



Rep. Ronald A. Wait

Filed: 4/18/2007

09500HB2798ham001

LRB095 06483 BDD 32567 a

1 AMENDMENT TO HOUSE BILL 2798

2 AMENDMENT NO. _____. Amend House Bill 2798 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the
5 School District Income Tax Act.

6 Section 5. Net income tax; referendum. The school board of
7 any school district may, by proper resolution, cause a
8 proposition to authorize an annual tax, measured as a
9 percentage of net income, on the privilege of earning or
10 receiving income (i) as a resident of the district or (ii) as a
11 record owner of real property in the district to the extent of
12 the income derived from that real property, to be certified to
13 the proper election officials, who shall submit the proposition
14 to the voters in accordance with the general election law;
15 provided that the rate of such tax shall be an even multiple of
16 eighths of a percent. When imposed, this tax shall be levied on

1 every individual subject to taxation under this Act.

2 The election called for this purpose shall be governed by
3 the general election law. If a majority of the votes cast on
4 the proposition is in favor thereof, the school board may
5 thereafter levy the tax as authorized, or at any lesser rate,
6 provided such lesser rate is an even multiple of eighths of a
7 percent. Such tax may be levied only on income earned following
8 120 days after certification of the results of the referendum
9 by the proper election officials.

10 For purposes of this Act, a taxpayer's net income for a
11 taxable year shall be as defined in Section 202 of the Illinois
12 Income Tax Act for such year which is allocable to a district
13 under the provisions of this Act.

14 For purposes of this Act, (i) an individual is a resident
15 of a school district for a taxable year if he or she is a
16 resident of the State, as defined in the Illinois Income Tax
17 Act, and maintains his or her principal place of residence
18 within that school district on the first day of that taxable
19 year and (ii) an individual owns real property in the district
20 if a record owner of the property and liable for the property
21 taxes according to the property tax assessment book or roll.

22 Section 10. Additional levies; Submission to voters. The
23 school board of any school district may, by proper resolution,
24 cause a proposition to increase the annual tax rate for the tax
25 imposed under Section 5 to be submitted to the voters of the

1 district at an election in accordance with the general election
2 law, provided such increase results in a rate that is an even
3 multiple of eighths of a percent. The tax may be levied only on
4 income earned following 120 days after certification of the
5 results of the referendum by the proper election officials.

6 The election called for such purposes shall be governed by
7 the general election law. If a majority of the votes cast on
8 the proposition is in favor thereof, the school board may
9 thereafter, until such authority is revoked in like manner,
10 levy an annual tax as authorized.

11 Section 15. Collection of tax; promulgation of rules and
12 regulations. On or before July 1 of each year, the school board
13 of each district imposing a tax under this Act shall prepare
14 and certify the annual tax rate to the Department of Revenue,
15 hereinafter referred to as the Department, which rate shall be
16 applicable to the taxable year of any taxpayer which includes
17 that July 1. The tax imposed under this Act shall be collected
18 by and paid to the Department at the same time and in the same
19 manner, and subject to the same assessment procedures,
20 penalties, and interests, as the tax imposed by the Illinois
21 Income Tax Act, except that the tax imposed by this Act shall
22 not be subject to any withholding or estimated payment
23 requirements of the Illinois Income Tax Act. The Department
24 shall forthwith pay over to the State Treasurer, ex officio, as
25 trustee, all monies received by it under this Act to be

1 deposited in the School District Income Tax Fund, to be held
2 and disbursed by the Treasurer as provided in Section 20.

3 The Department shall promulgate such rules and regulations
4 as may be necessary to implement the provisions of this Act.

5 Section 20. Distribution of tax revenue. On or before
6 December 1 of each year, or the first following business day if
7 December 1 falls on a Saturday, Sunday, or holiday, the
8 Department shall certify to the Comptroller the disbursement of
9 stated sums of money to named school districts. On any given
10 certification date, the amount to be certified for disbursement
11 to each school district shall be the sum of the following:

12 (a) The amount of tax collected by the Department under
13 this Act from individuals who maintained their principal places
14 of residence or who owned real property within the school
15 district on the first day of their last full taxable year ended
16 prior to the previous January 1, and

17 (b) any amount of tax which would have been certified for
18 disbursement to the school district on a previous certification
19 date under paragraph (a) above except for the fact that it had
20 not been collected by that previous certification date; less
21 the sum of the following:

22 (c) any amount of tax previously certified for disbursement
23 to that school district but since refunded to the taxpayer, and

24 (d) an amount equal to 2% of the sum of amounts computed in
25 paragraphs (a) and (b), which shall be retained by the

1 Treasurer to cover the costs incurred by the Department in
2 administering and enforcing this Act.

3 The Department at the time of each disbursement to a school
4 district shall prepare and certify to the Comptroller the
5 amount so retained by the State Treasurer to be paid into the
6 General Revenue Fund of the State Treasury. Within 10 days
7 after receipt by the Comptroller of the certification of
8 disbursement to the school districts and to the General Revenue
9 Fund given by the Department under this Act, the Comptroller
10 shall cause the warrants to be drawn for the respective amounts
11 in accordance with the directions contained in the
12 certification.

13 The board of any district receiving any of the
14 disbursements provided for in this Section may apply those to
15 any fund from which that board is authorized to make
16 expenditures by law.

17 Section 25. Willful and fraudulent acts. Any person who is
18 subject to the provisions of this Act and who willfully fails
19 to file a return, or who willfully violates any rule or
20 regulation of the Department for the administration or
21 enforcement of this Act, or who willfully attempts in any other
22 manner to evade or defeat any tax imposed by this Act or the
23 payment thereof, shall in addition to other penalties be guilty
24 of a Class B misdemeanor. A prosecution for any violation of
25 this Section may be commenced within 3 years of the commission

1 of that act.

2 Section 30. Corporations. Nothing in this Act authorizes
3 the tax imposed on net income by school districts hereunder to
4 be levied on any corporation except a corporation that elects
5 to be taxed as an individual under the Internal Revenue Code.
6 If, however, the income tax authorized by this Act is imposed
7 by a school district, the rate of ad valorem property taxes
8 levied on the property of corporations within that district,
9 other than corporations electing to be taxed as individuals
10 under the Internal Revenue Code, shall be increased as provided
11 in Section 17-11 of the School Code.

12 Section 35. Property tax abatement.

13 (a) The extension of real property taxes for a school
14 district within which the local income tax for schools
15 authorized by this Act already has been imposed, levied, and
16 collected shall be abated by the county clerk in which the
17 school district is located on residential real property, farm
18 real property defined in Section 1-60 of the Property Tax Code,
19 and real property of a small business as defined in Section
20 1-75 of the Illinois Administrative Procedure Act only in the
21 manner provided by this Section, provided that (i) if any such
22 school district is located in more than one county the amount
23 of real property taxes of the district to be so abated shall be
24 apportioned by the county clerks of those counties based upon

1 the ratio of the aggregate assessed value of the taxable
2 property of the district in each such county and (ii) prior to
3 any abatement under this Section the county clerk shall
4 determine whether the amount of each tax levied by the district
5 for a lawful school purpose and certified for extension is
6 based on a rate at which the district making the certification
7 is authorized by statute or referendum to levy that tax, shall
8 disregard any excess, and shall extend the levy of that tax in
9 accordance with the provisions of Section 18-45 of the Property
10 Tax Code, subject to abatement as provided in this Section.

11 (b) Not later than September 1 of the first calendar year
12 in which the tax authorized by this Act is imposed, levied, and
13 collected within a school district, the Department of Revenue
14 shall certify to the county clerk of each county in which any
15 part of the school district is located the estimated amount of
16 the tax that would have been collected under this Act during
17 the immediately preceding calendar year in that part of the
18 district located in the county had this Act been in effect and
19 had that tax been imposed, levied, and collected within that
20 district during that immediately preceding calendar year at the
21 same annual rate and for the same period of time as that tax is
22 imposed, levied, and collected in the district during the
23 calendar year in which the certification is made.

24 (c) During the calendar year immediately succeeding the
25 calendar year in which the certification under subsection (b)
26 is required to be made, in extending the real property taxes

1 last levied by a school district for educational purposes, the
2 county clerk shall abate that extension of the district's levy
3 for educational purposes on the property described in
4 subsection (a) only by an amount equal to 100% of the estimated
5 amount that was certified to the county clerk by the Department
6 of Revenue under the provisions of subsection (b) during the
7 calendar year immediately preceding the calendar year in which
8 the extension is made. In each subsequent calendar year, in
9 extending the real property taxes levied by the school district
10 for educational purposes during the immediately preceding
11 calendar year, the county clerk shall abate each such extension
12 of the district's levy for educational purposes on the property
13 described in subsection (a) only by an amount equal to 100% of
14 the amount disbursed to the school district under Section 30
15 during June of the calendar year immediately preceding the
16 calendar year in which the extension and abatement are made.

17 Section 40. Residential rent credit. Each individual
18 taxpayer residing within a school district within which the
19 local income tax for schools authorized by this Act has been
20 imposed, levied, and collected is entitled to a credit, not to
21 exceed \$500, against the tax imposed under this Act in the
22 amount of 5% of the annual rent paid by the taxpayer during the
23 taxable year for the residence of the taxpayer. In no event
24 shall a credit under this Section reduce the taxpayer's
25 liability under this Act to less than zero.

1 Section 900. The State Finance Act is amended by adding
2 Section 5.675 as follows:

3 (30 ILCS 105/5.675 new)

4 Sec. 5.675. The School District Income Tax Fund.

5 Section 905. The Property Tax Code is amended by changing
6 Section 18-45 as follows:

7 (35 ILCS 200/18-45)

8 Sec. 18-45. Computation of rates. Except as provided
9 below, each county clerk shall estimate and determine the rate
10 per cent upon the equalized assessed valuation for the levy
11 year of the property in the county's taxing districts and
12 special service areas, as established under Article VII of the
13 Illinois Constitution, so that the rate will produce, within
14 the proper divisions of that county, not less than the net
15 amount that will be required by the county board or certified
16 to the county clerk according to law. Prior to extension, the
17 county clerk shall determine the maximum amount of tax
18 authorized to be levied by any statute. If the amount of any
19 tax certified to the county clerk for extension exceeds the
20 maximum, the clerk shall extend only the maximum allowable
21 levy.

22 The county clerk shall exclude from the total equalized

1 assessed valuation, whenever estimating and determining it
2 under this Section and Sections 18-50 through 18-105, the
3 equalized assessed valuation in the percentage which has been
4 agreed to by each taxing district, of any property or portion
5 thereof within an Enterprise Zone upon which an abatement of
6 taxes was made under Section 18-170. However, if a municipality
7 has adopted tax increment financing under Division 74.4 of
8 Article 11 of the Illinois Municipal Code, the county clerk
9 shall estimate and determine rates in accordance with Sections
10 11-74.4-7 through 11-74.4-9 of that Act. Beginning on January
11 1, 1998 and thereafter, the equalized assessed value of all
12 property for the computation of the amount to be extended
13 within a county with 3,000,000 or more inhabitants shall be the
14 sum of (i) the equalized assessed value of such property for
15 the year immediately preceding the levy year as established by
16 the assessment and equalization process for the year
17 immediately prior to the levy year, (ii) the equalized assessed
18 value of any property that qualifies as new property, as
19 defined in Section 18-185, or annexed property, as defined in
20 Section 18-225, for the current levy year, and (iii) any
21 recovered tax increment value, as defined in Section 18-185,
22 for the current levy year, less the equalized assessed value of
23 any property that qualifies as disconnected property, as
24 defined in Section 18-225, for the current levy year.

25 The provisions of this Section and the authority of the
26 county clerk under this Section are subject to the abatement

1 provisions of Section 35 of the School District Income Tax Act
2 with respect to the extension of taxes levied by a school
3 district on residential property, farm real property as defined
4 in Section 1-60, and real property of a small business as
5 defined in Section 1-75 of the Illinois Administrative
6 Procedure Act.

7 (Source: P.A. 90-320, eff. 1-1-98.)

8 Section 910. The School Code is amended by changing
9 Sections 17-11 and 18-8.05 as follows:

10 (105 ILCS 5/17-11) (from Ch. 122, par. 17-11)

11 Sec. 17-11. Certificate of tax levy. The school board of
12 each district shall ascertain, as near as practicable,
13 annually, how much money must be raised by special tax for
14 transportation purposes if any and for educational and for
15 operations and maintenance purposes for the next ensuing year.
16 In school districts with a population of less than 500,000,
17 these amounts shall be certified and returned to each county
18 clerk on or before the last Tuesday in December, annually. The
19 certificate shall be signed by the president and clerk or
20 secretary, and may be in the following form:

21 CERTIFICATE OF TAX LEVY

22 We hereby certify that we require the sum of
23 dollars, to be levied as a special tax for transportation
24 purposes and the sum of dollars to be levied as a

1 special tax for educational purposes, and the sum
2 dollars to be levied as a special tax for operations and
3 maintenance purposes, and the sum of to be levied as a
4 special tax for a working cash fund, on the equalized assessed
5 value of the taxable property of our district, for the year
6 (insert year).

7 Signed on (insert date).

8 A B, President

9 C D....., Clerk (Secretary)

10 Dist. No., County

11 A failure by the school board to file the certificate with
12 the county clerk in the time required shall not vitiate the
13 assessment. A district levying a tax under the School District
14 Income Tax Act enacted by the 95th General Assembly shall,
15 together with such certificate of tax levy, also certify for
16 property tax abatement purposes an amount equal to the amount
17 of revenue realized by the school district's tax on net income
18 during the previous fiscal year, which amount shall be used by
19 the county clerk in the manner provided by Section 35 of the
20 School District Income Tax Act. This provision shall be
21 effective for a school district beginning in the fiscal year
22 following the fiscal year it begins levying a net income tax.

23 (Source: P.A. 91-357, eff. 7-29-99.)

1 (Text of Section before amendment by P.A. 94-1105)

2 Sec. 18-8.05. Basis for apportionment of general State
3 financial aid and supplemental general State aid to the common
4 schools for the 1998-1999 and subsequent school years.

5 (A) General Provisions.

6 (1) The provisions of this Section apply to the 1998-1999
7 and subsequent school years. The system of general State
8 financial aid provided for in this Section is designed to
9 assure that, through a combination of State financial aid and
10 required local resources, the financial support provided each
11 pupil in Average Daily Attendance equals or exceeds a
12 prescribed per pupil Foundation Level. This formula approach
13 imputes a level of per pupil Available Local Resources and
14 provides for the basis to calculate a per pupil level of
15 general State financial aid that, when added to Available Local
16 Resources, equals or exceeds the Foundation Level. The amount
17 of per pupil general State financial aid for school districts,
18 in general, varies in inverse relation to Available Local
19 Resources. Per pupil amounts are based upon each school
20 district's Average Daily Attendance as that term is defined in
21 this Section.

22 (2) In addition to general State financial aid, school
23 districts with specified levels or concentrations of pupils
24 from low income households are eligible to receive supplemental
25 general State financial aid grants as provided pursuant to

1 subsection (H). The supplemental State aid grants provided for
2 school districts under subsection (H) shall be appropriated for
3 distribution to school districts as part of the same line item
4 in which the general State financial aid of school districts is
5 appropriated under this Section.

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

9 (a) Any school district which fails for any given
10 school year to maintain school as required by law, or to
11 maintain a recognized school is not eligible to file for
12 such school year any claim upon the Common School Fund. In
13 case of nonrecognition of one or more attendance centers in
14 a school district otherwise operating recognized schools,
15 the claim of the district shall be reduced in the
16 proportion which the Average Daily Attendance in the
17 attendance center or centers bear to the Average Daily
18 Attendance in the school district. A "recognized school"
19 means any public school which meets the standards as
20 established for recognition by the State Board of
21 Education. A school district or attendance center not
22 having recognition status at the end of a school term is
23 entitled to receive State aid payments due upon a legal
24 claim which was filed while it was recognized.

25 (b) School district claims filed under this Section are
26 subject to Sections 18-9, 18-10, and 18-12, except as

1 otherwise provided in this Section.

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

7 (d) (Blank).

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

12 School districts are not required to exert a minimum
13 Operating Tax Rate in order to qualify for assistance under
14 this Section.

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

17 (a) "Average Daily Attendance": A count of pupil
18 attendance in school, averaged as provided for in
19 subsection (C) and utilized in deriving per pupil financial
20 support levels.

21 (b) "Available Local Resources": A computation of
22 local financial support, calculated on the basis of Average
23 Daily Attendance and derived as provided pursuant to
24 subsection (D).

25 (c) "Corporate Personal Property Replacement Taxes":
26 Funds paid to local school districts pursuant to "An Act in

1 relation to the abolition of ad valorem personal property
2 tax and the replacement of revenues lost thereby, and
3 amending and repealing certain Acts and parts of Acts in
4 connection therewith", certified August 14, 1979, as
5 amended (Public Act 81-1st S.S.-1).

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

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

12 (B) Foundation Level.

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

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

1 year, the Foundation Level of support is \$4,425. For the
2 2001-2002 school year and 2002-2003 school year, the Foundation
3 Level of support is \$4,560. For the 2003-2004 school year, the
4 Foundation Level of support is \$4,810. For the 2004-2005 school
5 year, the Foundation Level of support is \$4,964. For the
6 2005-2006 school year, the Foundation Level of support is
7 \$5,164.

8 (3) For the 2006-2007 school year and each school year
9 thereafter, the Foundation Level of support is \$5,334 or such
10 greater amount as may be established by law by the General
11 Assembly.

12 (C) Average Daily Attendance.

13 (1) For purposes of calculating general State aid pursuant
14 to subsection (E), an Average Daily Attendance figure shall be
15 utilized. The Average Daily Attendance figure for formula
16 calculation purposes shall be the monthly average of the actual
17 number of pupils in attendance of each school district, as
18 further averaged for the best 3 months of pupil attendance for
19 each school district. In compiling the figures for the number
20 of pupils in attendance, school districts and the State Board
21 of Education shall, for purposes of general State aid funding,
22 conform attendance figures to the requirements of subsection
23 (F).

24 (2) The Average Daily Attendance figures utilized in
25 subsection (E) shall be the requisite attendance data for the

1 school year immediately preceding the school year for which
2 general State aid is being calculated or the average of the
3 attendance data for the 3 preceding school years, whichever is
4 greater. The Average Daily Attendance figures utilized in
5 subsection (H) shall be the requisite attendance data for the
6 school year immediately preceding the school year for which
7 general State aid is being calculated.

8 (D) Available Local Resources.

9 (1) For purposes of calculating general State aid pursuant
10 to subsection (E), a representation of Available Local
11 Resources per pupil, as that term is defined and determined in
12 this subsection, shall be utilized. Available Local Resources
13 per pupil shall include a calculated dollar amount representing
14 local school district revenues from local property taxes and
15 from Corporate Personal Property Replacement Taxes, expressed
16 on the basis of pupils in Average Daily Attendance. Calculation
17 of Available Local Resources shall exclude any tax amnesty
18 funds received as a result of Public Act 93-26.

19 (2) In determining a school district's revenue from local
20 property taxes, the State Board of Education shall utilize the
21 equalized assessed valuation of all taxable property of each
22 school district as of September 30 of the previous year. The
23 equalized assessed valuation utilized shall be obtained and
24 determined as provided in subsection (G).

25 (3) For school districts maintaining grades kindergarten

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

14 For partial elementary unit districts created pursuant to
15 Article 11E of this Code, local property tax revenues per pupil
16 shall be calculated as the product of the equalized assessed
17 valuation for property within the elementary and high school
18 classification of the partial elementary unit district
19 multiplied by 2.06% and divided by the Average Daily Attendance
20 figure for grades kindergarten through 8, plus the product of
21 the equalized assessed valuation for property within the high
22 school only classification of the partial elementary unit
23 district multiplied by 0.94% and divided by the Average Daily
24 Attendance figure for grades 9 through 12.

25 (4) The Corporate Personal Property Replacement Taxes paid
26 to each school district during the calendar year 2 years before

1 the calendar year in which a school year begins, divided by the
2 Average Daily Attendance figure for that district, shall be
3 added to the local property tax revenues per pupil as derived
4 by the application of the immediately preceding paragraph (3).
5 The sum of these per pupil figures for each school district
6 shall constitute Available Local Resources as that term is
7 utilized in subsection (E) in the calculation of general State
8 aid.

9 (E) Computation of General State Aid.

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

13 (2) For any school district for which Available Local
14 Resources per pupil is less than the product of 0.93 times the
15 Foundation Level, general State aid for that district shall be
16 calculated as an amount equal to the Foundation Level minus
17 Available Local Resources, multiplied by the Average Daily
18 Attendance of the school district.

19 (3) For any school district for which Available Local
20 Resources per pupil is equal to or greater than the product of
21 0.93 times the Foundation Level and less than the product of
22 1.75 times the Foundation Level, the general State aid per
23 pupil shall be a decimal proportion of the Foundation Level
24 derived using a linear algorithm. Under this linear algorithm,
25 the calculated general State aid per pupil shall decline in

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

10 (4) For any school district for which Available Local
11 Resources per pupil equals or exceeds the product of 1.75 times
12 the Foundation Level, the general State aid for the school
13 district shall be calculated as the product of \$218 multiplied
14 by the Average Daily Attendance of the school district.

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

25 (6) The operating tax rate of a district levying a net
26 income tax under the School District Income Tax Act enacted by

1 the 95th General Assembly shall be increased, for the
2 calculation of aid under this Section, by a rate which when
3 applied to the equalized assessed valuation of the district
4 would yield an amount equal to the revenue received by the
5 district from its income tax during the current fiscal year.

6 (F) Compilation of Average Daily Attendance.

7 (1) Each school district shall, by July 1 of each year,
8 submit to the State Board of Education, on forms prescribed by
9 the State Board of Education, attendance figures for the school
10 year that began in the preceding calendar year. The attendance
11 information so transmitted shall identify the average daily
12 attendance figures for each month of the school year. Beginning
13 with the general State aid claim form for the 2002-2003 school
14 year, districts shall calculate Average Daily Attendance as
15 provided in subdivisions (a), (b), and (c) of this paragraph
16 (1).

17 (a) In districts that do not hold year-round classes,
18 days of attendance in August shall be added to the month of
19 September and any days of attendance in June shall be added
20 to the month of May.

21 (b) In districts in which all buildings hold year-round
22 classes, days of attendance in July and August shall be
23 added to the month of September and any days of attendance
24 in June shall be added to the month of May.

25 (c) In districts in which some buildings, but not all,

1 hold year-round classes, for the non-year-round buildings,
2 days of attendance in August shall be added to the month of
3 September and any days of attendance in June shall be added
4 to the month of May. The average daily attendance for the
5 year-round buildings shall be computed as provided in
6 subdivision (b) of this paragraph (1). To calculate the
7 Average Daily Attendance for the district, the average
8 daily attendance for the year-round buildings shall be
9 multiplied by the days in session for the non-year-round
10 buildings for each month and added to the monthly
11 attendance of the non-year-round buildings.

12 Except as otherwise provided in this Section, days of
13 attendance by pupils shall be counted only for sessions of not
14 less than 5 clock hours of school work per day under direct
15 supervision of: (i) teachers, or (ii) non-teaching personnel or
16 volunteer personnel when engaging in non-teaching duties and
17 supervising in those instances specified in subsection (a) of
18 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils
19 of legal school age and in kindergarten and grades 1 through
20 12.

21 Days of attendance by tuition pupils shall be accredited
22 only to the districts that pay the tuition to a recognized
23 school.

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

1 (a) Pupils regularly enrolled in a public school for
2 only a part of the school day may be counted on the basis
3 of 1/6 day for every class hour of instruction of 40
4 minutes or more attended pursuant to such enrollment,
5 unless a pupil is enrolled in a block-schedule format of 80
6 minutes or more of instruction, in which case the pupil may
7 be counted on the basis of the proportion of minutes of
8 school work completed each day to the minimum number of
9 minutes that school work is required to be held that day.

10 (b) Days of attendance may be less than 5 clock hours
11 on the opening and closing of the school term, and upon the
12 first day of pupil attendance, if preceded by a day or days
13 utilized as an institute or teachers' workshop.

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

19 (d) A session of 3 or more clock hours may be counted
20 as a day of attendance (1) when the remainder of the school
21 day or at least 2 hours in the evening of that day is
22 utilized for an in-service training program for teachers,
23 up to a maximum of 5 days per school year of which a
24 maximum of 4 days of such 5 days may be used for
25 parent-teacher conferences, provided a district conducts
26 an in-service training program for teachers which has been

1 approved by the State Superintendent of Education; or, in
2 lieu of 4 such days, 2 full days may be used, in which
3 event each such day may be counted as a day of attendance;
4 and (2) when days in addition to those provided in item (1)
5 are scheduled by a school pursuant to its school
6 improvement plan adopted under Article 34 or its revised or
7 amended school improvement plan adopted under Article 2,
8 provided that (i) such sessions of 3 or more clock hours
9 are scheduled to occur at regular intervals, (ii) the
10 remainder of the school days in which such sessions occur
11 are utilized for in-service training programs or other
12 staff development activities for teachers, and (iii) a
13 sufficient number of minutes of school work under the
14 direct supervision of teachers are added to the school days
15 between such regularly scheduled sessions to accumulate
16 not less than the number of minutes by which such sessions
17 of 3 or more clock hours fall short of 5 clock hours. Any
18 full days used for the purposes of this paragraph shall not
19 be considered for computing average daily attendance. Days
20 scheduled for in-service training programs, staff
21 development activities, or parent-teacher conferences may
22 be scheduled separately for different grade levels and
23 different attendance centers of the district.

24 (e) A session of not less than one clock hour of
25 teaching hospitalized or homebound pupils on-site or by
26 telephone to the classroom may be counted as 1/2 day of

1 attendance, however these pupils must receive 4 or more
2 clock hours of instruction to be counted for a full day of
3 attendance.

4 (f) A session of at least 4 clock hours may be counted
5 as a day of attendance for first grade pupils, and pupils
6 in full day kindergartens, and a session of 2 or more hours
7 may be counted as 1/2 day of attendance by pupils in
8 kindergartens which provide only 1/2 day of attendance.

9 (g) For children with disabilities who are below the
10 age of 6 years and who cannot attend 2 or more clock hours
11 because of their disability or immaturity, a session of not
12 less than one clock hour may be counted as 1/2 day of
13 attendance; however for such children whose educational
14 needs so require a session of 4 or more clock hours may be
15 counted as a full day of attendance.

16 (h) A recognized kindergarten which provides for only
17 1/2 day of attendance by each pupil shall not have more
18 than 1/2 day of attendance counted in any one day. However,
19 kindergartens may count 2 1/2 days of attendance in any 5
20 consecutive school days. When a pupil attends such a
21 kindergarten for 2 half days on any one school day, the
22 pupil shall have the following day as a day absent from
23 school, unless the school district obtains permission in
24 writing from the State Superintendent of Education.
25 Attendance at kindergartens which provide for a full day of
26 attendance by each pupil shall be counted the same as

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

7 (i) On the days when the Prairie State Achievement
8 Examination is administered under subsection (c) of
9 Section 2-3.64 of this Code, the day of attendance for a
10 pupil whose school day must be shortened to accommodate
11 required testing procedures may be less than 5 clock hours
12 and shall be counted towards the 176 days of actual pupil
13 attendance required under Section 10-19 of this Code,
14 provided that a sufficient number of minutes of school work
15 in excess of 5 clock hours are first completed on other
16 school days to compensate for the loss of school work on
17 the examination days.

18 (G) Equalized Assessed Valuation Data.

19 (1) For purposes of the calculation of Available Local
20 Resources required pursuant to subsection (D), the State Board
21 of Education shall secure from the Department of Revenue the
22 value as equalized or assessed by the Department of Revenue of
23 all taxable property of every school district, together with
24 (i) the applicable tax rate used in extending taxes for the
25 funds of the district as of September 30 of the previous year

1 and (ii) the limiting rate for all school districts subject to
2 property tax extension limitations as imposed under the
3 Property Tax Extension Limitation Law.

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

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

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

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

22 (a) For the purposes of calculating State aid under
23 this Section, with respect to any part of a school district
24 within a redevelopment project area in respect to which a
25 municipality has adopted tax increment allocation
26 financing pursuant to the Tax Increment Allocation

1 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11
2 of the Illinois Municipal Code or the Industrial Jobs
3 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the
4 Illinois Municipal Code, no part of the current equalized
5 assessed valuation of real property located in any such
6 project area which is attributable to an increase above the
7 total initial equalized assessed valuation of such
8 property shall be used as part of the equalized assessed
9 valuation of the district, until such time as all
10 redevelopment project costs have been paid, as provided in
11 Section 11-74.4-8 of the Tax Increment Allocation
12 Redevelopment Act or in Section 11-74.6-35 of the
13 Industrial Jobs Recovery Law. For the purpose of the
14 equalized assessed valuation of the district, the total
15 initial equalized assessed valuation or the current
16 equalized assessed valuation, whichever is lower, shall be
17 used until such time as all redevelopment project costs
18 have been paid.

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

1 through 8, or by 1.05% for a district maintaining grades 9
2 through 12 and adjusted by an amount computed by dividing
3 the amount of any abatement of taxes under subsection (a)
4 of Section 18-165 of the Property Tax Code by the same
5 percentage rates for district type as specified in this
6 subparagraph (b).

7 (3) For the 1999-2000 school year and each school year
8 thereafter, if a school district meets all of the criteria of
9 this subsection (G) (3), the school district's Available Local
10 Resources shall be calculated under subsection (D) using the
11 district's Extension Limitation Equalized Assessed Valuation
12 as calculated under this subsection (G) (3).

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

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

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

19 "Preceding Tax Year": The property tax levy year
20 immediately preceding the Base Tax Year.

21 "Base Tax Year's Tax Extension": The product of the
22 equalized assessed valuation utilized by the County Clerk
23 in the Base Tax Year multiplied by the limiting rate as
24 calculated by the County Clerk and defined in the Property
25 Tax Extension Limitation Law.

26 "Preceding Tax Year's Tax Extension": The product of

1 the equalized assessed valuation utilized by the County
2 Clerk in the Preceding Tax Year multiplied by the Operating
3 Tax Rate as defined in subsection (A).

4 "Extension Limitation Ratio": A numerical ratio,
5 certified by the County Clerk, in which the numerator is
6 the Base Tax Year's Tax Extension and the denominator is
7 the Preceding Tax Year's Tax Extension.

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

10 If a school district is subject to property tax extension
11 limitations as imposed under the Property Tax Extension
12 Limitation Law, the State Board of Education shall calculate
13 the Extension Limitation Equalized Assessed Valuation of that
14 district. For the 1999-2000 school year, the Extension
15 Limitation Equalized Assessed Valuation of a school district as
16 calculated by the State Board of Education shall be equal to
17 the product of the district's 1996 Equalized Assessed Valuation
18 and the district's Extension Limitation Ratio. For the
19 2000-2001 school year and each school year thereafter, the
20 Extension Limitation Equalized Assessed Valuation of a school
21 district as calculated by the State Board of Education shall be
22 equal to the product of the Equalized Assessed Valuation last
23 used in the calculation of general State aid and the district's
24 Extension Limitation Ratio. If the Extension Limitation
25 Equalized Assessed Valuation of a school district as calculated
26 under this subsection (G)(3) is less than the district's

1 equalized assessed valuation as calculated pursuant to
2 subsections (G) (1) and (G) (2), then for purposes of calculating
3 the district's general State aid for the Budget Year pursuant
4 to subsection (E), that Extension Limitation Equalized
5 Assessed Valuation shall be utilized to calculate the
6 district's Available Local Resources under subsection (D).

7 Partial elementary unit districts created in accordance
8 with Article 11E of this Code shall not be eligible for the
9 adjustment in this subsection (G) (3) until the fifth year
10 following the effective date of the reorganization.

11 (4) For the purposes of calculating general State aid for
12 the 1999-2000 school year only, if a school district
13 experienced a triennial reassessment on the equalized assessed
14 valuation used in calculating its general State financial aid
15 apportionment for the 1998-1999 school year, the State Board of
16 Education shall calculate the Extension Limitation Equalized
17 Assessed Valuation that would have been used to calculate the
18 district's 1998-1999 general State aid. This amount shall equal
19 the product of the equalized assessed valuation used to
20 calculate general State aid for the 1997-1998 school year and
21 the district's Extension Limitation Ratio. If the Extension
22 Limitation Equalized Assessed Valuation of the school district
23 as calculated under this paragraph (4) is less than the
24 district's equalized assessed valuation utilized in
25 calculating the district's 1998-1999 general State aid
26 allocation, then for purposes of calculating the district's

1 general State aid pursuant to paragraph (5) of subsection (E),
2 that Extension Limitation Equalized Assessed Valuation shall
3 be utilized to calculate the district's Available Local
4 Resources.

5 (5) For school districts having a majority of their
6 equalized assessed valuation in any county except Cook, DuPage,
7 Kane, Lake, McHenry, or Will, if the amount of general State
8 aid allocated to the school district for the 1999-2000 school
9 year under the provisions of subsection (E), (H), and (J) of
10 this Section is less than the amount of general State aid
11 allocated to the district for the 1998-1999 school year under
12 these subsections, then the general State aid of the district
13 for the 1999-2000 school year only shall be increased by the
14 difference between these amounts. The total payments made under
15 this paragraph (5) shall not exceed \$14,000,000. Claims shall
16 be prorated if they exceed \$14,000,000.

17 (H) Supplemental General State Aid.

18 (1) In addition to the general State aid a school district
19 is allotted pursuant to subsection (E), qualifying school
20 districts shall receive a grant, paid in conjunction with a
21 district's payments of general State aid, for supplemental
22 general State aid based upon the concentration level of
23 children from low-income households within the school
24 district. Supplemental State aid grants provided for school
25 districts under this subsection shall be appropriated for

1 distribution to school districts as part of the same line item
2 in which the general State financial aid of school districts is
3 appropriated under this Section. If the appropriation in any
4 fiscal year for general State aid and supplemental general
5 State aid is insufficient to pay the amounts required under the
6 general State aid and supplemental general State aid
7 calculations, then the State Board of Education shall ensure
8 that each school district receives the full amount due for
9 general State aid and the remainder of the appropriation shall
10 be used for supplemental general State aid, which the State
11 Board of Education shall calculate and pay to eligible
12 districts on a prorated basis.

13 (1.5) This paragraph (1.5) applies only to those school
14 years preceding the 2003-2004 school year. For purposes of this
15 subsection (H), the term "Low-Income Concentration Level"
16 shall be the low-income eligible pupil count from the most
17 recently available federal census divided by the Average Daily
18 Attendance of the school district. If, however, (i) the
19 percentage decrease from the 2 most recent federal censuses in
20 the low-income eligible pupil count of a high school district
21 with fewer than 400 students exceeds by 75% or more the
22 percentage change in the total low-income eligible pupil count
23 of contiguous elementary school districts, whose boundaries
24 are coterminous with the high school district, or (ii) a high
25 school district within 2 counties and serving 5 elementary
26 school districts, whose boundaries are coterminous with the

1 high school district, has a percentage decrease from the 2 most
2 recent federal censuses in the low-income eligible pupil count
3 and there is a percentage increase in the total low-income
4 eligible pupil count of a majority of the elementary school
5 districts in excess of 50% from the 2 most recent federal
6 censuses, then the high school district's low-income eligible
7 pupil count from the earlier federal census shall be the number
8 used as the low-income eligible pupil count for the high school
9 district, for purposes of this subsection (H). The changes made
10 to this paragraph (1) by Public Act 92-28 shall apply to
11 supplemental general State aid grants for school years
12 preceding the 2003-2004 school year that are paid in fiscal
13 year 1999 or thereafter and to any State aid payments made in
14 fiscal year 1994 through fiscal year 1998 pursuant to
15 subsection 1(n) of Section 18-8 of this Code (which was
16 repealed on July 1, 1998), and any high school district that is
17 affected by Public Act 92-28 is entitled to a recomputation of
18 its supplemental general State aid grant or State aid paid in
19 any of those fiscal years. This recomputation shall not be
20 affected by any other funding.

21 (1.10) This paragraph (1.10) applies to the 2003-2004
22 school year and each school year thereafter. For purposes of
23 this subsection (H), the term "Low-Income Concentration Level"
24 shall, for each fiscal year, be the low-income eligible pupil
25 count as of July 1 of the immediately preceding fiscal year (as
26 determined by the Department of Human Services based on the

1 number of pupils who are eligible for at least one of the
2 following low income programs: Medicaid, KidCare, TANF, or Food
3 Stamps, excluding pupils who are eligible for services provided
4 by the Department of Children and Family Services, averaged
5 over the 2 immediately preceding fiscal years for fiscal year
6 2004 and over the 3 immediately preceding fiscal years for each
7 fiscal year thereafter) divided by the Average Daily Attendance
8 of the school district.

9 (2) Supplemental general State aid pursuant to this
10 subsection (H) shall be provided as follows for the 1998-1999,
11 1999-2000, and 2000-2001 school years only:

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

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

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

24 (d) For any school district with a Low Income
25 Concentration Level of 60% or more, the grant for the
26 1998-99 school year shall be \$1,900 multiplied by the low

1 income eligible pupil count.

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

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

10 (2.5) Supplemental general State aid pursuant to this
11 subsection (H) shall be provided as follows for the 2002-2003
12 school year:

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

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

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

25 (d) For any school district with a Low Income
26 Concentration Level of at least 35% and less than 50%, the

1 grant for each school year shall be \$1,362 multiplied by
2 the low income eligible pupil count.

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

7 (f) For any school district with a Low Income
8 Concentration Level of 60% or more, the grant for each
9 school year shall be \$2,080 multiplied by the low income
10 eligible pupil count.

11 (2.10) Except as otherwise provided, supplemental general
12 State aid pursuant to this subsection (H) shall be provided as
13 follows for the 2003-2004 school year and each school year
14 thereafter:

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

19 (b) For any school district with a Low Income
20 Concentration Level greater than 15%, the grant for each
21 school year shall be \$294.25 added to the product of \$2,700
22 and the square of the Low Income Concentration Level, all
23 multiplied by the low income eligible pupil count.

24 For the 2003-2004 school year, 2004-2005 school year,
25 2005-2006 school year, and 2006-2007 school year only, the
26 grant shall be no less than the grant for the 2002-2003 school

1 year. For the 2007-2008 school year only, the grant shall be no
2 less than the grant for the 2002-2003 school year multiplied by
3 0.66. For the 2008-2009 school year only, the grant shall be no
4 less than the grant for the 2002-2003 school year multiplied by
5 0.33. Notwithstanding the provisions of this paragraph to the
6 contrary, if for any school year supplemental general State aid
7 grants are prorated as provided in paragraph (1) of this
8 subsection (H), then the grants under this paragraph shall be
9 prorated.

10 For the 2003-2004 school year only, the grant shall be no
11 greater than the grant received during the 2002-2003 school
12 year added to the product of 0.25 multiplied by the difference
13 between the grant amount calculated under subsection (a) or (b)
14 of this paragraph (2.10), whichever is applicable, and the
15 grant received during the 2002-2003 school year. For the
16 2004-2005 school year only, the grant shall be no greater than
17 the grant received during the 2002-2003 school year added to
18 the product of 0.50 multiplied by the difference between the
19 grant amount calculated under subsection (a) or (b) of this
20 paragraph (2.10), whichever is applicable, and the grant
21 received during the 2002-2003 school year. For the 2005-2006
22 school year only, the grant shall be no greater than the grant
23 received during the 2002-2003 school year added to the product
24 of 0.75 multiplied by the difference between the grant amount
25 calculated under subsection (a) or (b) of this paragraph
26 (2.10), whichever is applicable, and the grant received during

1 the 2002-2003 school year.

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

12 (4) School districts with an Average Daily Attendance of
13 50,000 or more that qualify for supplemental general State aid
14 pursuant to this subsection shall be required to distribute
15 from funds available pursuant to this Section, no less than
16 \$261,000,000 in accordance with the following requirements:

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

24 (b) The distribution of these portions of supplemental
25 and general State aid among attendance centers according to
26 these requirements shall not be compensated for or

1 contravened by adjustments of the total of other funds
2 appropriated to any attendance centers, and the Board of
3 Education shall utilize funding from one or several sources
4 in order to fully implement this provision annually prior
5 to the opening of school.

6 (c) Each attendance center shall be provided by the
7 school district a distribution of noncategorical funds and
8 other categorical funds to which an attendance center is
9 entitled under law in order that the general State aid and
10 supplemental general State aid provided by application of
11 this subsection supplements rather than supplants the
12 noncategorical funds and other categorical funds provided
13 by the school district to the attendance centers.

14 (d) Any funds made available under this subsection that
15 by reason of the provisions of this subsection are not
16 required to be allocated and provided to attendance centers
17 may be used and appropriated by the board of the district
18 for any lawful school purpose.

19 (e) Funds received by an attendance center pursuant to
20 this subsection shall be used by the attendance center at
21 the discretion of the principal and local school council
22 for programs to improve educational opportunities at
23 qualifying schools through the following programs and
24 services: early childhood education, reduced class size or
25 improved adult to student classroom ratio, enrichment
26 programs, remedial assistance, attendance improvement, and

1 other educationally beneficial expenditures which
2 supplement the regular and basic programs as determined by
3 the State Board of Education. Funds provided shall not be
4 expended for any political or lobbying purposes as defined
5 by board rule.

6 (f) Each district subject to the provisions of this
7 subdivision (H) (4) shall submit an acceptable plan to meet
8 the educational needs of disadvantaged children, in
9 compliance with the requirements of this paragraph, to the
10 State Board of Education prior to July 15 of each year.
11 This plan shall be consistent with the decisions of local
12 school councils concerning the school expenditure plans
13 developed in accordance with part 4 of Section 34-2.3. The
14 State Board shall approve or reject the plan within 60 days
15 after its submission. If the plan is rejected, the district
16 shall give written notice of intent to modify the plan
17 within 15 days of the notification of rejection and then
18 submit a modified plan within 30 days after the date of the
19 written notice of intent to modify. Districts may amend
20 approved plans pursuant to rules promulgated by the State
21 Board of Education.

22 Upon notification by the State Board of Education that
23 the district has not submitted a plan prior to July 15 or a
24 modified plan within the time period specified herein, the
25 State aid funds affected by that plan or modified plan
26 shall be withheld by the State Board of Education until a

1 plan or modified plan is submitted.

2 If the district fails to distribute State aid to
3 attendance centers in accordance with an approved plan, the
4 plan for the following year shall allocate funds, in
5 addition to the funds otherwise required by this
6 subsection, to those attendance centers which were
7 underfunded during the previous year in amounts equal to
8 such underfunding.

9 For purposes of determining compliance with this
10 subsection in relation to the requirements of attendance
11 center funding, each district subject to the provisions of
12 this subsection shall submit as a separate document by
13 December 1 of each year a report of expenditure data for
14 the prior year in addition to any modification of its
15 current plan. If it is determined that there has been a
16 failure to comply with the expenditure provisions of this
17 subsection regarding contravention or supplanting, the
18 State Superintendent of Education shall, within 60 days of
19 receipt of the report, notify the district and any affected
20 local school council. The district shall within 45 days of
21 receipt of that notification inform the State
22 Superintendent of Education of the remedial or corrective
23 action to be taken, whether by amendment of the current
24 plan, if feasible, or by adjustment in the plan for the
25 following year. Failure to provide the expenditure report
26 or the notification of remedial or corrective action in a

1 timely manner shall result in a withholding of the affected
2 funds.

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

9 (I) (Blank).

10 (J) Supplementary Grants in Aid.

11 (1) Notwithstanding any other provisions of this Section,
12 the amount of the aggregate general State aid in combination
13 with supplemental general State aid under this Section for
14 which each school district is eligible shall be no less than
15 the amount of the aggregate general State aid entitlement that
16 was received by the district under Section 18-8 (exclusive of
17 amounts received under subsections 5(p) and 5(p-5) of that
18 Section) for the 1997-98 school year, pursuant to the
19 provisions of that Section as it was then in effect. If a
20 school district qualifies to receive a supplementary payment
21 made under this subsection (J), the amount of the aggregate
22 general State aid in combination with supplemental general
23 State aid under this Section which that district is eligible to
24 receive for each school year shall be no less than the amount

1 of the aggregate general State aid entitlement that was
2 received by the district under Section 18-8 (exclusive of
3 amounts received under subsections 5(p) and 5(p-5) of that
4 Section) for the 1997-1998 school year, pursuant to the
5 provisions of that Section as it was then in effect.

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

17 (3) (Blank).

18 (K) Grants to Laboratory and Alternative Schools.

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

25 As used in this Section, "laboratory school" means a public

1 school which is created and operated by a public university and
2 approved by the State Board of Education. The governing board
3 of a public university which receives funds from the State
4 Board under this subsection (K) may not increase the number of
5 students enrolled in its laboratory school from a single
6 district, if that district is already sending 50 or more
7 students, except under a mutual agreement between the school
8 board of a student's district of residence and the university
9 which operates the laboratory school. A laboratory school may
10 not have more than 1,000 students, excluding students with
11 disabilities in a special education program.

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

1 educational service regions may agree.

2 Each laboratory and alternative school shall file, on forms
3 provided by the State Superintendent of Education, an annual
4 State aid claim which states the Average Daily Attendance of
5 the school's students by month. The best 3 months' Average
6 Daily Attendance shall be computed for each school. The general
7 State aid entitlement shall be computed by multiplying the
8 applicable Average Daily Attendance by the Foundation Level as
9 determined under this Section.

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

11 (1) For a school district operating under the financial
12 supervision of an Authority created under Article 34A, the
13 general State aid otherwise payable to that district under this
14 Section, but not the supplemental general State aid, shall be
15 reduced by an amount equal to the budget for the operations of
16 the Authority as certified by the Authority to the State Board
17 of Education, and an amount equal to such reduction shall be
18 paid to the Authority created for such district for its
19 operating expenses in the manner provided in Section 18-11. The
20 remainder of general State school aid for any such district
21 shall be paid in accordance with Article 34A when that Article
22 provides for a disposition other than that provided by this
23 Article.

24 (2) (Blank).

25 (3) Summer school. Summer school payments shall be made as

1 provided in Section 18-4.3.

2 (M) Education Funding Advisory Board.

3 The Education Funding Advisory Board, hereinafter in this
4 subsection (M) referred to as the "Board", is hereby created.
5 The Board shall consist of 5 members who are appointed by the
6 Governor, by and with the advice and consent of the Senate. The
7 members appointed shall include representatives of education,
8 business, and the general public. One of the members so
9 appointed shall be designated by the Governor at the time the
10 appointment is made as the chairperson of the Board. The
11 initial members of the Board may be appointed any time after
12 the effective date of this amendatory Act of 1997. The regular
13 term of each member of the Board shall be for 4 years from the
14 third Monday of January of the year in which the term of the
15 member's appointment is to commence, except that of the 5
16 initial members appointed to serve on the Board, the member who
17 is appointed as the chairperson shall serve for a term that
18 commences on the date of his or her appointment and expires on
19 the third Monday of January, 2002, and the remaining 4 members,
20 by lots drawn at the first meeting of the Board that is held
21 after all 5 members are appointed, shall determine 2 of their
22 number to serve for terms that commence on the date of their
23 respective appointments and expire on the third Monday of
24 January, 2001, and 2 of their number to serve for terms that
25 commence on the date of their respective appointments and

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

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

21 The State Board of Education shall provide such staff
22 assistance to the Education Funding Advisory Board as is
23 reasonably required for the proper performance by the Board of
24 its responsibilities.

25 For school years after the 2000-2001 school year, the
26 Education Funding Advisory Board, in consultation with the

1 State Board of Education, shall make recommendations as
2 provided in this subsection (M) to the General Assembly for the
3 foundation level under subdivision (B)(3) of this Section and
4 for the supplemental general State aid grant level under
5 subsection (H) of this Section for districts with high
6 concentrations of children from poverty. The recommended
7 foundation level shall be determined based on a methodology
8 which incorporates the basic education expenditures of
9 low-spending schools exhibiting high academic performance. The
10 Education Funding Advisory Board shall make such
11 recommendations to the General Assembly on January 1 of odd
12 numbered years, beginning January 1, 2001.

13 (N) (Blank).

14 (O) References.

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

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

23 (P) Public Act 93-838 and Public Act 93-808 make inconsistent

1 changes to this Section. Under Section 6 of the Statute on
2 Statutes there is an irreconcilable conflict between Public Act
3 93-808 and Public Act 93-838. Public Act 93-838, being the last
4 acted upon, is controlling. The text of Public Act 93-838 is
5 the law regardless of the text of Public Act 93-808.

6 (Source: P.A. 93-21, eff. 7-1-03; 93-715, eff. 7-12-04; 93-808,
7 eff. 7-26-04; 93-838, eff. 7-30-04; 93-875, eff. 8-6-04; 94-69,
8 eff. 7-1-05; 94-438, eff. 8-4-05; 94-835, eff. 6-6-06; 94-1019,
9 eff. 7-10-06; revised 8-3-06.)

10 (Text of Section after amendment by P.A. 94-1105)

11 Sec. 18-8.05. Basis for apportionment of general State
12 financial aid and supplemental general State aid to the common
13 schools for the 1998-1999 and subsequent school years.

14 (A) General Provisions.

15 (1) The provisions of this Section apply to the 1998-1999
16 and subsequent school years. The system of general State
17 financial aid provided for in this Section is designed to
18 assure that, through a combination of State financial aid and
19 required local resources, the financial support provided each
20 pupil in Average Daily Attendance equals or exceeds a
21 prescribed per pupil Foundation Level. This formula approach
22 imputes a level of per pupil Available Local Resources and
23 provides for the basis to calculate a per pupil level of
24 general State financial aid that, when added to Available Local

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

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

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

19 (a) Any school district which fails for any given
20 school year to maintain school as required by law, or to
21 maintain a recognized school is not eligible to file for
22 such school year any claim upon the Common School Fund. In
23 case of nonrecognition of one or more attendance centers in
24 a school district otherwise operating recognized schools,
25 the claim of the district shall be reduced in the
26 proportion which the Average Daily Attendance in the

1 attendance center or centers bear to the Average Daily
2 Attendance in the school district. A "recognized school"
3 means any public school which meets the standards as
4 established for recognition by the State Board of
5 Education. A school district or attendance center not
6 having recognition status at the end of a school term is
7 entitled to receive State aid payments due upon a legal
8 claim which was filed while it was recognized.

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

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

17 (d) (Blank).

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

22 School districts are not required to exert a minimum
23 Operating Tax Rate in order to qualify for assistance under
24 this Section.

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

1 (a) "Average Daily Attendance": A count of pupil
2 attendance in school, averaged as provided for in
3 subsection (C) and utilized in deriving per pupil financial
4 support levels.

5 (b) "Available Local Resources": A computation of
6 local financial support, calculated on the basis of Average
7 Daily Attendance and derived as provided pursuant to
8 subsection (D).

9 (c) "Corporate Personal Property Replacement Taxes":
10 Funds paid to local school districts pursuant to "An Act in
11 relation to the abolition of ad valorem personal property
12 tax and the replacement of revenues lost thereby, and
13 amending and repealing certain Acts and parts of Acts in
14 connection therewith", certified August 14, 1979, as
15 amended (Public Act 81-1st S.S.-1).

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

18 (e) "Operating Tax Rate": All school district property
19 taxes extended for all purposes, except Bond and Interest,
20 Summer School, Rent, Capital Improvement, and Vocational
21 Education Building purposes.

22 (B) Foundation Level.

23 (1) The Foundation Level is a figure established by the
24 State representing the minimum level of per pupil financial
25 support that should be available to provide for the basic

1 education of each pupil in Average Daily Attendance. As set
2 forth in this Section, each school district is assumed to exert
3 a sufficient local taxing effort such that, in combination with
4 the aggregate of general State financial aid provided the
5 district, an aggregate of State and local resources are
6 available to meet the basic education needs of pupils in the
7 district.

8 (2) For the 1998-1999 school year, the Foundation Level of
9 support is \$4,225. For the 1999-2000 school year, the
10 Foundation Level of support is \$4,325. For the 2000-2001 school
11 year, the Foundation Level of support is \$4,425. For the
12 2001-2002 school year and 2002-2003 school year, the Foundation
13 Level of support is \$4,560. For the 2003-2004 school year, the
14 Foundation Level of support is \$4,810. For the 2004-2005 school
15 year, the Foundation Level of support is \$4,964. For the
16 2005-2006 school year, the Foundation Level of support is
17 \$5,164.

18 (3) For the 2006-2007 school year and each school year
19 thereafter, the Foundation Level of support is \$5,334 or such
20 greater amount as may be established by law by the General
21 Assembly.

22 (C) Average Daily Attendance.

23 (1) For purposes of calculating general State aid pursuant
24 to subsection (E), an Average Daily Attendance figure shall be
25 utilized. The Average Daily Attendance figure for formula

1 calculation purposes shall be the monthly average of the actual
2 number of pupils in attendance of each school district, as
3 further averaged for the best 3 months of pupil attendance for
4 each school district. In compiling the figures for the number
5 of pupils in attendance, school districts and the State Board
6 of Education shall, for purposes of general State aid funding,
7 conform attendance figures to the requirements of subsection
8 (F).

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

18 (D) Available Local Resources.

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

1 on the basis of pupils in Average Daily Attendance. Calculation
2 of Available Local Resources shall exclude any tax amnesty
3 funds received as a result of Public Act 93-26.

4 (2) In determining a school district's revenue from local
5 property taxes, the State Board of Education shall utilize the
6 equalized assessed valuation of all taxable property of each
7 school district as of September 30 of the previous year. The
8 equalized assessed valuation utilized shall be obtained and
9 determined as provided in subsection (G).

10 (3) For school districts maintaining grades kindergarten
11 through 12, local property tax revenues per pupil shall be
12 calculated as the product of the applicable equalized assessed
13 valuation for the district multiplied by 3.00%, and divided by
14 the district's Average Daily Attendance figure. For school
15 districts maintaining grades kindergarten through 8, local
16 property tax revenues per pupil shall be calculated as the
17 product of the applicable equalized assessed valuation for the
18 district multiplied by 2.30%, and divided by the district's
19 Average Daily Attendance figure. For school districts
20 maintaining grades 9 through 12, local property tax revenues
21 per pupil shall be the applicable equalized assessed valuation
22 of the district multiplied by 1.05%, and divided by the
23 district's Average Daily Attendance figure.

24 For partial elementary unit districts created pursuant to
25 Article 11E of this Code, local property tax revenues per pupil
26 shall be calculated as the product of the equalized assessed

1 valuation for property within the elementary and high school
2 classification of the partial elementary unit district
3 multiplied by 2.06% and divided by the Average Daily Attendance
4 figure for grades kindergarten through 8, plus the product of
5 the equalized assessed valuation for property within the high
6 school only classification of the partial elementary unit
7 district multiplied by 0.94% and divided by the Average Daily
8 Attendance figure for grades 9 through 12.

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

19 (E) Computation of General State Aid.

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

23 (2) For any school district for which Available Local
24 Resources per pupil is less than the product of 0.93 times the
25 Foundation Level, general State aid for that district shall be

1 calculated as an amount equal to the Foundation Level minus
2 Available Local Resources, multiplied by the Average Daily
3 Attendance of the school district.

4 (3) For any school district for which Available Local
5 Resources per pupil is equal to or greater than the product of
6 0.93 times the Foundation Level and less than the product of
7 1.75 times the Foundation Level, the general State aid per
8 pupil shall be a decimal proportion of the Foundation Level
9 derived using a linear algorithm. Under this linear algorithm,
10 the calculated general State aid per pupil shall decline in
11 direct linear fashion from 0.07 times the Foundation Level for
12 a school district with Available Local Resources equal to the
13 product of 0.93 times the Foundation Level, to 0.05 times the
14 Foundation Level for a school district with Available Local
15 Resources equal to the product of 1.75 times the Foundation
16 Level. The allocation of general State aid for school districts
17 subject to this paragraph 3 shall be the calculated general
18 State aid per pupil figure multiplied by the Average Daily
19 Attendance of the school district.

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

25 (5) The amount of general State aid allocated to a school
26 district for the 1999-2000 school year meeting the requirements

1 set forth in paragraph (4) of subsection (G) shall be increased
2 by an amount equal to the general State aid that would have
3 been received by the district for the 1998-1999 school year by
4 utilizing the Extension Limitation Equalized Assessed
5 Valuation as calculated in paragraph (4) of subsection (G) less
6 the general State aid allotted for the 1998-1999 school year.
7 This amount shall be deemed a one time increase, and shall not
8 affect any future general State aid allocations.

9 (6) The operating tax rate of a district levying a net
10 income tax under the School District Income Tax Act enacted by
11 the 95th General Assembly shall be increased, for the
12 calculation of aid under this Section, by a rate which when
13 applied to the equalized assessed valuation of the district
14 would yield an amount equal to the revenue received by the
15 district from its income tax during the current fiscal year.

16 (F) Compilation of Average Daily Attendance.

17 (1) Each school district shall, by July 1 of each year,
18 submit to the State Board of Education, on forms prescribed by
19 the State Board of Education, attendance figures for the school
20 year that began in the preceding calendar year. The attendance
21 information so transmitted shall identify the average daily
22 attendance figures for each month of the school year. Beginning
23 with the general State aid claim form for the 2002-2003 school
24 year, districts shall calculate Average Daily Attendance as
25 provided in subdivisions (a), (b), and (c) of this paragraph

1 (1).

2 (a) In districts that do not hold year-round classes,
3 days of attendance in August shall be added to the month of
4 September and any days of attendance in June shall be added
5 to the month of May.

6 (b) In districts in which all buildings hold year-round
7 classes, days of attendance in July and August shall be
8 added to the month of September and any days of attendance
9 in June shall be added to the month of May.

10 (c) In districts in which some buildings, but not all,
11 hold year-round classes, for the non-year-round buildings,
12 days of attendance in August shall be added to the month of
13 September and any days of attendance in June shall be added
14 to the month of May. The average daily attendance for the
15 year-round buildings shall be computed as provided in
16 subdivision (b) of this paragraph (1). To calculate the
17 Average Daily Attendance for the district, the average
18 daily attendance for the year-round buildings shall be
19 multiplied by the days in session for the non-year-round
20 buildings for each month and added to the monthly
21 attendance of the non-year-round buildings.

22 Except as otherwise provided in this Section, days of
23 attendance by pupils shall be counted only for sessions of not
24 less than 5 clock hours of school work per day under direct
25 supervision of: (i) teachers, or (ii) non-teaching personnel or
26 volunteer personnel when engaging in non-teaching duties and

1 supervising in those instances specified in subsection (a) of
2 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils
3 of legal school age and in kindergarten and grades 1 through
4 12.

5 Days of attendance by tuition pupils shall be accredited
6 only to the districts that pay the tuition to a recognized
7 school.

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

11 (a) Pupils regularly enrolled in a public school for
12 only a part of the school day may be counted on the basis
13 of 1/6 day for every class hour of instruction of 40
14 minutes or more attended pursuant to such enrollment,
15 unless a pupil is enrolled in a block-schedule format of 80
16 minutes or more of instruction, in which case the pupil may
17 be counted on the basis of the proportion of minutes of
18 school work completed each day to the minimum number of
19 minutes that school work is required to be held that day.

20 (b) Days of attendance may be less than 5 clock hours
21 on the opening and closing of the school term, and upon the
22 first day of pupil attendance, if preceded by a day or days
23 utilized as an institute or teachers' workshop.

24 (c) A session of 4 or more clock hours may be counted
25 as a day of attendance upon certification by the regional
26 superintendent, and approved by the State Superintendent

1 of Education to the extent that the district has been
2 forced to use daily multiple sessions.

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

1 of 3 or more clock hours fall short of 5 clock hours. Any
2 full days used for the purposes of this paragraph shall not
3 be considered for computing average daily attendance. Days
4 scheduled for in-service training programs, staff
5 development activities, or parent-teacher conferences may
6 be scheduled separately for different grade levels and
7 different attendance centers of the district.

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

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

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

26 (h) A recognized kindergarten which provides for only

1 1/2 day of attendance by each pupil shall not have more
2 than 1/2 day of attendance counted in any one day. However,
3 kindergartens may count 2 1/2 days of attendance in any 5
4 consecutive school days. When a pupil attends such a
5 kindergarten for 2 half days on any one school day, the
6 pupil shall have the following day as a day absent from
7 school, unless the school district obtains permission in
8 writing from the State Superintendent of Education.
9 Attendance at kindergartens which provide for a full day of
10 attendance by each pupil shall be counted the same as
11 attendance by first grade pupils. Only the first year of
12 attendance in one kindergarten shall be counted, except in
13 case of children who entered the kindergarten in their
14 fifth year whose educational development requires a second
15 year of kindergarten as determined under the rules and
16 regulations of the State Board of Education.

17 (i) On the days when the Prairie State Achievement
18 Examination is administered under subsection (c) of
19 Section 2-3.64 of this Code, the day of attendance for a
20 pupil whose school day must be shortened to accommodate
21 required testing procedures may be less than 5 clock hours
22 and shall be counted towards the 176 days of actual pupil
23 attendance required under Section 10-19 of this Code,
24 provided that a sufficient number of minutes of school work
25 in excess of 5 clock hours are first completed on other
26 school days to compensate for the loss of school work on

1 the examination days.

2 (G) Equalized Assessed Valuation Data.

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

13 The Department of Revenue shall add to the equalized
14 assessed value of all taxable property of each school district
15 situated entirely or partially within a county that is or was
16 subject to the alternative general homestead exemption
17 provisions of Section 15-176 of the Property Tax Code (a) an
18 amount equal to the total amount by which the homestead
19 exemption allowed under Section 15-176 of the Property Tax Code
20 for real property situated in that school district exceeds the
21 total amount that would have been allowed in that school
22 district if the maximum reduction under Section 15-176 was (i)
23 \$4,500 in Cook County or \$3,500 in all other counties in tax
24 year 2003 or (ii) \$5,000 in all counties in tax year 2004 and
25 thereafter and (b) an amount equal to the aggregate amount for

1 the taxable year of all additional exemptions under Section
2 15-175 of the Property Tax Code for owners with a household
3 income of \$30,000 or less. The county clerk of any county that
4 is or was subject to the alternative general homestead
5 exemption provisions of Section 15-176 of the Property Tax Code
6 shall annually calculate and certify to the Department of
7 Revenue for each school district all homestead exemption
8 amounts under Section 15-176 of the Property Tax Code and all
9 amounts of additional exemptions under Section 15-175 of the
10 Property Tax Code for owners with a household income of \$30,000
11 or less. It is the intent of this paragraph that if the general
12 homestead exemption for a parcel of property is determined
13 under Section 15-176 of the Property Tax Code rather than
14 Section 15-175, then the calculation of Available Local
15 Resources shall not be affected by the difference, if any,
16 between the amount of the general homestead exemption allowed
17 for that parcel of property under Section 15-176 of the
18 Property Tax Code and the amount that would have been allowed
19 had the general homestead exemption for that parcel of property
20 been determined under Section 15-175 of the Property Tax Code.
21 It is further the intent of this paragraph that if additional
22 exemptions are allowed under Section 15-175 of the Property Tax
23 Code for owners with a household income of less than \$30,000,
24 then the calculation of Available Local Resources shall not be
25 affected by the difference, if any, because of those additional
26 exemptions.

1 This equalized assessed valuation, as adjusted further by
2 the requirements of this subsection, shall be utilized in the
3 calculation of Available Local Resources.

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

6 (a) For the purposes of calculating State aid under
7 this Section, with respect to any part of a school district
8 within a redevelopment project area in respect to which a
9 municipality has adopted tax increment allocation
10 financing pursuant to the Tax Increment Allocation
11 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11
12 of the Illinois Municipal Code or the Industrial Jobs
13 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the
14 Illinois Municipal Code, no part of the current equalized
15 assessed valuation of real property located in any such
16 project area which is attributable to an increase above the
17 total initial equalized assessed valuation of such
18 property shall be used as part of the equalized assessed
19 valuation of the district, until such time as all
20 redevelopment project costs have been paid, as provided in
21 Section 11-74.4-8 of the Tax Increment Allocation
22 Redevelopment Act or in Section 11-74.6-35 of the
23 Industrial Jobs Recovery Law. For the purpose of the
24 equalized assessed valuation of the district, the total
25 initial equalized assessed valuation or the current
26 equalized assessed valuation, whichever is lower, shall be

1 used until such time as all redevelopment project costs
2 have been paid.

3 (b) The real property equalized assessed valuation for
4 a school district shall be adjusted by subtracting from the
5 real property value as equalized or assessed by the
6 Department of Revenue for the district an amount computed
7 by dividing the amount of any abatement of taxes under
8 Section 18-170 of the Property Tax Code by 3.00% for a
9 district maintaining grades kindergarten through 12, by
10 2.30% for a district maintaining grades kindergarten
11 through 8, or by 1.05% for a district maintaining grades 9
12 through 12 and adjusted by an amount computed by dividing
13 the amount of any abatement of taxes under subsection (a)
14 of Section 18-165 of the Property Tax Code by the same
15 percentage rates for district type as specified in this
16 subparagraph (b).

17 (3) For the 1999-2000 school year and each school year
18 thereafter, if a school district meets all of the criteria of
19 this subsection (G) (3), the school district's Available Local
20 Resources shall be calculated under subsection (D) using the
21 district's Extension Limitation Equalized Assessed Valuation
22 as calculated under this subsection (G) (3).

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

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

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

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

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

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

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

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

20 If a school district is subject to property tax extension
21 limitations as imposed under the Property Tax Extension
22 Limitation Law, the State Board of Education shall calculate
23 the Extension Limitation Equalized Assessed Valuation of that
24 district. For the 1999-2000 school year, the Extension
25 Limitation Equalized Assessed Valuation of a school district as
26 calculated by the State Board of Education shall be equal to

1 the product of the district's 1996 Equalized Assessed Valuation
2 and the district's Extension Limitation Ratio. For the
3 2000-2001 school year and each school year thereafter, the
4 Extension Limitation Equalized Assessed Valuation of a school
5 district as calculated by the State Board of Education shall be
6 equal to the product of the Equalized Assessed Valuation last
7 used in the calculation of general State aid and the district's
8 Extension Limitation Ratio. If the Extension Limitation
9 Equalized Assessed Valuation of a school district as calculated
10 under this subsection (G)(3) is less than the district's
11 equalized assessed valuation as calculated pursuant to
12 subsections (G)(1) and (G)(2), then for purposes of calculating
13 the district's general State aid for the Budget Year pursuant
14 to subsection (E), that Extension Limitation Equalized
15 Assessed Valuation shall be utilized to calculate the
16 district's Available Local Resources under subsection (D).

17 Partial elementary unit districts created in accordance
18 with Article 11E of this Code shall not be eligible for the
19 adjustment in this subsection (G)(3) until the fifth year
20 following the effective date of the reorganization.

21 (4) For the purposes of calculating general State aid for
22 the 1999-2000 school year only, if a school district
23 experienced a triennial reassessment on the equalized assessed
24 valuation used in calculating its general State financial aid
25 apportionment for the 1998-1999 school year, the State Board of
26 Education shall calculate the Extension Limitation Equalized

1 Assessed Valuation that would have been used to calculate the
2 district's 1998-1999 general State aid. This amount shall equal
3 the product of the equalized assessed valuation used to
4 calculate general State aid for the 1997-1998 school year and
5 the district's Extension Limitation Ratio. If the Extension
6 Limitation Equalized Assessed Valuation of the school district
7 as calculated under this paragraph (4) is less than the
8 district's equalized assessed valuation utilized in
9 calculating the district's 1998-1999 general State aid
10 allocation, then for purposes of calculating the district's
11 general State aid pursuant to paragraph (5) of subsection (E),
12 that Extension Limitation Equalized Assessed Valuation shall
13 be utilized to calculate the district's Available Local
14 Resources.

15 (5) For school districts having a majority of their
16 equalized assessed valuation in any county except Cook, DuPage,
17 Kane, Lake, McHenry, or Will, if the amount of general State
18 aid allocated to the school district for the 1999-2000 school
19 year under the provisions of subsection (E), (H), and (J) of
20 this Section is less than the amount of general State aid
21 allocated to the district for the 1998-1999 school year under
22 these subsections, then the general State aid of the district
23 for the 1999-2000 school year only shall be increased by the
24 difference between these amounts. The total payments made under
25 this paragraph (5) shall not exceed \$14,000,000. Claims shall
26 be prorated if they exceed \$14,000,000.

1 (H) Supplemental General State Aid.

2 (1) In addition to the general State aid a school district
3 is allotted pursuant to subsection (E), qualifying school
4 districts shall receive a grant, paid in conjunction with a
5 district's payments of general State aid, for supplemental
6 general State aid based upon the concentration level of
7 children from low-income households within the school
8 district. Supplemental State aid grants provided for school
9 districts under this subsection shall be appropriated for
10 distribution to school districts as part of the same line item
11 in which the general State financial aid of school districts is
12 appropriated under this Section. If the appropriation in any
13 fiscal year for general State aid and supplemental general
14 State aid is insufficient to pay the amounts required under the
15 general State aid and supplemental general State aid
16 calculations, then the State Board of Education shall ensure
17 that each school district receives the full amount due for
18 general State aid and the remainder of the appropriation shall
19 be used for supplemental general State aid, which the State
20 Board of Education shall calculate and pay to eligible
21 districts on a prorated basis.

22 (1.5) This paragraph (1.5) applies only to those school
23 years preceding the 2003-2004 school year. For purposes of this
24 subsection (H), the term "Low-Income Concentration Level"
25 shall be the low-income eligible pupil count from the most

1 recently available federal census divided by the Average Daily
2 Attendance of the school district. If, however, (i) the
3 percentage decrease from the 2 most recent federal censuses in
4 the low-income eligible pupil count of a high school district
5 with fewer than 400 students exceeds by 75% or more the
6 percentage change in the total low-income eligible pupil count
7 of contiguous elementary school districts, whose boundaries
8 are coterminous with the high school district, or (ii) a high
9 school district within 2 counties and serving 5 elementary
10 school districts, whose boundaries are coterminous with the
11 high school district, has a percentage decrease from the 2 most
12 recent federal censuses in the low-income eligible pupil count
13 and there is a percentage increase in the total low-income
14 eligible pupil count of a majority of the elementary school
15 districts in excess of 50% from the 2 most recent federal
16 censuses, then the high school district's low-income eligible
17 pupil count from the earlier federal census shall be the number
18 used as the low-income eligible pupil count for the high school
19 district, for purposes of this subsection (H). The changes made
20 to this paragraph (1) by Public Act 92-28 shall apply to
21 supplemental general State aid grants for school years
22 preceding the 2003-2004 school year that are paid in fiscal
23 year 1999 or thereafter and to any State aid payments made in
24 fiscal year 1994 through fiscal year 1998 pursuant to
25 subsection 1(n) of Section 18-8 of this Code (which was
26 repealed on July 1, 1998), and any high school district that is

1 affected by Public Act 92-28 is entitled to a recomputation of
2 its supplemental general State aid grant or State aid paid in
3 any of those fiscal years. This recomputation shall not be
4 affected by any other funding.

5 (1.10) This paragraph (1.10) applies to the 2003-2004
6 school year and each school year thereafter. For purposes of
7 this subsection (H), the term "Low-Income Concentration Level"
8 shall, for each fiscal year, be the low-income eligible pupil
9 count as of July 1 of the immediately preceding fiscal year (as
10 determined by the Department of Human Services based on the
11 number of pupils who are eligible for at least one of the
12 following low income programs: Medicaid, KidCare, TANF, or Food
13 Stamps, excluding pupils who are eligible for services provided
14 by the Department of Children and Family Services, averaged
15 over the 2 immediately preceding fiscal years for fiscal year
16 2004 and over the 3 immediately preceding fiscal years for each
17 fiscal year thereafter) divided by the Average Daily Attendance
18 of the school district.

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

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

26 (b) For any school district with a Low Income

1 Concentration Level of at least 35% and less than 50%, the
2 grant for the 1998-1999 school year shall be \$1,100
3 multiplied by the low income eligible pupil count.

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

8 (d) For any school district with a Low Income
9 Concentration Level of 60% or more, the grant for the
10 1998-99 school year shall be \$1,900 multiplied by the low
11 income eligible pupil count.

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

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

20 (2.5) Supplemental general State aid pursuant to this
21 subsection (H) shall be provided as follows for the 2002-2003
22 school year:

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

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

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

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

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

17 (f) For any school district with a Low Income
18 Concentration Level of 60% or more, the grant for each
19 school year shall be \$2,080 multiplied by the low income
20 eligible pupil count.

21 (2.10) Except as otherwise provided, supplemental general
22 State aid pursuant to this subsection (H) shall be provided as
23 follows for the 2003-2004 school year and each school year
24 thereafter:

25 (a) For any school district with a Low Income
26 Concentration Level of 15% or less, the grant for each

1 school year shall be \$355 multiplied by the low income
2 eligible pupil count.

3 (b) For any school district with a Low Income
4 Concentration Level greater than 15%, the grant for each
5 school year shall be \$294.25 added to the product of \$2,700
6 and the square of the Low Income Concentration Level, all
7 multiplied by the low income eligible pupil count.

8 For the 2003-2004 school year, 2004-2005 school year,
9 2005-2006 school year, and 2006-2007 school year only, the
10 grant shall be no less than the grant for the 2002-2003 school
11 year. For the 2007-2008 school year only, the grant shall be no
12 less than the grant for the 2002-2003 school year multiplied by
13 0.66. For the 2008-2009 school year only, the grant shall be no
14 less than the grant for the 2002-2003 school year multiplied by
15 0.33. Notwithstanding the provisions of this paragraph to the
16 contrary, if for any school year supplemental general State aid
17 grants are prorated as provided in paragraph (1) of this
18 subsection (H), then the grants under this paragraph shall be
19 prorated.

20 For the 2003-2004 school year only, the grant shall be no
21 greater than the grant received during the 2002-2003 school
22 year added to the product of 0.25 multiplied by the difference
23 between the grant amount calculated under subsection (a) or (b)
24 of this paragraph (2.10), whichever is applicable, and the
25 grant received during the 2002-2003 school year. For the
26 2004-2005 school year only, the grant shall be no greater than

1 the grant received during the 2002-2003 school year added to
2 the product of 0.50 multiplied by the difference between the
3 grant amount calculated under subsection (a) or (b) of this
4 paragraph (2.10), whichever is applicable, and the grant
5 received during the 2002-2003 school year. For the 2005-2006
6 school year only, the grant shall be no greater than the grant
7 received during the 2002-2003 school year added to the product
8 of 0.75 multiplied by the difference between the grant amount
9 calculated under subsection (a) or (b) of this paragraph
10 (2.10), whichever is applicable, and the grant received during
11 the 2002-2003 school year.

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

22 (4) School districts with an Average Daily Attendance of
23 50,000 or more that qualify for supplemental general State aid
24 pursuant to this subsection shall be required to distribute
25 from funds available pursuant to this Section, no less than
26 \$261,000,000 in accordance with the following requirements:

1 (a) The required amounts shall be distributed to the
2 attendance centers within the district in proportion to the
3 number of pupils enrolled at each attendance center who are
4 eligible to receive free or reduced-price lunches or
5 breakfasts under the federal Child Nutrition Act of 1966
6 and under the National School Lunch Act during the
7 immediately preceding school year.

8 (b) The distribution of these portions of supplemental
9 and general State aid among attendance centers according to
10 these requirements shall not be compensated for or
11 contravened by adjustments of the total of other funds
12 appropriated to any attendance centers, and the Board of
13 Education shall utilize funding from one or several sources
14 in order to fully implement this provision annually prior
15 to the opening of school.

16 (c) Each attendance center shall be provided by the
17 school district a distribution of noncategorical funds and
18 other categorical funds to which an attendance center is
19 entitled under law in order that the general State aid and
20 supplemental general State aid provided by application of
21 this subsection supplements rather than supplants the
22 noncategorical funds and other categorical funds provided
23 by the school district to the attendance centers.

24 (d) Any funds made available under this subsection that
25 by reason of the provisions of this subsection are not
26 required to be allocated and provided to attendance centers

1 may be used and appropriated by the board of the district
2 for any lawful school purpose.

3 (e) Funds received by an attendance center pursuant to
4 this subsection shall be used by the attendance center at
5 the discretion of the principal and local school council
6 for programs to improve educational opportunities at
7 qualifying schools through the following programs and
8 services: early childhood education, reduced class size or
9 improved adult to student classroom ratio, enrichment
10 programs, remedial assistance, attendance improvement, and
11 other educationally beneficial expenditures which
12 supplement the regular and basic programs as determined by
13 the State Board of Education. Funds provided shall not be
14 expended for any political or lobbying purposes as defined
15 by board rule.

16 (f) Each district subject to the provisions of this
17 subdivision (H) (4) shall submit an acceptable plan to meet
18 the educational needs of disadvantaged children, in
19 compliance with the requirements of this paragraph, to the
20 State Board of Education prior to July 15 of each year.
21 This plan shall be consistent with the decisions of local
22 school councils concerning the school expenditure plans
23 developed in accordance with part 4 of Section 34-2.3. The
24 State Board shall approve or reject the plan within 60 days
25 after its submission. If the plan is rejected, the district
26 shall give written notice of intent to modify the plan

1 within 15 days of the notification of rejection and then
2 submit a modified plan within 30 days after the date of the
3 written notice of intent to modify. Districts may amend
4 approved plans pursuant to rules promulgated by the State
5 Board of Education.

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

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

19 For purposes of determining compliance with this
20 subsection in relation to the requirements of attendance
21 center funding, each district subject to the provisions of
22 this subsection shall submit as a separate document by
23 December 1 of each year a report of expenditure data for
24 the prior year in addition to any modification of its
25 current plan. If it is determined that there has been a
26 failure to comply with the expenditure provisions of this

1 subsection regarding contravention or supplanting, the
2 State Superintendent of Education shall, within 60 days of
3 receipt of the report, notify the district and any affected
4 local school council. The district shall within 45 days of
5 receipt of that notification inform the State
6 Superintendent of Education of the remedial or corrective
7 action to be taken, whether by amendment of the current
8 plan, if feasible, or by adjustment in the plan for the
9 following year. Failure to provide the expenditure report
10 or the notification of remedial or corrective action in a
11 timely manner shall result in a withholding of the affected
12 funds.

13 The State Board of Education shall promulgate rules and
14 regulations to implement the provisions of this
15 subsection. No funds shall be released under this
16 subdivision (H) (4) to any district that has not submitted a
17 plan that has been approved by the State Board of
18 Education.

19 (I) (Blank).

20 (J) Supplementary Grants in Aid.

21 (1) Notwithstanding any other provisions of this Section,
22 the amount of the aggregate general State aid in combination
23 with supplemental general State aid under this Section for
24 which each school district is eligible shall be no less than

1 the amount of the aggregate general State aid entitlement that
2 was received by the district under Section 18-8 (exclusive of
3 amounts received under subsections 5(p) and 5(p-5) of that
4 Section) for the 1997-98 school year, pursuant to the
5 provisions of that Section as it was then in effect. If a
6 school district qualifies to receive a supplementary payment
7 made under this subsection (J), the amount of the aggregate
8 general State aid in combination with supplemental general
9 State aid under this Section which that district is eligible to
10 receive for each school year shall be no less than the amount
11 of the aggregate general State aid entitlement that was
12 received by the district under Section 18-8 (exclusive of
13 amounts received under subsections 5(p) and 5(p-5) of that
14 Section) for the 1997-1998 school year, pursuant to the
15 provisions of that Section as it was then in effect.

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

1 (3) (Blank).

2 (K) Grants to Laboratory and Alternative Schools.

3 In calculating the amount to be paid to the governing board
4 of a public university that operates a laboratory school under
5 this Section or to any alternative school that is operated by a
6 regional superintendent of schools, the State Board of
7 Education shall require by rule such reporting requirements as
8 it deems necessary.

9 As used in this Section, "laboratory school" means a public
10 school which is created and operated by a public university and
11 approved by the State Board of Education. The governing board
12 of a public university which receives funds from the State
13 Board under this subsection (K) may not increase the number of
14 students enrolled in its laboratory school from a single
15 district, if that district is already sending 50 or more
16 students, except under a mutual agreement between the school
17 board of a student's district of residence and the university
18 which operates the laboratory school. A laboratory school may
19 not have more than 1,000 students, excluding students with
20 disabilities in a special education program.

21 As used in this Section, "alternative school" means a
22 public school which is created and operated by a Regional
23 Superintendent of Schools and approved by the State Board of
24 Education. Such alternative schools may offer courses of
25 instruction for which credit is given in regular school

1 programs, courses to prepare students for the high school
2 equivalency testing program or vocational and occupational
3 training. A regional superintendent of schools may contract
4 with a school district or a public community college district
5 to operate an alternative school. An alternative school serving
6 more than one educational service region may be established by
7 the regional superintendents of schools of the affected
8 educational service regions. An alternative school serving
9 more than one educational service region may be operated under
10 such terms as the regional superintendents of schools of those
11 educational service regions may agree.

12 Each laboratory and alternative school shall file, on forms
13 provided by the State Superintendent of Education, an annual
14 State aid claim which states the Average Daily Attendance of
15 the school's students by month. The best 3 months' Average
16 Daily Attendance shall be computed for each school. The general
17 State aid entitlement shall be computed by multiplying the
18 applicable Average Daily Attendance by the Foundation Level as
19 determined under this Section.

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

21 (1) For a school district operating under the financial
22 supervision of an Authority created under Article 34A, the
23 general State aid otherwise payable to that district under this
24 Section, but not the supplemental general State aid, shall be
25 reduced by an amount equal to the budget for the operations of

1 the Authority as certified by the Authority to the State Board
2 of Education, and an amount equal to such reduction shall be
3 paid to the Authority created for such district for its
4 operating expenses in the manner provided in Section 18-11. The
5 remainder of general State school aid for any such district
6 shall be paid in accordance with Article 34A when that Article
7 provides for a disposition other than that provided by this
8 Article.

9 (2) (Blank).

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

12 (M) Education Funding Advisory Board.

13 The Education Funding Advisory Board, hereinafter in this
14 subsection (M) referred to as the "Board", is hereby created.
15 The Board shall consist of 5 members who are appointed by the
16 Governor, by and with the advice and consent of the Senate. The
17 members appointed shall include representatives of education,
18 business, and the general public. One of the members so
19 appointed shall be designated by the Governor at the time the
20 appointment is made as the chairperson of the Board. The
21 initial members of the Board may be appointed any time after
22 the effective date of this amendatory Act of 1997. The regular
23 term of each member of the Board shall be for 4 years from the
24 third Monday of January of the year in which the term of the
25 member's appointment is to commence, except that of the 5

1 initial members appointed to serve on the Board, the member who
2 is appointed as the chairperson shall serve for a term that
3 commences on the date of his or her appointment and expires on
4 the third Monday of January, 2002, and the remaining 4 members,
5 by lots drawn at the first meeting of the Board that is held
6 after all 5 members are appointed, shall determine 2 of their
7 number to serve for terms that commence on the date of their
8 respective appointments and expire on the third Monday of
9 January, 2001, and 2 of their number to serve for terms that
10 commence on the date of their respective appointments and
11 expire on the third Monday of January, 2000. All members
12 appointed to serve on the Board shall serve until their
13 respective successors are appointed and confirmed. Vacancies
14 shall be filled in the same manner as original appointments. If
15 a vacancy in membership occurs at a time when the Senate is not
16 in session, the Governor shall make a temporary appointment
17 until the next meeting of the Senate, when he or she shall
18 appoint, by and with the advice and consent of the Senate, a
19 person to fill that membership for the unexpired term. If the
20 Senate is not in session when the initial appointments are
21 made, those appointments shall be made as in the case of
22 vacancies.

23 The Education Funding Advisory Board shall be deemed
24 established, and the initial members appointed by the Governor
25 to serve as members of the Board shall take office, on the date
26 that the Governor makes his or her appointment of the fifth

1 initial member of the Board, whether those initial members are
2 then serving pursuant to appointment and confirmation or
3 pursuant to temporary appointments that are made by the
4 Governor as in the case of vacancies.

5 The State Board of Education shall provide such staff
6 assistance to the Education Funding Advisory Board as is
7 reasonably required for the proper performance by the Board of
8 its responsibilities.

9 For school years after the 2000-2001 school year, the
10 Education Funding Advisory Board, in consultation with the
11 State Board of Education, shall make recommendations as
12 provided in this subsection (M) to the General Assembly for the
13 foundation level under subdivision (B)(3) of this Section and
14 for the supplemental general State aid grant level under
15 subsection (H) of this Section for districts with high
16 concentrations of children from poverty. The recommended
17 foundation level shall be determined based on a methodology
18 which incorporates the basic education expenditures of
19 low-spending schools exhibiting high academic performance. The
20 Education Funding Advisory Board shall make such
21 recommendations to the General Assembly on January 1 of odd
22 numbered years, beginning January 1, 2001.

23 (N) (Blank).

24 (O) References.

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

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

9 (P) Public Act 93-838 and Public Act 93-808 make inconsistent
10 changes to this Section. Under Section 6 of the Statute on
11 Statutes there is an irreconcilable conflict between Public Act
12 93-808 and Public Act 93-838. Public Act 93-838, being the last
13 acted upon, is controlling. The text of Public Act 93-838 is
14 the law regardless of the text of Public Act 93-808.

15 (Source: P.A. 93-21, eff. 7-1-03; 93-715, eff. 7-12-04; 93-808,
16 eff. 7-26-04; 93-838, eff. 7-30-04; 93-875, eff. 8-6-04; 94-69,
17 eff. 7-1-05; 94-438, eff. 8-4-05; 94-835, eff. 6-6-06; 94-1019,
18 eff. 7-10-06; 94-1105, eff. 6-1-07; revised 2-18-07.)

19 Section 995. No acceleration or delay. Where this Act makes
20 changes in a statute that is represented in this Act by text
21 that is not yet or no longer in effect (for example, a Section
22 represented by multiple versions), the use of that text does
23 not accelerate or delay the taking effect of (i) the changes
24 made by this Act or (ii) provisions derived from any other

1 Public Act.

2 Section 999. Effective date. This Act takes effect upon
3 becoming law.".