members would have been paid during the immediately preceding year if placed on the salary schedule of whichever of the annexing or annexed districts had the highest salary schedule during the immediately preceding year.

- (3) For each new high school district formed under a school district conversion, as defined in Section 11E-15 of this Code, the State shall make a supplementary payment for 4 years equal to the difference between the sum of the salaries earned by each certified member of the new high school district, while employed in one of the previously existing districts, and the sum of the salaries those certified members would have been paid if placed on the salary schedule of the previously existing district with the highest salary schedule.
- (4) For each newly created partial elementary unit district, the State shall make a supplementary payment for 4

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years equal to the difference between the sum of the salaries earned by each certified member of the newly created partial elementary unit district, while employed in one of the previously existing districts that formed the partial elementary unit district, and the sum of the salaries those certified members would have been paid if placed on the salary schedule of the previously existing district with the highest salary schedule. The salary schedules used in the calculation shall be those in effect in the previously existing districts for the school year prior to the creation of the new partial elementary unit district.

- (5) For an elementary district opt-in, as described in subsection (d) of Section 11E-30 of this Code, the salary difference incentive shall be computed in accordance with paragraph (4) of this subsection (b) as if the opted-in elementary district was included in the optional elementary unit district at the optional elementary unit district's original effective date. If the calculation in this paragraph (5) is less than that calculated in paragraph (4) of this subsection (b) at the optional elementary unit district's original effective date, then no adjustments may be made. If the calculation in this paragraph (5) is more than that calculated in paragraph (4) of this subsection (b) at the optional elementary unit district's original effective date, then the excess must be paid as follows:
  - (A) If the effective date for the elementary opt-in is

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one year after the effective date for the optional elementary unit district, 100% of the calculated excess shall be paid to the optional elementary unit district in each of the first 4 years after the effective date of the elementary opt-in.

- (B) If the effective date for the elementary opt-in is 2 years after the effective date for the optional elementary unit district, 75% of the calculated excess shall be paid to the optional elementary unit district in each of the first 4 years after the effective date of the elementary opt-in.
- (C) If the effective date for the elementary opt-in is 3 years after the effective date for the optional elementary unit district, 50% of the calculated excess shall be paid to the optional elementary unit district in each of the first 4 years after the effective date of the elementary opt-in.
- (D) If the effective date for the elementary opt-in is 4 years after the effective date for the partial elementary unit district, 25% of the calculated excess shall be paid to the optional elementary unit district in each of the first 4 years after the effective date of the elementary opt-in.
- (E) If the effective date for the elementary opt-in is 5 years after the effective date for the optional elementary unit district, the optional elementary unit

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district is not eligible for any additional incentives due to the elementary opt-in.

(5.5) After the formation of a cooperative high school by 2 or more school districts under Section 10-22.22c of this Code, a computation shall be made to determine the difference between the salaries effective in each of the previously existing high schools on June 30 prior to the formation of the cooperative high school. For the first 4 years after the formation of the cooperative high school, a supplementary State aid reimbursement shall be paid to the cooperative high school equal to the difference between the sum of the salaries earned by each of the certificated members of the cooperative high school while employed in one of the previously existing high schools during the year immediately preceding the formation of the cooperative high school and the sum of the salaries those certificated members would have been paid during the year immediately prior to the formation of the cooperative high school if placed on the salary schedule of the previously existing high school with the highest salary schedule.

(5.10) After the annexation of territory detached from another school district whereby the enrollment of the annexing district increases by 90% or more as a result of the annexation, a computation shall be made to determine the difference between the salaries effective in the district gaining territory and the district losing territory as they

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each were constituted on June 30 preceding the date when the change of boundaries attributable to the annexation became effective for all purposes as determined under Section 7-9 of this Code. For the first 4 years after the annexation, a supplementary State aid reimbursement shall be paid to the annexing district equal to the difference between the sum of the salaries earned by each of the certificated members of the annexing district as constituted after the annexation while employed in the district gaining territory or the district losing territory during the year immediately preceding the annexation and the sum of the salaries those certificated members would have been paid during such immediately preceding year if placed on the salary schedule of whichever of the district gaining territory or district losing territory had the highest salary schedule during the immediately preceding year. To be eligible for supplementary State aid reimbursement under this Section, the intergovernmental agreement to be submitted pursuant to Section 7-14A of this Code must show that staff members were transferred from the control of the district losing territory to the control of the district gaining territory in the annexation. The changes to this Section made by Public Act 95-707 are intended to be retroactive and applicable to any annexation taking effect on or after July 1, 2004. For annexations that are eligible for payments under this paragraph (5.10) and that are effective on or after July 1, 2004, but before January 11, 2008 (the

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effective date of Public Act 95-707), the first required 1 yearly payment under this paragraph (5.10) shall be paid in 2 the fiscal year of January 11, 2008 (the effective date of 3 4 Public Act 95-707). Subsequent required yearly payments shall 5 paid in subsequent fiscal years until the payment obligation under this paragraph (5.10) is complete. 6

(5.15) After the deactivation of a school facility in accordance with Section 10-22.22b of this Code, a computation shall be made to determine the difference between the salaries effective in the sending school district and each receiving school district on June 30 prior to the deactivation of the school facility. For the lesser of the first 4 years after the deactivation of the school facility or the length of the deactivation agreement, including any renewals of the original deactivation agreement, a supplementary State reimbursement shall be paid to each receiving district equal to the difference between the sum of the salaries earned by each of the certificated members transferred to that receiving district as a result of the deactivation while employed in the sending district during the year immediately preceding the deactivation and the sum of the salaries those certificated members would have been paid during the year immediately preceding the deactivation if placed on the salary schedule of the sending or receiving district with the highest salary schedule.

(6) The supplementary State aid reimbursement under this

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subsection (b) shall be treated as separate from all other payments made pursuant to Section 18-8.05 of this Code. In the case of the formation of a new district or cooperative high school or a deactivation, reimbursement shall begin during the first year of operation of the new district or cooperative high school or the first year of the deactivation, and in the case of an annexation of the territory of one or more school districts by one or more other school districts or the annexation of territory detached from a school district whereby the enrollment of the annexing district increases by 90% or more as a result of the annexation, reimbursement shall begin during the first year when the change in boundaries attributable to the annexation becomes effective for all purposes as determined pursuant to Section 7-9 of this Code, except that for an annexation of territory detached from a school district that is effective on or after July 1, 2004, but before January 11, 2008 (the effective date of Public Act 95-707), whereby the enrollment of the annexing district increases by 90% or more as a result of the annexation, reimbursement shall begin during the fiscal year of January 11, 2008 (the effective date of Public Act 95-707). Each year that the new, annexing, or receiving district or cooperative high school, as the case may be, is entitled to receive reimbursement, the number of eligible certified members who are employed on October 1 in the district or cooperative high school shall be certified to the State Board of Education on

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1 prescribed forms by October 15 and payment shall be made on or before November 15 of that year. 2

- (c)(1) For the first year after the formation of a combined school district, as defined in Section 11E-20 of this Code or a unit district, as defined in Section 11E-25 of this Code, a computation shall be made totaling each previously existing district's audited fund balances in the educational fund, working cash fund, operations and maintenance fund, and transportation fund for the year ending June 30 prior to the referendum for the creation of the new district. The new district shall be paid supplementary State aid equal to the sum of the differences between the deficit of the previously existing district with the smallest deficit and the deficits of each of the other previously existing districts.
- (2) For the first year after the annexation of all of the territory of one or more entire school districts by another school district, as defined in Article 7 of this Code, computations shall be made, for the year ending June 30 prior to the date that the change of boundaries attributable to the annexation is allowed by the affirmative decision issued by the regional board of school trustees under Section 7-6 of this Code, notwithstanding any effort to seek administrative review of the decision, totaling the annexing district's and totaling each annexed district's audited fund balances in their respective educational, working cash, operations and maintenance, and transportation funds. The annexing district

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1 constituted after the annexation shall paid supplementary State aid equal to the sum of the differences 3 between the deficit of whichever of the annexing or annexed 4 districts as constituted prior to the annexation had the 5 smallest deficit and the deficits of each of the other districts as constituted prior to the annexation. 6

(3) For the first year after the annexation of all of the territory of one or more entire school districts by 2 or more other school districts, as defined by Article 7 of this Code, computations shall be made, for the year ending June 30 prior to the date that the change of boundaries attributable to the annexation is allowed by the affirmative decision of the regional board of school trustees under Section 7-6 of this Code, notwithstanding any action for administrative review of the decision, totaling each annexing and annexed district's audited fund balances in their respective educational, working cash, operations and maintenance, and transportation funds. The annexing districts as constituted after the annexation shall be paid supplementary State aid, allocated as provided in this paragraph (3), in an aggregate amount equal to the sum of the differences between the deficit of whichever of the annexing or annexed districts as constituted prior to the annexation had the smallest deficit and the deficits of each of the other districts as constituted prior to the annexation. The aggregate amount of the supplementary State aid payable under this paragraph (3) shall be allocated between or among

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the annexing districts as follows:

- (A) the regional superintendent of schools for each educational service region in which an annexed district is located prior to the annexation shall certify to the State Board of Education, on forms that it shall provide for that purpose, the value of all taxable property in each annexed district, as last equalized or assessed by the Department of Revenue prior to the annexation, and the equalized assessed value of each part of the annexed district that was annexed to or included as a part of an annexing district;
- (B) using equalized assessed values as certified by the regional superintendent of schools under clause (A) of this paragraph (3), the combined audited fund balance deficit of each annexed district as determined under this Section shall be apportioned between or among the annexing districts in the same ratio as the equalized assessed value of that part of the annexed district that was annexed to or included as a part of an annexing district bears to the total equalized assessed value of the annexed district; and
- (C) the aggregate supplementary State aid payment under this paragraph (3) shall be allocated between or among, and shall be paid to, the annexing districts in the same ratio as the sum of the combined audited fund balance deficit of each annexing district as constituted prior to

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the annexation, plus all combined audited fund balance deficit amounts apportioned to that annexing district under clause (B) of this subsection, bears to the aggregate of the combined audited fund balance deficits of all of the annexing and annexed districts as constituted prior to the annexation.

(4) For the new elementary districts and new high school district formed through a school district conversion, as defined in Section 11E-15 of this Code or the new elementary district or districts and new combined high school - unit district formed through a multi-unit conversion, as defined in subsection (b) of Section 11E-30 of this Code, a computation shall be made totaling each previously existing district's audited fund balances in the educational fund, working cash fund, operations and maintenance fund, and transportation fund for the year ending June 30 prior to the referendum establishing the new districts. In the first year of the new districts, the State shall make a one-time supplementary payment equal to the sum of the differences between the deficit of the previously existing district with the smallest deficit and the deficits of each of the other previously existing districts. A district with a combined balance among the 4 funds that is positive shall be considered to have a deficit of zero. The supplementary payment shall be allocated among the newly formed high school and elementary districts in the manner provided by the petition for the formation of the

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- districts, in the form in which the petition is approved by the regional superintendent of schools or State Superintendent of Education under Section 11E-50 of this Code.
  - (5) For each newly created partial elementary unit district, as defined in subsection (a) or (c) of Section 11E-30 of this Code, a computation shall be made totaling the audited fund balances of each previously existing district that formed the new partial elementary unit district in the educational fund, working cash fund, operations maintenance fund, and transportation fund for the year ending June 30 prior to the referendum for the formation of the partial elementary unit district. In the first year of the new partial elementary unit district, the State shall make a one-time supplementary payment to the new district equal to the sum of the differences between the deficit of the previously existing district with the smallest deficit and the deficits of each of the other previously existing districts. A district with a combined balance among the 4 funds that is positive shall be considered to have a deficit of zero.
    - (6) For an elementary opt-in as defined in subsection (d) of Section 11E-30 of this Code, the deficit fund balance incentive shall be computed in accordance with paragraph (5) of this subsection (c) as if the opted-in elementary was included in the optional elementary unit district at the optional elementary unit district's original effective date. If the calculation in this paragraph (6) is less than that

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- calculated in paragraph (5) of this subsection (c) at the optional elementary unit district's original effective date, then no adjustments may be made. If the calculation in this paragraph (6) is more than that calculated in paragraph (5) of this subsection (c) at the optional elementary unit district's original effective date, then the excess must be paid as follows:
  - (A) If the effective date for the elementary opt-in is one year after the effective date for the optional elementary unit district, 100% of the calculated excess shall be paid to the optional elementary unit district in the first year after the effective date of the elementary opt-in.
  - (B) If the effective date for the elementary opt-in is 2 years after the effective date for the optional elementary unit district, 75% of the calculated excess shall be paid to the optional elementary unit district in the first year after the effective date of the elementary opt-in.
  - (C) If the effective date for the elementary opt-in is 3 years after the effective date for the optional elementary unit district, 50% of the calculated excess shall be paid to the optional elementary unit district in the first year after the effective date of the elementary opt-in.
    - (D) If the effective date for the elementary opt-in is

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4 years after the effective date for the optional elementary unit district, 25% of the calculated excess shall be paid to the optional elementary unit district in the first year after the effective date of the elementary opt-in.

- (E) If the effective date for the elementary opt-in is 5 years after the effective date for the optional elementary unit district, the optional elementary unit district is not eligible for any additional incentives due to the elementary opt-in.
- (6.5) For the first year after the annexation of territory detached from another school district whereby the enrollment of the annexing district increases by 90% or more as a result of the annexation, a computation shall be made totaling the audited fund balances of the district gaining territory and the audited fund balances of the district losing territory in the educational fund, working cash fund, operations and maintenance fund, and transportation fund for the year ending June 30 prior to the date that the change of boundaries attributable to the annexation is allowed by the affirmative decision of the regional board of school trustees under Section 7-6 of this Code, notwithstanding any action for administrative review of the decision. The annexing district constituted after the annexation shall be supplementary State aid equal to the difference between the deficit of whichever district included in this calculation as

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constituted prior to the annexation had the smallest deficit and the deficit of each other district included in this calculation as constituted prior to the annexation, multiplied by the ratio of equalized assessed value of the territory detached to the total equalized assessed value of the district losing territory. The regional superintendent of schools for the educational service region in which a district losing territory is located prior to the annexation shall certify to the State Board of Education the value of all taxable property in the district losing territory and the value of all taxable property in the territory being detached, as last equalized or assessed by the Department of Revenue prior to the annexation. To be eligible for supplementary State aid reimbursement under this Section, the intergovernmental agreement to be submitted pursuant to Section 7-14A of this Code must show that fund balances were transferred from the district losing territory to the district gaining territory in the annexation. changes to this Section made by Public Act 95-707 are intended to be retroactive and applicable to any annexation taking effect on or after July 1, 2004. For annexations that are eligible for payments under this paragraph (6.5) and that are effective on or after July 1, 2004, but before January 11, 2008 (the effective date of Public Act 95-707), the required payment under this paragraph (6.5) shall be paid in the fiscal year of January 11, 2008 (the effective date of Public Act 95-707).

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(7) For purposes of any calculation required under paragraph (1), (2), (3), (4), (5), (6), or (6.5) of this subsection (c), a district with a combined fund balance that is positive shall be considered to have a deficit of zero. For purposes of determining each district's audited fund balances in its educational fund, working cash fund, operations and maintenance fund, and transportation fund for the specified year ending June 30, as provided in paragraphs (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c), the balance of each fund shall be deemed decreased by an amount equal to the amount of the annual property tax theretofore levied in the fund by the district for collection and payment to the district during the calendar year in which the June 30 fell, but only to the extent that the tax so levied in the fund actually was received by the district on or before or comprised a part of the fund on such June 30. For purposes of determining each district's audited fund balances, calculation shall be made for each fund to determine the average for the 3 years prior to the specified year ending June 30, as provided in paragraphs (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c), of the district's expenditures in the categories "purchased services", "supplies materials", and "capital outlay", as those categories are defined in rules of the State Board of Education. If this 3-year average is less than the district's expenditures in these categories for the specified year ending June 30, as

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- 1 provided in paragraphs (1), (2), (3), (4), (5), (6), and (6.5)of this subsection (c), then the 3-year average shall be used in calculating the amounts payable under this Section in place of the amounts shown in these categories for the specified year ending June 30, as provided in paragraphs (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c). Any deficit because of State aid not yet received may not be considered in determining the June 30 deficits. The same basis of accounting shall be used by all previously existing districts and by all annexing or annexed districts, as constituted prior to the in annexation, making any computation required under paragraphs (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c).
  - The supplementary State aid payments under this subsection (c) shall be treated as separate from all other payments made pursuant to Section 18-8.05 of this Code.
  - (d)(1) Following the formation of a combined school district, as defined in Section 11E-20 of this Code, a new unit district, as defined in Section 11E-25 of this Code, a new elementary district or districts and a new high school district formed through a school district conversion, as defined in Section 11E-15 of this Code, a new partial elementary unit district, as defined in Section 11E-30 of this Code, or a new elementary district or districts formed through a multi-unit conversion, as defined in subsection (b) of Section 11E-30 of this Code, or the annexation of all of the

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territory of one or more entire school districts by one or more other school districts, as defined in Article 7 of this Code, a supplementary State aid reimbursement shall be paid for the number of school years determined under the following table to each new or annexing district equal to the sum of \$4,000 for each certified employee who is employed by the district on a full-time basis for the regular term of the school year:

8	Reorganized District's Rank	Reorganiz	ed District	's Rank
9	by type of district (unit,	in Average	e Daily Att	endance
10	high school, elementary)	By Quinti	le	
11	in Equalized Assessed Value			
12	Per Pupil by Quintile			
13				3rd, 4th,
14		1st	2nd	or 5th
15		Quintile	Quintile	Quintile
16	1st Quintile	1 year	1 year	1 year
17	2nd Quintile	1 year	2 years	2 years
18	3rd Quintile	2 years	3 years	3 years
19	4th Quintile	2 years	3 years	3 years
20	5th Quintile	2 years	3 years	3 years

The State Board of Education shall make a one-time calculation of a reorganized district's quintile ranks. The average daily attendance used in this calculation shall be the best 3 months' average daily attendance for the district's first

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year. The equalized assessed value per pupil shall be the 1 district's real property equalized assessed value used in 3 calculating the district's first-year general State aid claim, 4 under Section 18-8.05 of this Code, or first-year 5 evidence-based funding claim, under Section 18-8.15 of this Code, as applicable, divided by the best 3 months' average 6 7 daily attendance.

No annexing or resulting school district shall be entitled to supplementary State aid under this subsection (d) unless the district acquires at least 30% of the average daily attendance of the district from which the territory is being detached or divided.

If a district results from multiple reorganizations that would otherwise qualify the district for multiple payments under this subsection (d) in any year, then the district shall receive a single payment only for that year based solely on the most recent reorganization.

- (2) For an elementary opt-in, as defined in subsection (d) of Section 11E-30 of this Code, the full-time certified staff incentive shall be computed in accordance with paragraph (1) of this subsection (d), equal to the sum of \$4,000 for each certified employee of the elementary district that opts-in who is employed by the optional elementary unit district on a full-time basis for the regular term of the school year. The calculation from this paragraph (2) must be paid as follows:
  - (A) If the effective date for the elementary opt-in is

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one year after the effective date for the optional elementary unit district, 100% of the amount calculated in this paragraph (2) shall be paid to the optional elementary unit district for the number of years calculated in paragraph (1) of this subsection (d) at the optional elementary unit district's original effective date, starting in the second year after the effective date of the elementary opt-in.

- (B) If the effective date for the elementary opt-in is 2 years after the effective date for the optional elementary unit district, 75% of the amount calculated in this paragraph (2) shall be paid to the optional elementary unit district for the number of years calculated in paragraph (1) of this subsection (d) at the optional elementary unit district's original effective date, starting in the second year after the effective date of the elementary opt-in.
- (C) If the effective date for the elementary opt-in is 3 years after the effective date for the optional elementary unit district, 50% of the amount calculated in this paragraph (2) shall be paid to the optional elementary unit district for the number of years calculated in paragraph (1) of this subsection (d) at the optional elementary unit district's original effective date, starting in the second year after the effective date of the elementary opt-in.

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- (D) If the effective date for the elementary opt-in is 4 years after the effective date for the optional elementary unit district, 25% of the amount calculated in this paragraph (2) shall be paid to the optional elementary unit district for the number of years calculated in paragraph (1) of this subsection (d) at the optional elementary unit district's original effective date, starting in the second year after the effective date of the elementary opt-in.
- (E) If the effective date for the elementary opt-in is 5 years after the effective date for the optional elementary unit district, the optional elementary unit district is not eligible for any additional incentives due to the elementary opt-in.
- (2.5) Following the formation of a cooperative high school by 2 or more school districts under Section 10-22.22c of this Code, a supplementary State aid reimbursement shall be paid for 3 school years to the cooperative high school equal to the sum of \$4,000 for each certified employee who is employed by the cooperative high school on a full-time basis for the regular term of any such school year. If a cooperative high school results from multiple agreements that would otherwise qualify the cooperative high school for multiple payments under this Section in any year, the cooperative high school shall receive a single payment for that year based solely on the most recent agreement.

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(2.10) Following the annexation of territory detached from another school district whereby the enrollment of the annexing district increases 90% or more as a result of the annexation, a supplementary State aid reimbursement shall be paid to the annexing district equal to the sum of \$4,000 for each certified employee who is employed by the annexing district on a full-time basis and shall be calculated in accordance with Section. subsection (a) of this То be eligible supplementary State aid reimbursement under this Section, the intergovernmental agreement to be submitted pursuant to Section 7-14A of this Code must show that certified staff members were transferred from the control of the district losing territory to the control of the district gaining territory in the annexation. The changes to this Section made by Public Act 95-707 are intended to be retroactive and applicable to any annexation taking effect on or after July 1, 2004. For annexations that are eligible for payments under this paragraph (2.10) and that are effective on or after July 1, 2004, but before January 11, 2008 (the effective date of Public Act 95-707), the first required yearly payment under this paragraph (2.10) shall be paid in the second fiscal year after January 11, 2008 (the effective date of Public Act 95-707). Any subsequent required yearly payments shall be paid in subsequent fiscal years until the payment obligation under this paragraph (2.10) is complete.

(2.15) Following the deactivation of a school facility in

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accordance with Section 10-22.22b of this Code, supplementary State aid reimbursement shall be paid for the lesser of 3 school years or the length of the deactivation agreement, including any renewals of the original deactivation agreement, to each receiving school district equal to the sum of \$4,000 for each certified employee who is employed by that receiving district on a full-time basis for the regular term of any such school year who was originally transferred to the control of that receiving district as a result of the deactivation. Receiving districts are eligible for payments under this paragraph (2.15) based on the certified employees transferred to that receiving district as a result of the deactivation and are not required to receive at least 30% of the deactivating district's average daily attendance as required under paragraph (1) of this subsection (d) to be eligible for payments.

- (3) The supplementary State aid reimbursement payable under this subsection (d) shall be separate from and in addition to all other payments made to the district pursuant to any other Section of this Article.
- (4) During May of each school year for which a supplementary State aid reimbursement is to be paid to a new, annexing, or receiving school district or cooperative high school pursuant to this subsection (d), the school board or governing board shall certify to the State Board of Education, on forms furnished to the school board or governing board by

- 1 the State Board of Education for purposes of this subsection
- (d), the number of certified employees for which the district 2
- or cooperative high school is entitled to reimbursement under 3
- 4 this Section, together with the names, certificate numbers,
- 5 and positions held by the certified employees.
- 6 (5) Upon certification by the State Board of Education to
- the State Comptroller of the amount of the supplementary State 7
- aid reimbursement to which a school district or cooperative 8
- 9 high school is entitled under this subsection (d), the State
- 10 Comptroller shall draw his or her warrant upon the State
- 11 Treasurer for the payment thereof to the school district or
- cooperative high school and shall promptly transmit the 12
- 13 payment to the school district or cooperative high school
- 14 through the appropriate school treasurer.
- 15 (Source: P.A. 100-465, eff. 8-31-17.)
- (105 ILCS 5/11E-140 new) 16
- 17 Sec. 11E-140. Efficient School District Commission.
- 18 (a) The Efficient School District Commission is created.
- 19 The purpose of the Commission is to provide recommendations to
- the Governor, the General Assembly, and the public regarding 20
- 21 the optimal number of school districts in this State, the
- optimal student enrollment amount for a school district, and 22
- 23 locations in this State where the reorganization and
- 24 realignment of school districts would be beneficial. The
- Commission shall consist of all of the following voting 25

1	<pre>members:</pre>
2	(1) One member appointed by the Governor, who shall
3	serve as the chairperson.
4	(2) One member appointed by the State Board of
5	Education.
6	(3) One member appointed by the Speaker of the House
7	of Representatives.
8	(4) One member appointed by the Minority Leader of the
9	House of Representatives.
10	(5) One member appointed by the President of the
11	Senate.
12	(6) One member appointed by the Minority Leader of the
13	Senate.
14	(7) A representative appointed by the head of the
15	largest statewide professional teachers' organization, as
16	measured by the number of members reported in its most
17	recent federal Form LM-2 Labor Organization Annual Report.
18	(8) A representative appointed by the head of the
19	second largest statewide professional teachers'
20	organization, as measured by the number of members
21	reported in its most recent federal Form LM-2 Labor
22	Organization Annual Report.
23	(9) A representative appointed by the head of an
24	organization that represents school boards, selected by
25	the chairperson of the Commission.
26	(10) A representative appointed by the head of a

1	statewide organization that represents school principals,
2	selected by the chairperson of the Commission.
3	(11) A parent of a child enrolled in or a teacher or an
4	administrator employed by a school located in the West
5	Cook region of the State Board of Education's Statewide
6	System of Support Fiscal Agents (Region 1-B-B), appointed
7	by the chairperson of the Commission.
8	(12) A parent of a child enrolled in or a teacher or an
9	administrator employed by a school located in the South
10	Cook region of the State Board of Education's Statewide
11	System of Support Fiscal Agents (Region 1-B-C), appointed
12	by the chairperson of the Commission.
13	(13) A parent of a child enrolled in or a teacher or an
14	administrator employed by a school located in the North
15	Cook region of the State Board of Education's Statewide
16	System of Support Fiscal Agents (Region 1-B-D), appointed
17	by the chairperson of the Commission.
18	(14) A parent of a child enrolled in or a teacher or an
19	administrator employed by a school located in the
20	Northeast region of the State Board of Education's
21	Statewide System of Support Fiscal Agents (Area 1-C),
22	appointed by the chairperson of the Commission.
23	(15) A parent of a child enrolled in or a teacher or an
24	administrator employed by a school located in the
25	Northwest region of the State Board of Education's

Statewide System of Support Fiscal Agents (Area 2),

1	appointed by the chairperson of the Commission.
2	(16) A parent of a child enrolled in or a teacher or an
3	administrator employed by a school located in the West
4	Central region of the State Board of Education's Statewide
5	System of Support Fiscal Agents (Area 3), appointed by the
6	chairperson of the Commission.
7	(17) A parent of a child enrolled in or a teacher or an
8	administrator employed by a school located in the East
9	Central region of the State Board of Education's Statewide
10	System of Support Fiscal Agents (Area 4), appointed by the
11	chairperson of the Commission.
12	(18) A parent of a child enrolled in or a teacher or an
13	administrator employed by a school located in the
14	Southwest region of the State Board of Education's
15	Statewide System of Support Fiscal Agents (Area 5),
16	appointed by the chairperson of the Commission.
17	(19) A parent of a child enrolled in or a teacher or an
18	administrator employed by a school located in the
19	Southeast region of the State Board of Education's
20	Statewide System of Support Fiscal Agents (Area 6),
21	appointed by the chairperson of the Commission.
22	(20) A representative appointed by the head of an
23	association that represents school business officials,
24	selected by the chairperson of the Commission.
25	(21) A representative appointed by the head of an

association that represents school administrators,

selected by the chairperson of the Commission.

2	(22) A representative appointed by the head of an
3	association that represents administrators of special
4	education, selected by the chairperson of the Commission.
5	(23) A representative appointed by the head of a
6	statewide parent organization, selected by the chairperson
7	of the Commission.
8	(24) A representative appointed by the head of an
9	organization that represents high school districts,
10	selected by the chairperson of the Commission.
11	(25) A representative appointed by the head of an
12	association that represents regional superintendents of
13	schools, selected by the chairperson of the Commission.
14	Members shall serve without compensation, but shall be
15	reimbursed for their reasonable and necessary expenses from
16	funds appropriated for that purpose. Members shall be
17	reimbursed for their travel expenses from appropriations to
18	the State Board of Education made available for that purpose
19	and subject to the rules of the appropriate travel control
20	board.
21	The Commission shall meet at the call of the chairperson,
22	with the initial meeting to occur within 90 days after the
23	effective date of this amendatory Act of the 102nd General
24	Assembly. The Commission shall hold public hearings throughout
25	the State with at least one public hearing in each of the 9
26	regions of the State Board of Education's Statewide System of

1	Support Fiscal Agents that do not include the Chicago region
2	(Region 1-A).
3	The State Board shall provide administrative assistance
4	and necessary staff support services to the Commission.
5	(b) Recommendations of the Efficient School District
6	Commission must focus on all of the following areas:
7	(1) Reducing the money spent on the duplication of
8	<u>efforts.</u>
9	(2) Improving the education of students by having
10	fewer obstacles between qualified teachers and their
11	students.
12	(3) Lowering the property tax burden.
13	(4) Providing recommendations on what the net cost
14	savings of realignment is to this State.
15	(5) With a view toward reducing unnecessary
16	administrative costs, improving the education of students,
17	and lowering the property tax burden, drafting specific
18	recommendations to reduce the statewide total number of
19	school districts by no less than 25% through the
20	reorganization of school districts into unit districts
21	under Section 11E-25. Each recommendation under this
22	paragraph (5) must include all of the following:
23	(A) A request to submit a proposition at the next
24	general election for the purpose of voting for or
25	against the establishment of a combined unit district.
26	(B) A description of the territory comprising the

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districts proposed to be dissolved and those to be created, which, for an entire district, may be a general reference to all of the territory included within that district.

(C) A specification of the maximum tax rates the proposed district or districts are authorized to levy for various purposes and, if applicable, the specifications related to the Property Tax Extension Limitation Law, in accordance with Section 11E-80.

The Commission may not make any recommendations under this subsection that would provide for the consolidation of individual schools.

District Commission must vote on its recommendations and file a report with the Governor and the General Assembly. If the Commission adopts the report recommendations by an affirmative vote of at least 13 of its members, then the Commission's specific recommendations for reorganization of school districts into unit districts under paragraph (5) of subsection (b) shall be filed with the appropriate regional superintendent of schools in the same form as petitions filed under Section 11E-35. A copy of the Commission's specific recommendations shall be provided to the regional superintendent of schools of each educational service region situated in the territory described in the specific recommendation or that part of the territory in which the

- 1 greater percentage of equalized assessed valuation is
- situated. Petitions submitted by the Commission under this 2
- Section are not subject to the requirements under subsection 3
- 4 (a) of Section 11E-35.
- 5 (d) Upon receiving the filed petition as provided in
- 6 subsection (c) from the regional superintendent of schools,
- each school board of the affected school districts shall 7
- publish a copy of the petition on its official Internet 8
- 9 website, if available, with a link to the recommendation shown
- 10 prominently on the homepage of the website until the date of
- 11 the next upcoming general election.
- (e) Notwithstanding subsection (a) of Section 11E-50, 12
- within 14 days after the conclusion of the hearing under 13
- 14 Section 11E-45 regarding a petition filed by the Efficient
- 15 School District Commission, the regional superintendent shall,
- 16 upon determining that the petition is in compliance with all
- applicable requirements set forth in the Election Code, 17
- through a written order, approve the petition, or, if the 18
- 19 regional superintendent determines that the amended petition
- is not in compliance with the Election Code, the regional 20
- 21 superintendent shall deny the petition.
- 22 (f) Notwithstanding subsection (b) of Section 11E-50,
- within 21 days after the receipt of the regional 23
- 24 superintendent's decision regarding a petition filed by the
- 25 Efficient School District Commission under this Section, the
- regional superintendent shall, upon determining that the 26

- petition is in compliance with all applicable requirements set 1
- forth in the Election Code, through a written order, approve 2
- the petition, or, if the regional superintendent determines 3
- 4 that the amended petition is not in compliance with the
- 5 Election Code, the regional superintendent shall deny the
- 6 petition.
- 7 (q) The Efficient School District Commission shall serve
- as and take on the responsibilities of the designated 8
- 9 Committee of Ten for the purposes of petitions filed under
- 10 this Section, except that notwithstanding paragraph (10) of
- subsection (a) of Section 11E-35, any amendments to petitions 11
- filed by the Commission and any binding stipulations made to 12
- any question with respect to a petition under this Section 13
- 14 shall be made by at least 13 members of the Commission.
- 15 (h) This Section is repealed on January 31, 2025.
- Section 99. Effective date. This Act takes effect upon 16
- 17 becoming law.".