



## 95TH GENERAL ASSEMBLY

### State of Illinois

2007 and 2008

**HB4151**

by Rep. Roger L. Eddy - Suzanne Bassi - Jerry L. Mitchell -  
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#### SYNOPSIS AS INTRODUCED:

See Index

Creates the FY2008 Budget Implementation (Education) Act. Provides that the purpose of the Act is to make changes in State programs that are necessary to implement the Governor's FY2008 budget recommendations concerning education. Amends the State Finance Act and the School Code. Makes changes concerning the SBE Federal Department of Education Fund, the SBE Federal Agency Services Fund, the SBE Federal Department of Agriculture Fund, and the State Board of Education Special Purpose Trust Fund; transfers among line item appropriations; targeted intervention strategies; grants to non-public schools under the School Safety and Educational Improvement Block Grant Program; the creation of a new superintendent mentoring program, a Rural Learning Initiative, an enhanced teacher compensation system, a severely overcrowded schools grant program, and the Salary Incentive Program for Hard-to-Staff Schools; the School Technology Revolving Loan Program; transitional assistance payments; a Lincoln's Challenge Academy study; the conversion and formation of school districts; reporting on contracts; incentives for district reorganization and annexation; reimbursement for special education personnel; the State aid formula (the foundation level of support and the minimum supplemental general State aid grant amount). Effective immediately.

LRB095 13975 RAS 39788 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning budget implementation.

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

4 Section 1. Short title. This Act may be cited as the FY2008  
5 Budget Implementation (Education) Act.

6 Section 5. Purpose. It is the purpose of this Act to make  
7 changes in State programs that are necessary to implement the  
8 Governor's FY2008 budget recommendations concerning education.

9 Section 10. The State Finance Act is amended by changing  
10 Sections 6z-65.5, 6z-66, 6z-67, and 13.2 as follows:

11 (30 ILCS 105/6z-65.5)

12 Sec. 6z-65.5. SBE Federal Department of Education Fund. The  
13 SBE Federal Department of Education Fund is created as a  
14 federal trust fund in the State treasury. This fund is  
15 established to receive funds from the federal Department of  
16 Education, including non-indirect cost administrative funds  
17 recovered from federal programs, for the specific purposes  
18 established by the terms and conditions of federal awards.  
19 Moneys in the SBE Federal Department of Education Fund shall be  
20 used, subject to appropriation by the General Assembly, for  
21 grants and contracts to local education agencies, colleges and

1 universities, and other State agencies and for administrative  
2 expenses of the State Board of Education. However,  
3 non-appropriated spending is allowed for the refund of  
4 unexpended grant moneys to the federal government. The SBE  
5 Federal Department of Education Fund shall serve as the  
6 successor fund to the National Center for Education Statistics  
7 Fund, and any balance remaining in the National Center for  
8 Education Statistics Fund on the effective date of this  
9 amendatory Act of the 94th General Assembly must be transferred  
10 to the SBE Federal Department of Education Fund by the State  
11 Treasurer. Any future deposits that would otherwise be made  
12 into the National Center for Education Statistics Fund must  
13 instead be made into the SBE Federal Department of Education  
14 Fund.

15 On or after July 1, 2007, the State Board of Education  
16 shall notify the State Comptroller of the amount of indirect  
17 federal funds in the SBE Federal Department of Education Fund  
18 to be transferred to the State Board of Education Special  
19 Purpose Trust Fund. The State Comptroller shall direct and the  
20 State Treasurer shall transfer this amount to the State Board  
21 of Education Special Purpose Trust Fund as soon as practical  
22 thereafter.

23 (Source: P.A. 93-838, eff. 7-30-04; 94-69, eff. 7-1-05.)

24 (30 ILCS 105/6z-66)

25 Sec. 6z-66. SBE Federal Agency Services Fund. The SBE

1 Federal Agency Services Fund is created as a federal trust fund  
2 in the State treasury. This fund is established to receive  
3 funds from all federal departments and agencies except the  
4 Departments of Education and Agriculture (including among  
5 others the Departments of Health and Human Services, Defense,  
6 and Labor and the Corporation for National and Community  
7 Service), including non-indirect cost administrative funds  
8 recovered from federal programs, for the specific purposes  
9 established by the terms and conditions of federal awards.  
10 Moneys in the SBE Federal Agency Services Fund shall be used,  
11 subject to appropriation by the General Assembly, for grants  
12 and contracts to local education agencies, colleges and  
13 universities, and other State agencies and for administrative  
14 expenses of the State Board of Education. However,  
15 non-appropriated spending is allowed for the refund of  
16 unexpended grant moneys to the federal government. The SBE  
17 Federal Agency Services Fund shall serve as the successor fund  
18 to the SBE Department of Health and Human Services Fund, the  
19 SBE Federal Department of Labor Federal Trust Fund, and the SBE  
20 Federal National Community Service Fund; and any balance  
21 remaining in the SBE Department of Health and Human Services  
22 Fund, the SBE Federal Department of Labor Federal Trust Fund,  
23 or the SBE Federal National Community Service Fund on the  
24 effective date of this amendatory Act of the 94th General  
25 Assembly must be transferred to the SBE Federal Agency Services  
26 Fund by the State Treasurer. Any future deposits that would

1 otherwise be made into the SBE Department of Health and Human  
2 Services Fund, the SBE Federal Department of Labor Federal  
3 Trust Fund, or the SBE Federal National Community Service Fund  
4 must instead be made into the SBE Federal Agency Services Fund.

5 On or after July 1, 2007, the State Board of Education  
6 shall notify the State Comptroller of the amount of indirect  
7 federal funds in the SBE Federal Agency Services Fund to be  
8 transferred to the State Board of Education Special Purpose  
9 Trust Fund. The State Comptroller shall direct and the State  
10 Treasurer shall transfer this amount to the State Board of  
11 Education Special Purpose Trust Fund as soon as practical  
12 thereafter.

13 (Source: P.A. 93-838, eff. 7-30-04; 94-69, eff. 7-1-05.)

14 (30 ILCS 105/6z-67)

15 Sec. 6z-67. SBE Federal Department of Agriculture Fund. The  
16 SBE Federal Department of Agriculture Fund is created as a  
17 federal trust fund in the State treasury. This fund is  
18 established to receive funds from the federal Department of  
19 Agriculture, including non-indirect cost administrative funds  
20 recovered from federal programs, for the specific purposes  
21 established by the terms and conditions of federal awards.  
22 Moneys in the SBE Federal Department of Agriculture Fund shall  
23 be used, subject to appropriation by the General Assembly, for  
24 grants and contracts to local education agencies, colleges and  
25 universities, and other State agencies and for administrative

1 expenses of the State Board of Education. However,  
2 non-appropriated spending is allowed for the refund of  
3 unexpended grant moneys to the federal government.

4 On or after July 1, 2007, the State Board of Education  
5 shall notify the State Comptroller of the amount of indirect  
6 federal funds in the SBE Federal Department of Agriculture Fund  
7 to be transferred to the State Board of Education Special  
8 Purpose Trust Fund. The State Comptroller shall direct and the  
9 State Treasurer shall transfer this amount to the State Board  
10 of Education Special Purpose Trust Fund as soon as practical  
11 thereafter.

12 (Source: P.A. 93-838, eff. 7-30-04; 94-69, eff. 7-1-05; 94-835,  
13 eff. 6-6-06.)

14 (30 ILCS 105/13.2) (from Ch. 127, par. 149.2)

15 Sec. 13.2. Transfers among line item appropriations.

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

22 (a-1) No transfers may be made from one agency to another  
23 agency, nor may transfers be made from one institution of  
24 higher education to another institution of higher education.

25 (a-2) Except as otherwise provided in this Section,

1 transfers may be made only among the objects of expenditure  
2 enumerated in this Section, except that no funds may be  
3 transferred from any appropriation for personal services, from  
4 any appropriation for State contributions to the State  
5 Employees' Retirement System, from any separate appropriation  
6 for employee retirement contributions paid by the employer, nor  
7 from any appropriation for State contribution for employee  
8 group insurance. During State fiscal year 2005, an agency may  
9 transfer amounts among its appropriations within the same  
10 treasury fund for personal services, employee retirement  
11 contributions paid by employer, and State Contributions to  
12 retirement systems; notwithstanding and in addition to the  
13 transfers authorized in subsection (c) of this Section, the  
14 fiscal year 2005 transfers authorized in this sentence may be  
15 made in an amount not to exceed 2% of the aggregate amount  
16 appropriated to an agency within the same treasury fund. During  
17 State fiscal year 2007, the Departments of Children and Family  
18 Services, Corrections, Human Services, and Juvenile Justice  
19 may transfer amounts among their respective appropriations  
20 within the same treasury fund for personal services, employee  
21 retirement contributions paid by employer, and State  
22 contributions to retirement systems. Notwithstanding, and in  
23 addition to, the transfers authorized in subsection (c) of this  
24 Section, these transfers may be made in an amount not to exceed  
25 2% of the aggregate amount appropriated to an agency within the  
26 same treasury fund.

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

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

12           The Department of Healthcare and Family Services is  
13 authorized to make transfers representing savings attributable  
14 to not increasing grants due to the births of additional  
15 children from line items for payments of cash grants to line  
16 items for payments for employment and social services for the  
17 purposes outlined in subsection (f) of Section 4-2 of the  
18 Illinois Public Aid Code.

19           The Department of Children and Family Services is  
20 authorized to make transfers not exceeding 2% of the aggregate  
21 amount appropriated to it within the same treasury fund for the  
22 following line items among these same line items: Foster Home  
23 and Specialized Foster Care and Prevention, Institutions and  
24 Group Homes and Prevention, and Purchase of Adoption and  
25 Guardianship Services.

26           The Department on Aging is authorized to make transfers not



1 exceeding 2% of the aggregate amount appropriated to it within  
2 the same treasury fund for the following Community Care Program  
3 line items among these same line items: Homemaker and Senior  
4 Companion Services, Alternative Senior Services, Case  
5 Coordination Units, and Adult Day Care Services.

6 The State Treasurer is authorized to make transfers among  
7 line item appropriations from the Capital Litigation Trust  
8 Fund, with respect to costs incurred in fiscal years 2002 and  
9 2003 only, when the balance remaining in one or more such line  
10 item appropriations is insufficient for the purpose for which  
11 the appropriation was made, provided that no such transfer may  
12 be made unless the amount transferred is no longer required for  
13 the purpose for which that appropriation was made.

14 The State Board of Education is authorized to make  
15 transfers from line item appropriations within the same  
16 treasury fund for General State Aid and General State Aid -  
17 Hold Harmless, provided that no such transfer may be made  
18 unless the amount transferred is no longer required for the  
19 purpose for which that appropriation was made, to the line item  
20 appropriation for Transitional Assistance when the balance  
21 remaining in such line item appropriation is insufficient for  
22 the purpose for which the appropriation was made.

23 The State Board of Education is authorized to make  
24 transfers between the following line item appropriations  
25 within the same treasury fund: Disabled Student  
26 Services/Materials (Section 14-13.01 of the School Code),

1 Disabled Student Transportation Reimbursement (Section  
2 14-13.01 of the School Code), Disabled Student Tuition -  
3 Private Tuition (Section 14-7.02 of the School Code),  
4 Extraordinary Special Education (Section 14-7.02b of the  
5 School Code), Reimbursement for Free Lunch/Breakfast Program,  
6 Summer School Payments (Section 18-4.3 of the School Code), and  
7 Transportation - Regular/Vocational Reimbursement (Section  
8 29-5 of the School Code). Such transfers shall be made only  
9 when the balance remaining in one or more such line item  
10 appropriations is insufficient for the purpose for which the  
11 appropriation was made and provided that no such transfer may  
12 be made unless the amount transferred is no longer required for  
13 the purpose for which that appropriation was made.

14 (c) The sum of such transfers for an agency in a fiscal  
15 year shall not exceed 2% of the aggregate amount appropriated  
16 to it within the same treasury fund for the following objects:  
17 Personal Services; Extra Help; Student and Inmate  
18 Compensation; State Contributions to Retirement Systems; State  
19 Contributions to Social Security; State Contribution for  
20 Employee Group Insurance; Contractual Services; Travel;  
21 Commodities; Printing; Equipment; Electronic Data Processing;  
22 Operation of Automotive Equipment; Telecommunications  
23 Services; Travel and Allowance for Committed, Paroled and  
24 Discharged Prisoners; Library Books; Federal Matching Grants  
25 for Student Loans; Refunds; Workers' Compensation,  
26 Occupational Disease, and Tort Claims; and, in appropriations

1 to institutions of higher education, Awards and Grants.  
2 Notwithstanding the above, any amounts appropriated for  
3 payment of workers' compensation claims to an agency to which  
4 the authority to evaluate, administer and pay such claims has  
5 been delegated by the Department of Central Management Services  
6 may be transferred to any other expenditure object where such  
7 amounts exceed the amount necessary for the payment of such  
8 claims.

9 (c-1) Special provisions for State fiscal year 2003.  
10 Notwithstanding any other provision of this Section to the  
11 contrary, for State fiscal year 2003 only, transfers among line  
12 item appropriations to an agency from the same treasury fund  
13 may be made provided that the sum of such transfers for an  
14 agency in State fiscal year 2003 shall not exceed 3% of the  
15 aggregate amount appropriated to that State agency for State  
16 fiscal year 2003 for the following objects: personal services,  
17 except that no transfer may be approved which reduces the  
18 aggregate appropriations for personal services within an  
19 agency; extra help; student and inmate compensation; State  
20 contributions to retirement systems; State contributions to  
21 social security; State contributions for employee group  
22 insurance; contractual services; travel; commodities;  
23 printing; equipment; electronic data processing; operation of  
24 automotive equipment; telecommunications services; travel and  
25 allowance for committed, paroled, and discharged prisoners;  
26 library books; federal matching grants for student loans;

1 refunds; workers' compensation, occupational disease, and tort  
2 claims; and, in appropriations to institutions of higher  
3 education, awards and grants.

4 (c-2) Special provisions for State fiscal year 2005.  
5 Notwithstanding subsections (a), (a-2), and (c), for State  
6 fiscal year 2005 only, transfers may be made among any line  
7 item appropriations from the same or any other treasury fund  
8 for any objects or purposes, without limitation, when the  
9 balance remaining in one or more such line item appropriations  
10 is insufficient for the purpose for which the appropriation was  
11 made, provided that the sum of those transfers by a State  
12 agency shall not exceed 4% of the aggregate amount appropriated  
13 to that State agency for fiscal year 2005.

14 (d) Transfers among appropriations made to agencies of the  
15 Legislative and Judicial departments and to the  
16 constitutionally elected officers in the Executive branch  
17 require the approval of the officer authorized in Section 10 of  
18 this Act to approve and certify vouchers. Transfers among  
19 appropriations made to the University of Illinois, Southern  
20 Illinois University, Chicago State University, Eastern  
21 Illinois University, Governors State University, Illinois  
22 State University, Northeastern Illinois University, Northern  
23 Illinois University, Western Illinois University, the Illinois  
24 Mathematics and Science Academy and the Board of Higher  
25 Education require the approval of the Board of Higher Education  
26 and the Governor. Transfers among appropriations to all other

1 agencies require the approval of the Governor.

2 The officer responsible for approval shall certify that the  
3 transfer is necessary to carry out the programs and purposes  
4 for which the appropriations were made by the General Assembly  
5 and shall transmit to the State Comptroller a certified copy of  
6 the approval which shall set forth the specific amounts  
7 transferred so that the Comptroller may change his records  
8 accordingly. The Comptroller shall furnish the Governor with  
9 information copies of all transfers approved for agencies of  
10 the Legislative and Judicial departments and transfers  
11 approved by the constitutionally elected officials of the  
12 Executive branch other than the Governor, showing the amounts  
13 transferred and indicating the dates such changes were entered  
14 on the Comptroller's records.

15 (e) The State Board of Education, in consultation with the  
16 State Comptroller, may transfer line item appropriations for  
17 General State Aid from the Common School Fund to the Education  
18 Assistance Fund.

19 (Source: P.A. 93-680, eff. 7-1-04; 93-839, eff. 7-30-04;  
20 94-839, eff. 6-6-06.)

21 Section 15. The School Code is amended by adding Sections  
22 2-3.25p, 2-3.53b, 2-3.142, 2-3.143, 2-3.144, 2-3.145, 2-3.146,  
23 10-20.40, and 21-29 and by changing Sections 2-3.51.5,  
24 2-3.117a, 2-3.127a, 2-3.131 (as added by Public Act 93-21),  
25 7-14A, 11E-35, 11E-40, 11E-45, 11E-50, 11E-65, 11E-135,

1 14-13.01, 18-8.05, 29-3, and 29-5 as follows:

2 (105 ILCS 5/2-3.25p new)

3 Sec. 2-3.25p. Targeted intervention strategies.

4 (a) The State Board of Education is authorized to make  
5 rules necessary to define and implement strategies to support  
6 school districts. Moneys appropriated under this Section must  
7 be used to undertake targeted interventions in eligible schools  
8 to improve student achievement, which undertaking shall  
9 include provision by the State Board of Education of a State  
10 Intervention Team.

11 (b) School districts with one or more schools that have not  
12 met adequate yearly progress for at least 3 consecutive annual  
13 calculations are eligible to participate in targeted  
14 intervention strategies. The State Board of Education shall  
15 select participating schools through a prioritization process  
16 that considers the following, in addition to other factors  
17 defined by Board rule:

18 (1) the number of consecutive years the school has not  
19 met adequate yearly progress criteria; and

20 (2) the overall percentage of students in the school  
21 with State assessment scores demonstrating proficiency.

22 (c) The State Board of Education shall provide school  
23 districts with schools eligible to participate the opportunity  
24 to accept or decline participation in targeted intervention  
25 strategies designed in cooperation with the school district,

1 the State Board of Education, and a designated State  
2 Intervention Team.

3 (d) A State Intervention Team established under this  
4 Section shall work with school districts to identify other  
5 State, federal, and local funds that may be used to carry out  
6 targeted intervention strategies as identified in the school  
7 improvement or restructuring plan developed or revised under  
8 this Section.

9 (e) Subject to appropriation, the State Board of Education  
10 shall make funds available to school districts implementing  
11 targeted intervention strategies as identified in the school  
12 improvement or restructuring plan developed or revised under  
13 this Section.

14 (f) The State Board of Education shall assemble a State  
15 Intervention Team, which shall include at least one academic  
16 improvement specialist and may include representatives from  
17 various State agencies, such as the Department of Human  
18 Services, the Department of Healthcare and Family Services, the  
19 Department of State Police, and the Department of Children and  
20 Family Services.

21 (g) A State Intervention Team shall cooperate with  
22 representatives of the participating school district, which  
23 may include the school board, district superintendent, school  
24 administration, school professional staff, school parents, and  
25 the school community.

26 (h) In cooperation with those entities listed in subsection

1 (g) of this Section, the State Intervention Team shall, in  
2 accordance with rules adopted by the State Board of Education,  
3 develop or revise the school improvement or restructuring plan  
4 that is required to be in place for the respective school under  
5 Section 2-3.25d of this Code.

6 (i) The plan referred to in subsection (h) of this Section  
7 must be completed within the timeline established for such  
8 plans by rule of the State Board of Education and must be  
9 submitted to the State Board of Education.

10 (j) The plan developed or revised under this Section may  
11 include the following, among other appropriate strategies for  
12 school improvement:

13 (1) A plan for school participation in an extended  
14 school year or summer school services or both for  
15 low-achieving students.

16 (2) A plan to implement after-school tutoring and  
17 alternative enrichment activities for low-achieving  
18 students.

19 (3) A plan to increase the integration of technology in  
20 classroom instruction and the use of technology to  
21 encourage parental and community involvement.

22 (4) Improvements to services made available to  
23 students, parents, and guardians through the school  
24 library.

25 (5) Professional development opportunities available  
26 to school and district administrators and teachers.



1           (6) Improvements to school curriculum and school  
2           materials, including textbooks, software, and other  
3           technology.

4           (7) Hiring of specialized personnel, including those  
5           with experience in teaching reading.

6           (k) The plan developed or revised under this Section shall  
7           cover a minimum of 2 school years and must identify strategies  
8           for academic improvement that can be sustained by the school  
9           district in subsequent years.

10          (l) The State Intervention Team, in cooperation with the  
11          State Board of Education, shall assess the participating  
12          schools' progress throughout the course of the intervention  
13          period, including the participating schools' capacity to  
14          sustain academic improvement without participation in the  
15          program.

16          (m) Nothing in this Section shall alter any of the  
17          obligations of school districts or schools under Section  
18          2-3.25d of this Code. All federal requirements apply to schools  
19          and school districts utilizing federal funds under Title I,  
20          Part A of the federal Elementary and Secondary Education Act of  
21          1965.

22           (105 ILCS 5/2-3.51.5)

23           Sec. 2-3.51.5. School Safety and Educational Improvement  
24           Block Grant Program. To improve the level of education and  
25           safety of students from kindergarten through grade 12 in school

1 districts and State-recognized, non-public schools. The State  
2 Board of Education is authorized to fund a School Safety and  
3 Educational Improvement Block Grant Program.

4 (1) For school districts, the ~~The~~ program shall provide  
5 funding for school safety, textbooks and software, teacher  
6 training and curriculum development, school improvements,  
7 remediation programs under subsection (a) of Section 2-3.64,  
8 school report cards under Section 10-17a, and criminal history  
9 records checks under Sections 10-21.9 and 34-18.5. For  
10 State-recognized, non-public schools, the program shall  
11 provide funding for secular textbooks and software, criminal  
12 history records checks, and health and safety mandates to the  
13 extent that the funds are expended for purely secular purposes.

14 A school district or laboratory school as defined in Section  
15 18-8 or 18-8.05 is not required to file an application in order  
16 to receive the categorical funding to which it is entitled  
17 under this Section. Funds for the School Safety and Educational  
18 Improvement Block Grant Program shall be distributed to school  
19 districts and laboratory schools based on the prior year's best  
20 3 months average daily attendance. Funds for the School Safety  
21 and Educational Improvement Block Grant Program shall be  
22 distributed to State-recognized, non-public schools based on  
23 the average daily attendance figure for the previous school  
24 year provided to the State Board of Education. The State Board  
25 of Education shall develop an application that requires  
26 State-recognized, non-public schools to submit average daily

1 attendance figures. A State-recognized, non-public school must  
2 submit the application and average daily attendance figure  
3 prior to receiving funds under this Section. The State Board of  
4 Education shall promulgate rules and regulations necessary for  
5 the implementation of this program.

6 (2) Distribution of moneys to school districts and  
7 State-recognized, non-public schools shall be made in 2  
8 semi-annual installments, one payment on or before October 30,  
9 and one payment prior to April 30, of each fiscal year.

10 (3) Grants under the School Safety and Educational  
11 Improvement Block Grant Program shall be awarded provided there  
12 is an appropriation for the program, and funding levels for  
13 each district shall be prorated according to the amount of the  
14 appropriation.

15 (4) The provisions of this Section are in the public  
16 interest, are for the public benefit, and serve secular public  
17 purposes.

18 (Source: P.A. 93-909, eff. 8-12-04.)

19 (105 ILCS 5/2-3.53b new)

20 Sec. 2-3.53b. New superintendent mentoring program.

21 (a) Beginning on July 1, 2008 and subject to an annual  
22 appropriation by the General Assembly, to establish a new  
23 superintendent mentoring program for new superintendents. Any  
24 individual who begins serving as a superintendent in this State  
25 on or after July 1, 2008 and has not previously served as a

1 school district superintendent in this State shall participate  
2 in the new superintendent mentoring program for the duration of  
3 his or her first 2 school years as a superintendent and must  
4 complete the program in accordance with the requirements  
5 established by the State Board of Education by rule. The new  
6 superintendent mentoring program shall match an experienced  
7 superintendent who meets the requirements of subsection (b) of  
8 this Section with each new superintendent in his or her first 2  
9 school years in that position in order to assist the new  
10 superintendent in the development of his or her professional  
11 growth and to provide guidance during the new superintendent's  
12 first 2 school years of service.

13 (b) Any individual who has actively served as a school  
14 district superintendent in this State for 3 or more years and  
15 who has demonstrated success as an instructional leader, as  
16 determined by the State Board of Education by rule, is eligible  
17 to apply to be a mentor under the new superintendent mentoring  
18 program. Mentors shall complete mentoring training through a  
19 provider selected by the State Board of Education and shall  
20 meet any other requirements set forth by the State Board and by  
21 the school district employing the mentor.

22 (c) Under the new superintendent mentoring program, a  
23 provider selected by the State Board of Education shall assign  
24 a mentor to a new superintendent based on (i) similarity of  
25 grade level or type of school district, (ii) learning needs of  
26 the new superintendent, and (iii) geographical proximity of the

1 mentor to the new superintendent. The new superintendent, in  
2 collaboration with the mentor, shall identify areas for  
3 improvement of the new superintendent's professional growth,  
4 including, but not limited to, each of the following:

5 (1) Analyzing data and applying it to practice.

6 (2) Aligning professional development and  
7 instructional programs.

8 (3) Building a professional learning community.

9 (4) Effective school board relations.

10 (5) Facilitating effective meetings.

11 (6) Developing distributive leadership practices.

12 (7) Facilitating organizational change.

13 The mentor must not be required to provide an evaluation of  
14 the new superintendent on the basis of the mentoring  
15 relationship.

16 (d) From January 1, 2009 until May 15, 2009 and from  
17 January 1 until May 15 each year thereafter, each mentor and  
18 each new superintendent shall complete a survey of progress of  
19 the new superintendent on a form developed by the school  
20 district. On or before September 1, 2009 and on or before  
21 September 1 of each year thereafter, the provider selected by  
22 the State Board of Education shall submit a detailed annual  
23 report to the State Board of how the appropriation for the new  
24 superintendent mentoring program was spent, details on each  
25 mentor-mentee relationship, and a qualitative evaluation of  
26 the outcomes. The provider shall develop a verification form

1 that each new superintendent and his or her mentor must  
2 complete and submit to the provider to certify completion of  
3 each year of the new superintendent mentoring program by July  
4 15 immediately following the school year just completed.

5 (e) The requirements of this Section do not apply to any  
6 individual who has previously served as an assistant  
7 superintendent in a school district in this State acting under  
8 an administrative certificate for 5 or more years and who, on  
9 or after July 1, 2008, begins serving as a superintendent in  
10 the school district where he or she had served as an assistant  
11 superintendent immediately prior to being named  
12 superintendent, although such an individual may choose to  
13 participate in the new superintendent mentoring program or may  
14 be required to participate by the school district. The  
15 requirements of this Section do not apply to any superintendent  
16 or chief executive officer of a school district organized under  
17 Article 34 of this Code.

18 (f) The State Board may adopt any rules that are necessary  
19 for the implementation of this Section.

20 (105 ILCS 5/2-3.117a)

21 Sec. 2-3.117a. School Technology Revolving Loan Program.

22 (a) The State Board of Education is authorized to  
23 administer a School Technology Revolving Loan Program from  
24 funds appropriated from the School Technology Revolving Loan  
25 Fund for the purpose of making the financing of school

1 technology hardware improvements affordable and making the  
2 integration of technology in the classroom possible. School  
3 technology loans shall be made available to public school  
4 districts, charter schools, area vocational centers, and  
5 laboratory schools to purchase technology hardware for  
6 eligible grade levels on a 2-year rotating basis: grades 9  
7 through 12 in fiscal year 2004 and each second year thereafter  
8 and grades K through 8 in fiscal year 2005 and each second year  
9 thereafter.

10 The State Board of Education shall determine the interest  
11 rate the loans shall bear which shall not be greater than 50%  
12 of the rate for the most recent date shown in the 20 G.O. Bonds  
13 Index of average municipal bond yields as published in the most  
14 recent edition of The Bond Buyer, published in New York, New  
15 York. The repayment period for School Technology Revolving  
16 Loans shall not exceed 3 years. Participants shall use at least  
17 90% of the loan proceeds for technology hardware investments  
18 for students and staff (including computer hardware,  
19 technology networks, related wiring, and other items as defined  
20 in rules adopted by the State Board of Education) and up to 10%  
21 of the loan proceeds for computer furniture. No participant  
22 whose equalized assessed valuation per pupil in average daily  
23 attendance is at the 99th percentile and above for all  
24 districts of the same type shall be eligible to receive a  
25 School Technology Revolving Loan under the provisions of this  
26 Section for that year.

1           The State Board of Education shall have the authority to  
2   adopt all rules necessary for the implementation and  
3   administration of the School Technology Revolving Loan  
4   Program, including, but not limited to, rules defining  
5   application procedures, prescribing a maximum amount per pupil  
6   that may be requested annually by districts, requiring  
7   appropriate local commitments for technology investments,  
8   prescribing a mechanism for disbursing loan funds in the event  
9   requests exceed available funds, specifying collateral, and  
10   prescribing actions necessary to protect the State's interest  
11   in the event of default, foreclosure, or noncompliance with the  
12   terms and conditions of the loans.

13           (b) There is created in the State treasury the School  
14   Technology Revolving Loan Fund. The State Board shall have the  
15   authority to make expenditures from the Fund pursuant to  
16   appropriations made for the purposes of this Section, including  
17   payments for refunds. There shall be deposited into the Fund  
18   such amounts, including but not limited to:

19           (1) Transfers from the School Infrastructure Fund;

20           (2) All receipts, including principal and interest  
21   payments, from any loan made from the Fund;

22           (3) All proceeds of assets of whatever nature received  
23   by the State Board as a result of default or delinquency  
24   with respect to loans made from the Fund;

25           (4) Any appropriations, grants, or gifts made to the  
26   Fund; and



1 (5) Any income received from interest on investments of  
2 money in the Fund.

3 (Source: P.A. 93-368, eff. 7-24-03.)

4 (105 ILCS 5/2-3.127a)

5 Sec. 2-3.127a. The State Board of Education Special Purpose  
6 Trust Fund. The State Board of Education Special Purpose Trust  
7 Fund is created as a special fund in the State treasury. The  
8 State Board of Education shall deposit all indirect costs  
9 recovered from federal programs into the State Board of  
10 Education Special Purpose Trust Fund. These funds may be used  
11 by the State Board of Education for its ordinary and contingent  
12 expenses. Additionally and unless ~~Unless~~ specifically directed  
13 to be deposited into other funds, all moneys received by the  
14 State Board of Education from gifts, grants, or donations from  
15 any source, public or private, shall be deposited into the  
16 State Board of Education Special Purpose Trust Fund ~~this Fund~~.  
17 These funds ~~Moneys in this Fund~~ shall be used, subject to  
18 appropriation by the General Assembly, by the State Board of  
19 Education for the purposes established by the gifts, grants, or  
20 donations.

21 (Source: P.A. 94-69, eff. 7-1-05.)

22 (105 ILCS 5/2-3.131)

23 Sec. 2-3.131. Transitional assistance payments.

24 (a) If the amount that the State Board of Education will

1 pay to a school district from fiscal year 2004 appropriations,  
2 as estimated by the State Board of Education on April 1, 2004,  
3 is less than the amount that the State Board of Education paid  
4 to the school district from fiscal year 2003 appropriations,  
5 then, subject to appropriation, the State Board of Education  
6 shall make a fiscal year 2004 transitional assistance payment  
7 to the school district in an amount equal to the difference  
8 between the estimated amount to be paid from fiscal year 2004  
9 appropriations and the amount paid from fiscal year 2003  
10 appropriations.

11 (b) If the amount that the State Board of Education will  
12 pay to a school district from fiscal year 2005 appropriations,  
13 as estimated by the State Board of Education on April 1, 2005,  
14 is less than the amount that the State Board of Education paid  
15 to the school district from fiscal year 2004 appropriations,  
16 then the State Board of Education shall make a fiscal year 2005  
17 transitional assistance payment to the school district in an  
18 amount equal to the difference between the estimated amount to  
19 be paid from fiscal year 2005 appropriations and the amount  
20 paid from fiscal year 2004 appropriations.

21 (c) If the amount that the State Board of Education will  
22 pay to a school district from fiscal year 2006 appropriations,  
23 as estimated by the State Board of Education on April 1, 2006,  
24 is less than the amount that the State Board of Education paid  
25 to the school district from fiscal year 2005 appropriations,  
26 then the State Board of Education shall make a fiscal year 2006

1 transitional assistance payment to the school district in an  
2 amount equal to the difference between the estimated amount to  
3 be paid from fiscal year 2006 appropriations and the amount  
4 paid from fiscal year 2005 appropriations.

5 (d) If the amount that the State Board of Education will  
6 pay to a school district from fiscal year 2007 appropriations,  
7 as estimated by the State Board of Education on April 1, 2007,  
8 is less than the amount that the State Board of Education paid  
9 to the school district from fiscal year 2006 appropriations,  
10 then the State Board of Education, subject to appropriation,  
11 shall make a fiscal year 2007 transitional assistance payment  
12 to the school district in an amount equal to the difference  
13 between the estimated amount to be paid from fiscal year 2007  
14 appropriations and the amount paid from fiscal year 2006  
15 appropriations.

16 (e) Subject to appropriation, beginning on July 1, 2007,  
17 the State Board of Education shall adjust prior year  
18 information for the transitional assistance calculations under  
19 this Section in the event of the creation or reorganization of  
20 any school district pursuant to Article 11E of this Code, the  
21 dissolution of an entire district and the annexation of all of  
22 its territory to one or more other districts pursuant to  
23 Article 7 of this Code, or a boundary change whereby the  
24 enrollment of the annexing district increases by 90% or more as  
25 a result of annexing territory detached from another district  
26 pursuant to Article 7 of this Code.

1       (f) If the amount that the State Board of Education will  
2 pay to a school district from fiscal year 2008 appropriations,  
3 as estimated by the State Board of Education on April 1, 2008,  
4 is less than the amount that the State Board of Education paid  
5 to the school district from fiscal year 2007 appropriations,  
6 then the State Board of Education, subject to appropriation,  
7 shall make a fiscal year 2008 transitional assistance payment  
8 to the school district in an amount equal to the difference  
9 between the estimated amount to be paid from fiscal year 2008  
10 appropriations and the amount paid from fiscal year 2007  
11 appropriations.

12       (Source: P.A. 93-21, eff. 7-1-03; 93-838, eff. 7-30-04; 94-69,  
13 eff. 7-1-05; 94-835, eff. 6-6-06.)

14       (105 ILCS 5/2-3.142 new)

15       Sec. 2-3.142. Rural Learning Initiative.

16       (a) Subject to appropriation, the State Board of Education  
17 shall by rule establish a Rural Learning Initiative to upgrade  
18 computer lab facilities and associated components, upgrade  
19 classroom materials, and fund professional development.

20       (b) The State Board of Education shall select the  
21 participating school districts and schools based on each  
22 district's or school's need. In selecting participants, the  
23 State Board shall consider all of the following criteria:

24           (1) The district's size, student population, and  
25 location.

1           (2) Documented teacher shortages in critical areas for  
2           which teaching and learning could be provided by access to  
3           the Illinois Virtual High School.

4           (3) Limited access to advanced placement courses.

5           (4) Low rates of satisfactory performance on  
6           assessment instruments under Section 2-3.64 of this Code.

7           (5) The methods the district or school will use to  
8           measure the outcomes of the grant in the district or  
9           school.

10           (6) Whether the district or school has limited system  
11           capabilities, resource needs, and professional development  
12           support.

13           (105 ILCS 5/2-3.143 new)

14           Sec. 2-3.143. Lincoln's ChalleNGe Academy study. The State  
15           Board of Education shall conduct a study to consider the need  
16           for an expansion of enrollment at or the replication of  
17           services in other portions of this State for the Lincoln's  
18           ChalleNGe Academy as an alternative program for students who  
19           have dropped out of traditional school.

20           (105 ILCS 5/2-3.144 new)

21           Sec. 2-3.144. Enhanced teacher compensation.

22           (a) Subject to appropriation, an enhanced teacher  
23           compensation system is established, beginning with the  
24           2008-2009 school year, to provide new incentives to improve

1 student learning and to recruit and retain highly qualified  
2 teachers, encourage highly qualified teachers to undertake  
3 challenging assignments, and support teachers' roles in  
4 improving students' educational achievement.

5 (b) To be eligible to participate in an enhanced teacher  
6 compensation system, a school district or school building, at  
7 least in the school year before it expects to fully implement  
8 the system (i) must submit to the State Board of Education a  
9 letter of intent executed by the school district and the  
10 exclusive representative of the district's teachers to  
11 complete a plan preparing for full implementation, consistent  
12 with subsection (d) of this Section, that may include, among  
13 other activities, training to evaluate teacher performance, a  
14 restructured school day to develop integrated ongoing  
15 building-based professional development activities, release  
16 time to develop an enhanced teacher compensation system  
17 agreement, and teacher and staff training on using multiple  
18 data sources; and (ii) may agree to use the State funds it  
19 receives under Section 10-20.41 of this Code for staff  
20 development purposes to develop the enhanced teacher  
21 compensation system agreement under this Section.

22 (c) The State Superintendent of Education may waive the  
23 planning year if he or she determines, based on the criteria  
24 set forth under subsection (d) of this Section, that the school  
25 district or school building is ready to fully implement an  
26 alternative pay system.

1       (d) To participate in the program established under this  
2 Section, a school district or school building must have an  
3 educational improvement plan under Section 10-20.43 of this  
4 Code and an enhanced teacher compensation system agreement  
5 under this Section.

6       The enhanced teacher compensation system agreement must be  
7 negotiated with, agreed to, and ratified by the exclusive  
8 representative of the district's teachers. In addition, the  
9 agreement must do the following:

10           (1) describe how teachers can achieve career  
11 advancement and additional compensation;

12           (2) describe how the school district or school building  
13 will provide teachers with career advancement options that  
14 allow teachers to retain primary roles in student  
15 instruction and facilitate site-focused professional  
16 development that helps other teachers improve their  
17 skills;

18           (3) prevent any teacher's compensation paid before  
19 implementing the compensation system from being reduced as  
20 a result of participating in this system;

21           (4) for school districts having a population not  
22 exceeding 500,000, base at least 60% of any compensation  
23 increase on teacher performance using the following:

24                   (A) school-wide student achievement gains;

25                   (B) measures of achievement by a teacher's  
26 students; and

1           (C) an objective evaluation program that includes  
2           the following:

3                   (i) individual teacher evaluations aligned  
4                   with the educational improvement plan under  
5                   Section 10-20.43 of this Code and the staff  
6                   development plan under Section 10-20.40 of this  
7                   Code; and

8                   (ii) objective evaluations using multiple  
9                   criteria conducted by a locally developed and  
10                   periodically trained evaluation team that  
11                   understands teaching and learning.

12           (5) provide integrated ongoing building-based  
13           professional development activities to improve  
14           instructional skills and learning that are aligned with  
15           student needs under Section 10-20.43 of this Code,  
16           consistent with the staff development plan under Section  
17           10-20.40 of this Code and led during the school day by  
18           trained teacher leaders such as master or mentor teachers;

19           (6) allow any teacher in a participating school  
20           district or school building that implements an enhanced  
21           teacher compensation system to participate in that system  
22           without any quota or other limit; and

23           (7) encourage collaboration rather than competition  
24           among teachers.

25           (e) Consistent with the requirements of this Section and  
26           Sections 2-3.145 and 10-20.43 of this Code, the State Board of



1 Education must prepare and transmit to interested school  
2 districts and school buildings a standard form for applying to  
3 participate in the enhanced teacher compensation system. An  
4 interested school district or school building must submit to  
5 the State Superintendent a completed application executed by  
6 the district superintendent and the exclusive bargaining  
7 representative of the teachers. The application must include  
8 the proposed enhanced teacher compensation system agreement  
9 under this Section. The State Board of Education must convene a  
10 review committee that at least includes teachers and  
11 administrators within 30 days after receiving a completed  
12 application to recommend to the State Superintendent of  
13 Education whether to approve or disapprove the application. The  
14 State Superintendent must approve applications on a  
15 first-come, first-served basis. The applicant's enhanced  
16 teacher compensation system agreement must be legally binding  
17 on the applicant and the exclusive bargaining representative  
18 before the applicant receives enhanced compensation revenue.  
19 The State Superintendent must approve or disapprove an  
20 application based on the requirements under subsection (d) of  
21 this Section.

22 If the State Superintendent of Education disapproves an  
23 application, the State Superintendent must give the applicant  
24 timely notice of the specific reasons in detail for  
25 disapproving the application. The applicant may revise and  
26 resubmit its application and related documents to the State

1 Superintendent within 30 days after receiving notice of the  
2 State Superintendent's disapproval and the State  
3 Superintendent must approve or disapprove the revised  
4 application, consistent with this subsection (e). Applications  
5 that are revised and then approved are considered submitted on  
6 the date the applicant initially submitted the application.

7 (f) Participating school districts and school buildings  
8 must report on the implementation and effectiveness of the  
9 enhanced teacher professional pay system, particularly  
10 addressing each requirement under subsection (d) of this  
11 Section, and make annual recommendations by June 15 to their  
12 school boards. The school board shall transmit a copy of the  
13 report with a summary of the findings and recommendations of  
14 the school district or school building to the State  
15 Superintendent of Education.

16 If the State Superintendent of Education determines that a  
17 school district or school building that receives enhanced  
18 teacher compensation revenue is not complying with the  
19 requirements of this Section, the State Superintendent may  
20 withhold funding from that participant. Before making the  
21 determination, the State Superintendent must notify the  
22 participant of any deficiencies and provide the participant an  
23 opportunity to comply.

24 (g) A school district that qualifies to participate in the  
25 enhanced teacher compensation system transitional planning  
26 year under this Section may use the State funds it receives

1 under Section 10-20.41 of this Code for complying with the  
2 planning and staff development activities under this Section.

3 (105 ILCS 5/2-3.145 new)

4 Sec. 2-3.145. Enhanced compensation revenue.

5 (a) Subject to appropriation, a school district or school  
6 building that meets the conditions of Section 2-3.144 of this  
7 Code and submits an application approved by the State  
8 Superintendent of Education is eligible for enhanced teacher  
9 compensation revenue.

10 (b) The State Superintendent of Education must consider  
11 only those applications to participate that are submitted  
12 jointly by a school district and the exclusive bargaining  
13 representative of the teachers, if any. The application must  
14 contain an enhanced teacher compensation system agreement as  
15 set forth in Section 2-3.144 of this Code.

16 (c) Enhanced teacher compensation revenue for a qualifying  
17 school district or school building shall equal \$260 times the  
18 number of pupils enrolled in the district or school building on  
19 October 1 of the previous fiscal year.

20 For a newly combined or consolidated school district, the  
21 revenue shall be computed using the sum of pupils enrolled on  
22 October 1 of the previous year in the districts entering into  
23 the combination or consolidation. The State Superintendent of  
24 Education may adjust the revenue computed for a school building  
25 using prior year data to reflect changes attributable to school

1 closings, school openings, or grade level reconfigurations  
2 between the prior year and the current year.

3 The revenue shall be available only to school districts and  
4 school buildings that fully implement an enhanced teacher  
5 compensation system by October 1 of the current school year.

6 (d) School districts and school buildings with approved  
7 applications must receive enhanced teacher compensation  
8 revenue for each school year that the district or school  
9 building implements an enhanced teacher compensation system  
10 under this subsection (d) and Section 2-3.144 of this Code. For  
11 the 2009-2010 school year and later, a qualifying district or  
12 school building that received enhanced teacher compensation  
13 aid for the previous school year must receive at least an  
14 amount of enhanced teacher compensation revenue equal to the  
15 lesser of the amount it received for the previous school year  
16 or the amount it qualifies for under subsection (c) of this  
17 Section for the current school year, if the district or school  
18 building submits a timely application and the State  
19 Superintendent determines that the district or school building  
20 continues to implement an enhanced teacher compensation  
21 system, consistent with its application under this Section.

22 The State Superintendent of Education shall approve  
23 applications that comply with this Section, select applicants  
24 that qualify for the program, notify school districts and  
25 school buildings about the program, develop and disseminate  
26 application materials, and carry out other activities needed to

1 implement this Section.

2 (105 ILCS 5/2-3.146 new)

3 Sec. 2-3.146. Severely overcrowded schools grant program.

4 There is created a grant program, subject to appropriation, for  
5 severely overcrowded schools. The State Board of Education  
6 shall administer the program. Grant funds may be used for  
7 purposes of relieving overcrowding. In order for a school  
8 district to be eligible for a grant under this Section, (i) the  
9 main administrative office of the district must be located in a  
10 city of 85,000 or more in population, according to the 2000  
11 U.S. Census, (ii) the school district must have a district-wide  
12 percentage of low-income students of 70% or more, as identified  
13 by the 2005-2006 School Report Cards published by the State  
14 Board of Education, and (iii) the school district must not be  
15 eligible for a fast growth grant under Section 18-8.10 of this  
16 Code. The State Board of Education shall distribute the funds  
17 on a proportional basis with no single district receiving more  
18 than 75% of the funds in any given year. The State Board of  
19 Education may adopt rules as needed for the implementation and  
20 distribution of grants under this Section.

21 (105 ILCS 5/7-14A) (from Ch. 122, par. 7-14A)

22 Sec. 7-14A. Annexation Compensation. There shall be no  
23 accounting made after a mere change in boundaries when no new  
24 district is created, except that those districts whose

1 enrollment increases by 90% or more as a result of annexing  
2 territory detached from another district pursuant to this  
3 Article are eligible for supplementary State aid payments in  
4 accordance with Section 11E-135 of this Code. Eligible annexing  
5 districts shall apply to the State Board of Education for  
6 supplementary State aid payments by submitting enrollment  
7 figures for the year immediately preceding and the year  
8 immediately following the effective date of the boundary change  
9 for both the district gaining territory and the district losing  
10 territory. Copies of any intergovernmental agreements between  
11 the district gaining territory and the district losing  
12 territory detailing any transfer of fund balances and staff  
13 must also be submitted. In all instances of changes in  
14 boundaries, ~~. However,~~ the district losing territory shall not  
15 count the average daily attendance of pupils living in the  
16 territory during the year preceding the effective date of the  
17 boundary change in its claim for reimbursement under Section  
18 18-8 for the school year following the effective date of the  
19 change in boundaries and the district receiving the territory  
20 shall count the average daily attendance of pupils living in  
21 the territory during the year preceding the effective date of  
22 the boundary change in its claim for reimbursement under  
23 Section 18-8 for the school year following the effective date  
24 of the change in boundaries. The changes to this Section made  
25 by this amendatory Act of the 95th General Assembly are  
26 intended to be retroactive and applicable to any annexation

1 taking effect on or after July 1, 2004.

2 (Source: P.A. 84-1250.)

3 (105 ILCS 5/10-20.40 new)

4 Sec. 10-20.40. Report on contracts.

5 (a) This Section applies to all school districts, including  
6 a school district organized under Article 34 of this Code.

7 (b) A school board must list on the district's Internet  
8 website, if any, all contracts over \$25,000 and any contract  
9 that the school board enters into with an exclusive bargaining  
10 representative.

11 (c) Each year, no more than 30 days after the start of the  
12 fiscal year, each school district shall submit to the State  
13 Board of Education an annual report on all contracts awarded by  
14 the school district during the previous fiscal year. The report  
15 shall include at least the following:

16 (1) the total number of all contracts awarded by the  
17 school district;

18 (2) the total value of all contracts awarded;

19 (3) the number of contracts awarded to minority owned  
20 businesses, female owned businesses, and businesses owned  
21 by persons with disabilities, as defined in the Business  
22 Enterprise for Minorities, Females, and Persons with  
23 Disabilities Act; and

24 (4) the total value of contracts awarded to minority  
25 owned businesses, female owned businesses, and businesses

1 owned by persons with disabilities, as defined in the  
2 Business Enterprise for Minorities, Females, and Persons  
3 with Disabilities Act.

4 The report shall be made available to the public, including  
5 publication on the school district's Internet website, if any.

6 (105 ILCS 5/11E-35)

7 Sec. 11E-35. Petition filing.

8 (a) A petition shall be filed with the regional  
9 superintendent of schools of the educational service region in  
10 which the territory described in the petition or that part of  
11 the territory with the greater percentage of equalized assessed  
12 valuation is situated. The petition must do the following:

13 (1) be signed by at least 50 legal resident voters or  
14 10% of the legal resident voters, whichever is less,  
15 residing within each affected district; or

16 (2) be approved by the school board in each affected  
17 district.

18 (b) The petition shall contain all of the following:

19 (1) A request to submit the proposition at a regular  
20 scheduled election for the purpose of voting:

21 (A) for or against a high school - unit conversion;

22 (B) for or against a unit to dual conversion;

23 (C) for or against the establishment of a combined  
24 elementary district;

25 (D) for or against the establishment of a combined



1 high school district;

2 (E) for or against the establishment of a combined  
3 unit district;

4 (F) for or against the establishment of a unit  
5 district from dual district territory exclusively;

6 (G) for or against the establishment of a unit  
7 district from both dual district and unit district  
8 territory;

9 (H) for or against the establishment of a combined  
10 high school - unit district from a combination of one  
11 or more high school districts and one or more unit  
12 districts;

13 (I) for or against the establishment of a combined  
14 high school - unit district and one or more new  
15 elementary districts through a multi-unit conversion;

16 (J) for or against the establishment of an optional  
17 elementary unit district from a combination of a  
18 substantially coterminous dual district; or

19 (K) for or against dissolving and becoming part of  
20 an optional elementary unit district.

21 (2) A description of the territory comprising the  
22 districts proposed to be dissolved and those to be created,  
23 which, for an entire district, may be a general reference  
24 to all of the territory included within that district.

25 (3) A specification of the maximum tax rates for  
26 various purposes the proposed district or districts shall

1 be authorized to levy for various purposes and, if  
2 applicable, the specifications related to the Property Tax  
3 Extension Limitation Law, in accordance with Section  
4 11E-80 of this Code.

5 (4) A description of how supplementary State deficit  
6 difference payments made under subsection (c) of Section  
7 11E-135 of this Code will be allocated among the new  
8 districts proposed to be formed.

9 (5) Where applicable, a division of assets and  
10 liabilities to be allocated to the proposed new or annexing  
11 school district or districts in the manner provided in  
12 Section 11E-105 of this Code.

13 (6) If desired, a request that at that same election as  
14 the reorganization proposition a school board or boards be  
15 elected on a separate ballot or ballots to serve as the  
16 school board or boards of the proposed new district or  
17 districts. Any election of board members at the same  
18 election at which the proposition to create the district or  
19 districts to be served by the board or boards is submitted  
20 to the voters shall proceed under the supervision of the  
21 regional superintendent of schools as provided in Section  
22 11E-55 of this Code.

23 (7) If desired, a request that the referendum at which  
24 the proposition is submitted for the purpose of voting for  
25 or against the establishment of a unit district (other than  
26 a partial elementary unit district) include as part of the

1 proposition the election of board members by school board  
2 district rather than at large. Any petition requesting the  
3 election of board members by district shall divide the  
4 proposed school district into 7 school board districts,  
5 each of which must be compact and contiguous and  
6 substantially equal in population to each other school  
7 board district. Any election of board members by school  
8 board district shall proceed under the supervision of the  
9 regional superintendent of schools as provided in Section  
10 11E-55 of this Code.

11 (8) If desired, a request that the referendum at which  
12 the proposition is submitted for the purpose of voting for  
13 or against the establishment of a unit to dual conversion  
14 include as part of the proposition the election of board  
15 members for the new high school district (i) on an at large  
16 basis, (ii) with board members representing each of the  
17 forming elementary school districts, or (iii) a  
18 combination of both. The format for the election of the new  
19 high school board must be defined in the petition. When 4  
20 or more unit school districts and a combination of board  
21 members representing each of the forming elementary school  
22 districts are involved and at large formats are used, one  
23 member must be elected from each of the forming elementary  
24 school districts. The remaining members may be elected on  
25 an at large basis, provided that none of the underlying  
26 elementary school districts have a majority on the

1 resulting high school board. When 3 unit school districts  
2 and a combination of board members representing each of the  
3 forming elementary school districts are involved and at  
4 large formats are used, 2 members must be elected from each  
5 of the forming elementary school districts. The remaining  
6 member must be elected at large.

7 (9) If desired, a request that the referendum at which  
8 the proposition shall be submitted include a proposition on  
9 a separate ballot authorizing the issuance of bonds by the  
10 district or districts when organized in accordance with  
11 this Article. However, if the petition is submitted for the  
12 purpose of voting for or against the establishment of an  
13 optional elementary unit district, the petition may  
14 request only that the referendum at which the proposition  
15 is submitted include a proposition on a separate ballot  
16 authorizing the issuance of bonds for high school purposes  
17 (and not elementary purposes) by the district when  
18 organized in accordance with this Article. The principal  
19 amount of the bonds and the purposes of issuance, including  
20 a specification of elementary or high school purposes if  
21 the proposed issuance is to be made by a combined high  
22 school - unit district, shall be stated in the petition and  
23 in all notices and propositions submitted thereunder. Only  
24 residents in the territory of the district proposing the  
25 bond issuance may vote on the bond issuance.

26 (10) A designation of a committee of ten of the

1 petitioners as attorney in fact for all petitioners, any 7  
2 of whom may at any time, prior to the final decision of the  
3 regional superintendent of schools, amend the petition in  
4 all respects (except that, for a unit district formation,  
5 there may not be an increase or decrease of more than 25%  
6 of the territory to be included in the proposed district)  
7 and make binding stipulations on behalf of all petitioners  
8 as to any question with respect to the petition, including  
9 the power to stipulate to accountings or the waiver thereof  
10 between school districts.

11 (c) The regional superintendent of schools shall not accept  
12 for filing under the authority of this Section any petition  
13 that includes any territory already included as part of the  
14 territory described in another pending petition filed under the  
15 authority of this Section.

16 (d) (1) Those designated as the Committee of Ten shall serve  
17 in that capacity until such time as the regional superintendent  
18 of schools determines that, because of death, resignation,  
19 transfer of residency from the territory, failure to qualify,  
20 or any other reason, the office of a particular member of the  
21 Committee of Ten is vacant. Upon determination by the regional  
22 superintendent of schools that these vacancies exist, he or she  
23 shall declare the vacancies and shall notify the remaining  
24 members to appoint a petitioner or petitioners, as the case may  
25 be, to fill the vacancies in the Committee of Ten so  
26 designated. An appointment by the Committee of Ten to fill a

1 vacancy shall be made by a simple majority vote of the  
2 designated remaining members.

3 (2) Failure of a person designated as a member of the  
4 Committee of Ten to sign the petition shall not disqualify that  
5 person as a member of the Committee of Ten, and that person may  
6 sign the petition at any time prior to final disposition of the  
7 petition and the conclusion of the proceedings to form a new  
8 school district or districts, including all litigation  
9 pertaining to the petition or proceedings.

10 (3) Except as stated in item (10) of subsection (b) of this  
11 Section, the Committee of Ten shall act by majority vote of the  
12 membership.

13 (4) The regional superintendent of schools may accept a  
14 stipulation made by the Committee of Ten instead of evidence or  
15 proof of the matter stipulated or may refuse to accept the  
16 stipulation, provided that the regional superintendent sets  
17 forth the basis for the refusal.

18 (5) The Committee of Ten may voluntarily dismiss its  
19 petition at any time before the petition is approved by either  
20 the regional superintendent of schools or State Superintendent  
21 of Education.

22 (Source: P.A. 94-1019, eff. 7-10-06.)

23 (105 ILCS 5/11E-40)

24 Sec. 11E-40. Notice and petition amendments.

25 (a) Upon the filing of a petition with the regional

1 superintendent of schools as provided in Section 11E-35 of this  
2 Code, the regional superintendent shall do all of the  
3 following:

4 (1) Cause a copy of the petition to be given to each  
5 school board of the affected districts and the regional  
6 superintendent of schools of any other educational service  
7 region in which territory described in the petition is  
8 situated.

9 (2) Cause a notice thereof to be published at least  
10 once each week for 3 successive weeks in at least one  
11 newspaper having general circulation within the area of all  
12 of the territory of the proposed district or districts. The  
13 expense of publishing the notice shall be borne by the  
14 petitioners and paid on behalf of the petitioners by the  
15 Committee of Ten.

16 (b) The notice shall state all of the following:

17 (1) When and to whom the petition was presented.

18 (2) The prayer of the petition.

19 (3) A description of the territory comprising the  
20 districts proposed to be dissolved and those to be created,  
21 which, for an entire district, may be a general reference  
22 to all of the territory included within that district.

23 (4) If applicable, the proposition to elect, by  
24 separate ballot, school board members at the same election,  
25 indicating whether the board members are to be elected at  
26 large or by school board district.

1           (5) If requested in the petition, the proposition to  
2           issue bonds, indicating the amount and purpose thereof.

3           (6) The day, time, and location on which the hearing on  
4           the action proposed in the petition shall be held.

5           (c) The requirements of subsection (g) of Section 28-2 of  
6           the Election Code do not apply to any petition filed under this  
7           Article. Notwithstanding any provision to the contrary  
8           contained in the Election Code, the regional superintendent of  
9           schools shall make all determinations regarding the validity of  
10          the petition, including without limitation signatures on the  
11          petition, subject to State Superintendent and administrative  
12          review in accordance with Section 11E-50 of this Code.

13          (d) Prior to the hearing described in Section 11E-45 of  
14          this Code, the regional superintendent of schools shall inform  
15          the Committee of Ten as to whether the petition, as amended or  
16          filed, is proper and in compliance with all applicable petition  
17          requirements set forth in the Election Code. If the regional  
18          superintendent determines that the petition is not in proper  
19          order or not in compliance with any applicable petition  
20          requirements set forth in the Election Code, the regional  
21          superintendent must identify the specific alleged defects in  
22          the petition and include specific recommendations to cure the  
23          alleged defects. The Committee of Ten may amend the petition to  
24          cure the alleged defects at any time prior to the receipt of  
25          the regional superintendent's written order made in accordance  
26          with subsection (a) of Section 11E-50 of this Code or may elect



1 not to amend the petition, in which case the Committee of Ten  
2 may appeal a denial by the regional superintendent following  
3 the hearing in accordance with Section 11E-50 of this Code.

4 (Source: P.A. 94-1019, eff. 7-10-06.)

5 (105 ILCS 5/11E-45)

6 Sec. 11E-45. Hearing.

7 (a) No more than 15 days after the last date on which the  
8 required notice under Section 11E-40 of this Code is published,  
9 the regional superintendent of schools with whom the petition  
10 is required to be filed shall hold a hearing on the petition.  
11 Prior to the hearing, the Committee of Ten shall submit to the  
12 regional superintendent maps showing the districts involved  
13 and any other information deemed pertinent by the Committee of  
14 Ten to the proposed action. The regional superintendent of  
15 schools may adjourn the hearing from time to time or may  
16 continue the matter for want of sufficient notice or other good  
17 cause.

18 (b) At the hearing, the regional superintendent of schools  
19 shall allow public testimony on the action proposed in the  
20 petition. The Committee of Ten ~~regional superintendent~~ shall  
21 present, or arrange for the presentation of all of the  
22 following:

23 (1) Evidence as to the school needs and conditions in  
24 the territory described in the petition and the area  
25 adjacent thereto.

1           (2) Evidence with respect to the ability of the  
2           proposed district or districts to meet standards of  
3           recognition as prescribed by the State Board of Education.

4           (3) A consideration of the division of funds and assets  
5           that will occur if the petition is approved.

6           (4) A description of the maximum tax rates the proposed  
7           district or districts is authorized to levy for various  
8           purposes and, if applicable, the specifications related to  
9           the Property Tax Extension Limitation Law, in accordance  
10          with Section 11E-80 of this Code.

11          (c) Any regional superintendent of schools entitled under  
12          the provisions of this Article to be given a copy of the  
13          petition and any resident or representative of a school  
14          district in which any territory described in the petition is  
15          situated may appear in person or by an attorney at law to  
16          provide oral or written testimony or both in relation to the  
17          action proposed in the petition.

18          (d) The regional superintendent of schools shall arrange  
19          for a written transcript of the hearing. The expense of the  
20          written transcript shall be borne by the petitioners and paid  
21          on behalf of the petitioners by the Committee of Ten.

22          (Source: P.A. 94-1019, eff. 7-10-06.)

23                (105 ILCS 5/11E-50)

24                Sec. 11E-50. Approval or denial of the petition;  
25                administrative review.

1           (a) Within 14 days after the conclusion of the hearing  
2 under Section 11E-45 of this Code, the regional superintendent  
3 of schools shall take into consideration the school needs and  
4 conditions of the affected districts and in the area adjacent  
5 thereto, the division of funds and assets that will result from  
6 the action described in the petition, the best interests of the  
7 schools of the area, and the best interests and the educational  
8 welfare of the pupils residing therein and, through a written  
9 order, either approve or deny the petition. If the regional  
10 superintendent fails to act upon a petition within 14 days  
11 after the conclusion of the hearing, the regional  
12 superintendent shall be deemed to have denied the petition.

13           (b) Upon approving or denying the petition, the regional  
14 superintendent of schools shall submit the petition and all  
15 evidence to the State Superintendent of Education. The State  
16 Superintendent shall review the petition, the record of the  
17 hearing, and the written order of the regional superintendent,  
18 if any. Within 21 days after the receipt of the regional  
19 superintendent's decision, the State Superintendent shall take  
20 into consideration the school needs and conditions of the  
21 affected districts and in the area adjacent thereto, the  
22 division of funds and assets that will result from the action  
23 described in the petition, the best interests of the schools of  
24 the area, and the best interests and the educational welfare of  
25 the pupils residing therein and, through a written order,  
26 either approve or deny the petition. If the State

1 Superintendent denies the petition, the State Superintendent  
2 shall set forth in writing the specific basis for the denial.  
3 The decision of the State Superintendent shall be deemed an  
4 administrative decision as defined in Section 3-101 of the Code  
5 of Civil Procedure. The State Superintendent shall provide a  
6 copy of the decision by certified mail, return receipt  
7 requested, to the Committee of Ten, any person appearing in  
8 support or opposition of the petition at the hearing, each  
9 school board of a district in which territory described in the  
10 petition is situated, the regional superintendent with whom the  
11 petition was filed, and the regional superintendent of schools  
12 of any other educational service region in which territory  
13 described in the petition is situated.

14 (c) Any resident of any territory described in the petition  
15 who appears in support of or opposition to the petition at the  
16 hearing or any petitioner or school board of any district in  
17 which territory described in the petition is situated may,  
18 within 35 days after a copy of the decision sought to be  
19 reviewed was served by certified mail, return receipt  
20 requested, upon the party affected thereby or upon the attorney  
21 of record for the party, apply for a review of an  
22 administrative decision of the State Superintendent of  
23 Education in accordance with the Administrative Review Law and  
24 any rules adopted pursuant to the Administrative Review Law.  
25 The commencement of any action for review shall operate as a  
26 supersedeas ~~supersedes~~, and no further proceedings shall be had

1 until final disposition of the review. The circuit court of the  
2 county in which the petition is filed with the regional  
3 superintendent of schools shall have sole jurisdiction to  
4 entertain a complaint for the review.

5 (Source: P.A. 94-1019, eff. 7-10-06.)

6 (105 ILCS 5/11E-65)

7 Sec. 11E-65. Passage requirements.

8 (a) Except as otherwise provided in subsections (b) and (c)  
9 of this Section, if a majority of the electors voting at the  
10 election in each affected district vote in favor of the  
11 proposition submitted to them, then the proposition shall be  
12 deemed to have passed.

13 (b) In the case of an optional elementary unit district to  
14 be created as provided in subsection (c) of Section 11E-30 of  
15 this Code, if a majority of the electors voting in the high  
16 school district and a majority of the voters voting in at least  
17 one affected elementary district vote in favor of the  
18 proposition submitted to them, then the proposition shall be  
19 deemed to have passed and an optional elementary unit district  
20 shall be created for all of the territory included in the  
21 petition for high school purposes, and for the territory  
22 included in the affected elementary districts voting in favor  
23 of the proposition for elementary purposes.

24 (c) In the case of an elementary district electing to join  
25 an optional elementary unit district in accordance with

1 subsection (d) of Section 11E-30 of this Code, a majority of  
2 the electors voting in that elementary district only must vote  
3 in favor of the proposition at a regularly scheduled election.

4 (d)(1) If a majority of the voters in at least 2 unit  
5 districts have voted in favor of a proposition to create a new  
6 unit district, but the proposition was not approved under the  
7 standards set forth in subsection (a) of this Section, then the  
8 members of the Committee of Ten shall submit an amended  
9 petition for consolidation to the school boards of those  
10 districts, as long as the territory involved is compact and  
11 contiguous. The petition submitted to the school boards shall  
12 be identical in form and substance to the petition previously  
13 approved by the regional superintendent of schools, with the  
14 sole exception that the territory comprising the proposed  
15 district shall be amended to include the compact and contiguous  
16 territory of those unit districts in which a majority of the  
17 voters voted in favor of the proposal.

18 (2) Each school board to which the petition is submitted  
19 shall meet and vote to approve or not approve the amended  
20 petition no more than 30 days after it has been filed with the  
21 school board. The regional superintendent of schools shall make  
22 available to each school board with which a petition has been  
23 filed all transcripts and records of the previous petition  
24 hearing. The school boards shall, by appropriate resolution,  
25 approve or disapprove the amended petition. No school board may  
26 approve an amended petition unless it first finds that the

1 territory described in the petition is compact and contiguous.

2 (3) If a majority of the members of each school board to  
3 whom a petition is submitted votes in favor of the amended  
4 petition, then the approved petition shall be transmitted by  
5 the secretary of each school board to the State Superintendent  
6 of Education, who shall, within 21 ~~30~~ days after receipt,  
7 approve or deny the amended petition based on the criteria  
8 stated in subsection (b) of Section 11E-50 of this Code. If  
9 approved by the State Superintendent of Education, the petition  
10 shall be placed on the ballot at the next regularly scheduled  
11 election.

12 (Source: P.A. 94-1019, eff. 7-10-06.)

13 (105 ILCS 5/11E-135)

14 Sec. 11E-135. Incentives. For districts reorganizing under  
15 this Article and for a district or districts that annex all of  
16 the territory of one or more entire other school districts in  
17 accordance with Article 7 of this Code, the following payments  
18 shall be made from appropriations made for these purposes:

19 (a)(1) For a combined school district, as defined in  
20 Section 11E-20 of this Code, or for a unit district, as defined  
21 in Section 11E-25 of this Code, for its first year of  
22 existence, the general State aid and supplemental general State  
23 aid calculated under Section 18-8.05 of this Code shall be  
24 computed for the new district and for the previously existing  
25 districts for which property is totally included within the new

1 district. If the computation on the basis of the previously  
2 existing districts is greater, a supplementary payment equal to  
3 the difference shall be made for the first 4 years of existence  
4 of the new district.

5 (2) For a school district that annexes all of the territory  
6 of one or more entire other school districts as defined in  
7 Article 7 of this Code, for the first year during which the  
8 change of boundaries attributable to the annexation becomes  
9 effective for all purposes, as determined under Section 7-9 of  
10 this Code, the general State aid and supplemental general State  
11 aid calculated under Section 18-8.05 of this Code shall be  
12 computed for the annexing district as constituted after the  
13 annexation and for the annexing and each annexed district as  
14 constituted prior to the annexation; and if the computation on  
15 the basis of the annexing and annexed districts as constituted  
16 prior to the annexation is greater, then a supplementary  
17 payment equal to the difference shall be made for the first 4  
18 years of existence of the annexing school district as  
19 constituted upon the annexation.

20 (3) For 2 or more school districts that annex all of the  
21 territory of one or more entire other school districts, as  
22 defined in Article 7 of this Code, for the first year during  
23 which the change of boundaries attributable to the annexation  
24 becomes effective for all purposes, as determined under Section  
25 7-9 of this Code, the general State aid and supplemental  
26 general State aid calculated under Section 18-8.05 of this Code



1 shall be computed for each annexing district as constituted  
2 after the annexation and for each annexing and annexed district  
3 as constituted prior to the annexation; and if the aggregate of  
4 the general State aid and supplemental general State aid as so  
5 computed for the annexing districts as constituted after the  
6 annexation is less than the aggregate of the general State aid  
7 and supplemental general State aid as so computed for the  
8 annexing and annexed districts, as constituted prior to the  
9 annexation, then a supplementary payment equal to the  
10 difference shall be made and allocated between or among the  
11 annexing districts, as constituted upon the annexation, for the  
12 first 4 years of their existence. The total difference payment  
13 shall be allocated between or among the annexing districts in  
14 the same ratio as the pupil enrollment from that portion of the  
15 annexed district or districts that is annexed to each annexing  
16 district bears to the total pupil enrollment from the entire  
17 annexed district or districts, as such pupil enrollment is  
18 determined for the school year last ending prior to the date  
19 when the change of boundaries attributable to the annexation  
20 becomes effective for all purposes. The amount of the total  
21 difference payment and the amount thereof to be allocated to  
22 the annexing districts shall be computed by the State Board of  
23 Education on the basis of pupil enrollment and other data that  
24 shall be certified to the State Board of Education, on forms  
25 that it shall provide for that purpose, by the regional  
26 superintendent of schools for each educational service region

1 in which the annexing and annexed districts are located.

2 (4) For a school district conversion, as defined in Section  
3 11E-15 of this Code, or a multi-unit conversion, as defined in  
4 subsection (b) of Section 11E-30 of this Code, if in their  
5 first year of existence the newly created elementary districts  
6 and the newly created high school district, from a school  
7 district conversion, or the newly created elementary district  
8 or districts and newly created combined high school - unit  
9 district, from a multi-unit conversion, qualify for less  
10 general State aid under Section 18-8.05 of this Code than would  
11 have been payable under Section 18-8.05 for that same year to  
12 the previously existing districts, then a supplementary  
13 payment equal to that difference shall be made for the first 4  
14 years of existence of the newly created districts. The  
15 aggregate amount of each supplementary payment shall be  
16 allocated among the newly created districts in the proportion  
17 that the deemed pupil enrollment in each district during its  
18 first year of existence bears to the actual aggregate pupil  
19 enrollment in all of the districts during their first year of  
20 existence. For purposes of each allocation:

21 (A) the deemed pupil enrollment of the newly created  
22 high school district from a school district conversion  
23 shall be an amount equal to its actual pupil enrollment for  
24 its first year of existence multiplied by 1.25;

25 (B) the deemed pupil enrollment of each newly created  
26 elementary district from a school district conversion

1 shall be an amount equal to its actual pupil enrollment for  
2 its first year of existence reduced by an amount equal to  
3 the product obtained when the amount by which the newly  
4 created high school district's deemed pupil enrollment  
5 exceeds its actual pupil enrollment for its first year of  
6 existence is multiplied by a fraction, the numerator of  
7 which is the actual pupil enrollment of the newly created  
8 elementary district for its first year of existence and the  
9 denominator of which is the actual aggregate pupil  
10 enrollment of all of the newly created elementary districts  
11 for their first year of existence;

12 (C) the deemed high school pupil enrollment of the  
13 newly created combined high school - unit district from a  
14 multi-unit conversion shall be an amount equal to its  
15 actual grades 9 through 12 pupil enrollment for its first  
16 year of existence multiplied by 1.25; and

17 (D) the deemed elementary pupil enrollment of each  
18 newly created district from a multi-unit conversion shall  
19 be an amount equal to each district's actual grade K  
20 through 8 pupil enrollment for its first year of existence,  
21 reduced by an amount equal to the product obtained when the  
22 amount by which the newly created combined high school -  
23 unit district's deemed high school pupil enrollment  
24 exceeds its actual grade 9 through 12 pupil enrollment for  
25 its first year of existence is multiplied by a fraction,  
26 the numerator of which is the actual grade K through 8

1 pupil enrollment of each newly created district for its  
2 first year of existence and the denominator of which is the  
3 actual aggregate grade K through 8 pupil enrollment of all  
4 such newly created districts for their first year of  
5 existence.

6 The aggregate amount of each supplementary payment under  
7 this subdivision (4) and the amount thereof to be allocated to  
8 the newly created districts shall be computed by the State  
9 Board of Education on the basis of pupil enrollment and other  
10 data, which shall be certified to the State Board of Education,  
11 on forms that it shall provide for that purpose, by the  
12 regional superintendent of schools for each educational  
13 service region in which the newly created districts are  
14 located.

15 (5) For a partial elementary unit district, as defined in  
16 subsection (a) or (c) of Section 11E-30 of this Code, if, in  
17 the first year of existence, the newly created partial  
18 elementary unit district qualifies for less general State aid  
19 and supplemental general State aid under Section 18-8.05 of  
20 this Code than would have been payable under that Section for  
21 that same year to the previously existing districts that formed  
22 the partial elementary unit district, then a supplementary  
23 payment equal to that difference shall be made to the partial  
24 elementary unit district for the first 4 years of existence of  
25 that newly created district.

26 (6) For an elementary opt-in, as described in subsection

1 (d) of Section 11E-30 of this Code, the general State aid  
2 difference shall be computed in accordance with paragraph (5)  
3 of this subsection (a) as if the elementary opt-in was included  
4 in an optional elementary unit district at the optional  
5 elementary unit district's original effective date. If the  
6 calculation in this paragraph (6) is less than that calculated  
7 in paragraph (5) of this subsection (a) at the optional  
8 elementary unit district's original effective date, then no  
9 adjustments may be made. If the calculation in this paragraph  
10 (6) is more than that calculated in paragraph (5) of this  
11 subsection (a) at the optional elementary unit district's  
12 original effective date, then the excess must be paid as  
13 follows:

14 (A) If the effective date for the elementary opt-in is  
15 one year after the effective date for the optional  
16 elementary unit district, 100% of the calculated excess  
17 shall be paid to the optional elementary unit district in  
18 each of the first 4 years after the effective date of the  
19 elementary opt-in.

20 (B) If the effective date for the elementary opt-in is  
21 2 years after the effective date for the optional  
22 elementary unit district, 75% of the calculated excess  
23 shall be paid to the optional elementary unit district in  
24 each of the first 4 years after the effective date of the  
25 elementary opt-in.

26 (C) If the effective date for the elementary opt-in is

1           3 years after the effective date for the optional  
2 elementary unit district, 50% of the calculated excess  
3 shall be paid to the optional elementary unit district in  
4 each of the first 4 years after the effective date of the  
5 elementary opt-in.

6           (D) If the effective date for the elementary opt-in is  
7 4 years after the effective date for the optional  
8 elementary unit district, 25% of the calculated excess  
9 shall be paid to the optional elementary unit district in  
10 each of the first 4 years after the effective date of the  
11 elementary opt-in.

12           (E) If the effective date for the elementary opt-in is  
13 5 years after the effective date for the optional  
14 elementary unit district, the optional elementary unit  
15 district is not eligible for any additional incentives due  
16 to the elementary opt-in.

17           (6.5) For a school district that annexes territory detached  
18 from another school district whereby the enrollment of the  
19 annexing district increases by 90% or more as a result of the  
20 annexation, for the first year during which the change of  
21 boundaries attributable to the annexation becomes effective  
22 for all purposes as determined under Section 7-9 of this Code,  
23 the general State aid and supplemental general State aid  
24 calculated under this Section shall be computed for the  
25 district gaining territory and the district losing territory as  
26 constituted after the annexation and for the same districts as

1 constituted prior to the annexation; and if the aggregate of  
2 the general State aid and supplemental general State aid as so  
3 computed for the district gaining territory and the district  
4 losing territory as constituted after the annexation is less  
5 than the aggregate of the general State aid and supplemental  
6 general State aid as so computed for the district gaining  
7 territory and the district losing territory as constituted  
8 prior to the annexation, then a supplementary payment shall be  
9 made to the annexing district for the first 4 years of  
10 existence after the annexation, equal to the difference  
11 multiplied by the ratio of student enrollment in the territory  
12 detached to the total student enrollment in the district losing  
13 territory for the year prior to the effective date of the  
14 annexation. The amount of the total difference and the  
15 proportion paid to the annexing district shall be computed by  
16 the State Board of Education on the basis of pupil enrollment  
17 and other data that must be submitted to the State Board of  
18 Education in accordance with Section 7-14A of this Code. The  
19 changes to this Section made by this amendatory Act of the 95th  
20 General Assembly are intended to be retroactive and applicable  
21 to any annexation taking effect on or after July 1, 2004. For  
22 annexations that are eligible for payments under this paragraph  
23 (6.5) and that are effective on or after July 1, 2004, but  
24 before the effective date of this amendatory Act of the 95th  
25 General Assembly, the first required yearly payment under this  
26 paragraph (6.5) shall be paid in the fiscal year of the

1 effective date of this amendatory Act of the 95th General  
2 Assembly. Subsequent required yearly payments shall be paid in  
3 subsequent fiscal years until the payment obligation under this  
4 paragraph (6.5) is complete.

5 (7) Claims for financial assistance under this subsection  
6 (a) may not be recomputed except as expressly provided under  
7 Section 18-8.05 of this Code.

8 (8) Any supplementary payment made under this subsection  
9 (a) must be treated as separate from all other payments made  
10 pursuant to Section 18-8.05 of this Code.

11 (b) (1) After the formation of a combined school district,  
12 as defined in Section 11E-20 of this Code, or a unit district,  
13 as defined in Section 11E-25 of this Code, a computation shall  
14 be made to determine the difference between the salaries  
15 effective in each of the previously existing districts on June  
16 30, prior to the creation of the new district. For the first 4  
17 years after the formation of the new district, a supplementary  
18 State aid reimbursement shall be paid to the new district equal  
19 to the difference between the sum of the salaries earned by  
20 each of the certificated members of the new district, while  
21 employed in one of the previously existing districts during the  
22 year immediately preceding the formation of the new district,  
23 and the sum of the salaries those certificated members would  
24 have been paid during the year immediately prior to the  
25 formation of the new district if placed on the salary schedule  
26 of the previously existing district with the highest salary



1 schedule.

2 (2) After the territory of one or more school districts is  
3 annexed by one or more other school districts as defined in  
4 Article 7 of this Code, a computation shall be made to  
5 determine the difference between the salaries effective in each  
6 annexed district and in the annexing district or districts as  
7 they were each constituted on June 30 preceding the date when  
8 the change of boundaries attributable to the annexation became  
9 effective for all purposes, as determined under Section 7-9 of  
10 this Code. For the first 4 years after the annexation, a  
11 supplementary State aid reimbursement shall be paid to each  
12 annexing district as constituted after the annexation equal to  
13 the difference between the sum of the salaries earned by each  
14 of the certificated members of the annexing district as  
15 constituted after the annexation, while employed in an annexed  
16 or annexing district during the year immediately preceding the  
17 annexation, and the sum of the salaries those certificated  
18 members would have been paid during the immediately preceding  
19 year if placed on the salary schedule of whichever of the  
20 annexing or annexed districts had the highest salary schedule  
21 during the immediately preceding year.

22 (3) For each new high school district formed under a school  
23 district conversion, as defined in Section 11E-15 of this Code,  
24 the State shall make a supplementary payment for 4 years equal  
25 to the difference between the sum of the salaries earned by  
26 each certified member of the new high school district, while

1 employed in one of the previously existing districts, and the  
2 sum of the salaries those certified members would have been  
3 paid if placed on the salary schedule of the previously  
4 existing district with the highest salary schedule.

5 (4) For each newly created partial elementary unit  
6 district, the State shall make a supplementary payment for 4  
7 years equal to the difference between the sum of the salaries  
8 earned by each certified member of the newly created partial  
9 elementary unit district, while employed in one of the  
10 previously existing districts that formed the partial  
11 elementary unit district, and the sum of the salaries those  
12 certified members would have been paid if placed on the salary  
13 schedule of the previously existing district with the highest  
14 salary schedule. The salary schedules used in the calculation  
15 shall be those in effect in the previously existing districts  
16 for the school year prior to the creation of the new partial  
17 elementary unit district.

18 (5) For an elementary district opt-in, as described in  
19 subsection (d) of Section 11E-30 of this Code, the salary  
20 difference incentive shall be computed in accordance with  
21 paragraph (4) of this subsection (b) as if the opted-in  
22 elementary district was included in the optional elementary  
23 unit district at the optional elementary unit district's  
24 original effective date. If the calculation in this paragraph  
25 (5) is less than that calculated in paragraph (4) of this  
26 subsection (b) at the optional elementary unit district's

1 original effective date, then no adjustments may be made. If  
2 the calculation in this paragraph (5) is more than that  
3 calculated in paragraph (4) of this subsection (b) at the  
4 optional elementary unit district's original effective date,  
5 then the excess must be paid as follows:

6 (A) If the effective date for the elementary opt-in is  
7 one year after the effective date for the optional  
8 elementary unit district, 100% of the calculated excess  
9 shall be paid to the optional elementary unit district in  
10 each of the first 4 years after the effective date of the  
11 elementary opt-in.

12 (B) If the effective date for the elementary opt-in is  
13 2 years after the effective date for the optional  
14 elementary unit district, 75% of the calculated excess  
15 shall be paid to the optional elementary unit district in  
16 each of the first 4 years after the effective date of the  
17 elementary opt-in.

18 (C) If the effective date for the elementary opt-in is  
19 3 years after the effective date for the optional  
20 elementary unit district, 50% of the calculated excess  
21 shall be paid to the optional elementary unit district in  
22 each of the first 4 years after the effective date of the  
23 elementary opt-in.

24 (D) If the effective date for the elementary opt-in is  
25 4 years after the effective date for the partial elementary  
26 unit district, 25% of the calculated excess shall be paid

1 to the optional elementary unit district in each of the  
2 first 4 years after the effective date of the elementary  
3 opt-in.

4 (E) If the effective date for the elementary opt-in is  
5 5 years after the effective date for the optional  
6 elementary unit district, the optional elementary unit  
7 district is not eligible for any additional incentives due  
8 to the elementary opt-in.

9 (5.5) ~~(b-5)~~ After the formation of a cooperative high  
10 school by 2 or more school districts under Section 10-22.22c of  
11 this Code, a computation shall be made to determine the  
12 difference between the salaries effective in each of the  
13 previously existing high schools on June 30 prior to the  
14 formation of the cooperative high school. For the first 4 years  
15 after the formation of the cooperative high school, a  
16 supplementary State aid reimbursement shall be paid to the  
17 cooperative high school equal to the difference between the sum  
18 of the salaries earned by each of the certificated members of  
19 the cooperative high school while employed in one of the  
20 previously existing high schools during the year immediately  
21 preceding the formation of the cooperative high school and the  
22 sum of the salaries those certificated members would have been  
23 paid during the year immediately prior to the formation of the  
24 cooperative high school if placed on the salary schedule of the  
25 previously existing high school with the highest salary  
26 schedule.

1       (5.10) After the annexation of territory detached from  
2 another school district whereby the enrollment of the annexing  
3 district increases by 90% or more as a result of the  
4 annexation, a computation shall be made to determine the  
5 difference between the salaries effective in the district  
6 gaining territory and the district losing territory as they  
7 each were constituted on June 30 preceding the date when the  
8 change of boundaries attributable to the annexation became  
9 effective for all purposes as determined under Section 7-9 of  
10 this Code. For the first 4 years after the annexation, a  
11 supplementary State aid reimbursement shall be paid to the  
12 annexing district equal to the difference between the sum of  
13 the salaries earned by each of the certificated members of the  
14 annexing district as constituted after the annexation while  
15 employed in the district gaining territory or the district  
16 losing territory during the year immediately preceding the  
17 annexation and the sum of the salaries those certificated  
18 members would have been paid during such immediately preceding  
19 year if placed on the salary schedule of whichever of the  
20 district gaining territory or district losing territory had the  
21 highest salary schedule during the immediately preceding year.  
22 To be eligible for supplementary State aid reimbursement under  
23 this Section, the intergovernmental agreement to be submitted  
24 pursuant to Section 7-14A of this Code must show that staff  
25 members were transferred from the control of the district  
26 losing territory to the control of the district gaining

1 territory in the annexation. The changes to this Section made  
2 by this amendatory Act of the 95th General Assembly are  
3 intended to be retroactive and applicable to any annexation  
4 taking effect on or after July 1, 2004. For annexations that  
5 are eligible for payments under this paragraph (5.10) and that  
6 are effective on or after July 1, 2004, but before the  
7 effective date of this amendatory Act of the 95th General  
8 Assembly, the first required yearly payment under this  
9 paragraph (5.10) shall be paid in the fiscal year of the  
10 effective date of this amendatory Act of the 95th General  
11 Assembly. Subsequent required yearly payments shall be paid in  
12 subsequent fiscal years until the payment obligation under this  
13 paragraph (5.10) is complete.

14 (5.15) After the deactivation of a school facility in  
15 accordance with Section 10-22.22b of this Code, a computation  
16 shall be made to determine the difference between the salaries  
17 effective in the sending school district and each receiving  
18 school district on June 30 prior to the deactivation of the  
19 school facility. For the lesser of the first 4 years after the  
20 deactivation of the school facility or the length of the  
21 deactivation agreement, including any renewals of the original  
22 deactivation agreement, a supplementary State aid  
23 reimbursement shall be paid to each receiving district equal to  
24 the difference between the sum of the salaries earned by each  
25 of the certificated members transferred to that receiving  
26 district as a result of the deactivation while employed in the

1 sending district during the year immediately preceding the  
2 deactivation and the sum of the salaries those certificated  
3 members would have been paid during the year immediately  
4 preceding the deactivation if placed on the salary schedule of  
5 the sending or receiving district with the highest salary  
6 schedule.

7 (6) The supplementary State aid reimbursement under this  
8 subsection (b) shall be treated as separate from all other  
9 payments made pursuant to Section 18-8.05 of this Code. In the  
10 case of the formation of a new district or cooperative high  
11 school or a deactivation, reimbursement shall begin during the  
12 first year of operation of the new district or cooperative high  
13 school or the first year of the deactivation, and in the case  
14 of an annexation of the territory of one or more school  
15 districts by one or more other school districts or the  
16 annexation of territory detached from a school district whereby  
17 the enrollment of the annexing district increases by 90% or  
18 more as a result of the annexation, reimbursement shall begin  
19 during the first year when the change in boundaries  
20 attributable to the annexation ~~or division~~ becomes effective  
21 for all purposes as determined pursuant to Section 7-9 of this  
22 Code, except that for an annexation of territory detached from  
23 a school district that is effective on or after July 1, 2004,  
24 but before the effective date of this amendatory Act of the  
25 95th General Assembly, whereby the enrollment of the annexing  
26 district increases by 90% or more as a result of the

1 annexation, reimbursement shall begin during the fiscal year of  
2 the effective date of this amendatory Act of the 95th General  
3 Assembly. Each year that the new, annexing, or receiving  
4 ~~resulting~~ district or cooperative high school, as the case may  
5 be, is entitled to receive reimbursement, the number of  
6 eligible certified members who are employed on October 1 in the  
7 district or cooperative high school shall be certified to the  
8 State Board of Education on prescribed forms by October 15 and  
9 payment shall be made on or before November 15 of that year.

10 (c) (1) For the first year after the formation of a combined  
11 school district, as defined in Section 11E-20 of this Code or a  
12 unit district, as defined in Section 11E-25 of this Code, a  
13 computation shall be made totaling each previously existing  
14 district's audited fund balances in the educational fund,  
15 working cash fund, operations and maintenance fund, and  
16 transportation fund for the year ending June 30 prior to the  
17 referendum for the creation of the new district. The new  
18 district shall be paid supplementary State aid equal to the sum  
19 of the differences between the deficit of the previously  
20 existing district with the smallest deficit and the deficits of  
21 each of the other previously existing districts.

22 (2) For the first year after the annexation of all of the  
23 territory of one or more entire school districts by another  
24 school district, as defined in Article 7 of this Code,  
25 computations shall be made, for the year ending June 30 prior  
26 to the date that the change of boundaries attributable to the



1 annexation is allowed by the affirmative decision issued by the  
2 regional board of school trustees under Section 7-6 of this  
3 Code, notwithstanding any effort to seek administrative review  
4 of the decision, totaling the annexing district's and totaling  
5 each annexed district's audited fund balances in their  
6 respective educational, working cash, operations and  
7 maintenance, and transportation funds. The annexing district  
8 as constituted after the annexation shall be paid supplementary  
9 State aid equal to the sum of the differences between the  
10 deficit of whichever of the annexing or annexed districts as  
11 constituted prior to the annexation had the smallest deficit  
12 and the deficits of each of the other districts as constituted  
13 prior to the annexation.

14 (3) For the first year after the annexation of all of the  
15 territory of one or more entire school districts by 2 or more  
16 other school districts, as defined by Article 7 of this Code,  
17 computations shall be made, for the year ending June 30 prior  
18 to the date that the change of boundaries attributable to the  
19 annexation is allowed by the affirmative decision of the  
20 regional board of school trustees under Section 7-6 of this  
21 Code, notwithstanding any action for administrative review of  
22 the decision, totaling each annexing and annexed district's  
23 audited fund balances in their respective educational, working  
24 cash, operations and maintenance, and transportation funds.  
25 The annexing districts as constituted after the annexation  
26 shall be paid supplementary State aid, allocated as provided in

1 this paragraph (3), in an aggregate amount equal to the sum of  
2 the differences between the deficit of whichever of the  
3 annexing or annexed districts as constituted prior to the  
4 annexation had the smallest deficit and the deficits of each of  
5 the other districts as constituted prior to the annexation. The  
6 aggregate amount of the supplementary State aid payable under  
7 this paragraph (3) shall be allocated between or among the  
8 annexing districts as follows:

9 (A) the regional superintendent of schools for each  
10 educational service region in which an annexed district is  
11 located prior to the annexation shall certify to the State  
12 Board of Education, on forms that it shall provide for that  
13 purpose, the value of all taxable property in each annexed  
14 district, as last equalized or assessed by the Department  
15 of Revenue prior to the annexation, and the equalized  
16 assessed value of each part of the annexed district that  
17 was annexed to or included as a part of an annexing  
18 district;

19 (B) using equalized assessed values as certified by the  
20 regional superintendent of schools under clause (A) of this  
21 paragraph (3), the combined audited fund balance deficit of  
22 each annexed district as determined under this Section  
23 shall be apportioned between or among the annexing  
24 districts in the same ratio as the equalized assessed value  
25 of that part of the annexed district that was annexed to or  
26 included as a part of an annexing district bears to the

1 total equalized assessed value of the annexed district; and

2 (C) the aggregate supplementary State aid payment  
3 under this paragraph (3) shall be allocated between or  
4 among, and shall be paid to, the annexing districts in the  
5 same ratio as the sum of the combined audited fund balance  
6 deficit of each annexing district as constituted prior to  
7 the annexation, plus all combined audited fund balance  
8 deficit amounts apportioned to that annexing district  
9 under clause (B) of this subsection, bears to the aggregate  
10 of the combined audited fund balance deficits of all of the  
11 annexing and annexed districts as constituted prior to the  
12 annexation.

13 (4) For the new elementary districts and new high school  
14 district formed through a school district conversion, as  
15 defined in ~~subsection (b) of~~ Section 11E-15 of this Code or the  
16 new elementary district or districts and new combined high  
17 school - unit district formed through a multi-unit conversion,  
18 as defined in subsection (b) of Section 11E-30 of this Code, a  
19 computation shall be made totaling each previously existing  
20 district's audited fund balances in the educational fund,  
21 working cash fund, operations and maintenance fund, and  
22 transportation fund for the year ending June 30 prior to the  
23 referendum establishing the new districts. In the first year of  
24 the new districts, the State shall make a one-time  
25 supplementary payment equal to the sum of the differences  
26 between the deficit of the previously existing district with

1 the smallest deficit and the deficits of each of the other  
2 previously existing districts. A district with a combined  
3 balance among the 4 funds that is positive shall be considered  
4 to have a deficit of zero. The supplementary payment shall be  
5 allocated among the newly formed high school and elementary  
6 districts in the manner provided by the petition for the  
7 formation of the districts, in the form in which the petition  
8 is approved by the regional superintendent of schools or State  
9 Superintendent of Education under Section 11E-50 of this Code.

10 (5) For each newly created partial elementary unit  
11 district, as defined in subsection (a) or (c) of Section 11E-30  
12 of this Code, a computation shall be made totaling the audited  
13 fund balances of each previously existing district that formed  
14 the new partial elementary unit district in the educational  
15 fund, working cash fund, operations and maintenance fund, and  
16 transportation fund for the year ending June 30 prior to the  
17 referendum for the formation of the partial elementary unit  
18 district. In the first year of the new partial elementary unit  
19 district, the State shall make a one-time supplementary payment  
20 to the new district equal to the sum of the differences between  
21 the deficit of the previously existing district with the  
22 smallest deficit and the deficits of each of the other  
23 previously existing districts. A district with a combined  
24 balance among the 4 funds that is positive shall be considered  
25 to have a deficit of zero.

26 (6) For an elementary opt-in as defined in subsection (d)

1 of Section 11E-30 of this Code, the deficit fund balance  
2 incentive shall be computed in accordance with paragraph (5) of  
3 this subsection (c) as if the opted-in elementary was included  
4 in the optional elementary unit district at the optional  
5 elementary unit district's original effective date. If the  
6 calculation in this paragraph (6) is less than that calculated  
7 in paragraph (5) of this subsection (c) at the optional  
8 elementary unit district's original effective date, then no  
9 adjustments may be made. If the calculation in this paragraph  
10 (6) is more than that calculated in paragraph (5) of this  
11 subsection (c) at the optional elementary unit district's  
12 original effective date, then the excess must be paid as  
13 follows:

14 (A) If the effective date for the elementary opt-in is  
15 one year after the effective date for the optional  
16 elementary unit district, 100% of the calculated excess  
17 shall be paid to the optional elementary unit district in  
18 the first year after the effective date of the elementary  
19 opt-in.

20 (B) If the effective date for the elementary opt-in is  
21 2 years after the effective date for the optional  
22 elementary unit district, 75% of the calculated excess  
23 shall be paid to the optional elementary unit district in  
24 the first year after the effective date of the elementary  
25 opt-in.

26 (C) If the effective date for the elementary opt-in is

1           3 years after the effective date for the optional  
2 elementary unit district, 50% of the calculated excess  
3 shall be paid to the optional elementary unit district in  
4 the first year after the effective date of the elementary  
5 opt-in.

6           (D) If the effective date for the elementary opt-in is  
7 4 years after the effective date for the optional  
8 elementary unit district, 25% of the calculated excess  
9 shall be paid to the optional elementary unit district in  
10 the first year after the effective date of the elementary  
11 opt-in.

12           (E) If the effective date for the elementary opt-in is  
13 5 years after the effective date for the optional  
14 elementary unit district, the optional elementary unit  
15 district is not eligible for any additional incentives due  
16 to the elementary opt-in.

17           (6.5) For the first year after the annexation of territory  
18 detached from another school district whereby the enrollment of  
19 the annexing district increases by 90% or more as a result of  
20 the annexation, a computation shall be made totaling the  
21 audited fund balances of the district gaining territory and the  
22 audited fund balances of the district losing territory in the  
23 educational fund, working cash fund, operations and  
24 maintenance fund, and transportation fund for the year ending  
25 June 30 prior to the date that the change of boundaries  
26 attributable to the annexation is allowed by the affirmative

1 decision of the regional board of school trustees under Section  
2 7-6 of this Code, notwithstanding any action for administrative  
3 review of the decision. The annexing district as constituted  
4 after the annexation shall be paid supplementary State aid  
5 equal to the difference between the deficit of whichever  
6 district included in this calculation as constituted prior to  
7 the annexation had the smallest deficit and the deficit of each  
8 other district included in this calculation as constituted  
9 prior to the annexation, multiplied by the ratio of equalized  
10 assessed value of the territory detached to the total equalized  
11 assessed value of the district losing territory. The regional  
12 superintendent of schools for the educational service region in  
13 which a district losing territory is located prior to the  
14 annexation shall certify to the State Board of Education the  
15 value of all taxable property in the district losing territory  
16 and the value of all taxable property in the territory being  
17 detached, as last equalized or assessed by the Department of  
18 Revenue prior to the annexation. To be eligible for  
19 supplementary State aid reimbursement under this Section, the  
20 intergovernmental agreement to be submitted pursuant to  
21 Section 7-14A of this Code must show that fund balances were  
22 transferred from the district losing territory to the district  
23 gaining territory in the annexation. The changes to this  
24 Section made by this amendatory Act of the 95th General  
25 Assembly are intended to be retroactive and applicable to any  
26 annexation taking effect on or after July 1, 2004. For

1 annexations that are eligible for payments under this paragraph  
2 (6.5) and that are effective on or after July 1, 2004, but  
3 before the effective date of this amendatory Act of the 95th  
4 General Assembly, the required payment under this paragraph  
5 (6.5) shall be paid in the fiscal year of the effective date of  
6 this amendatory Act of the 95th General Assembly.

7 (7) For purposes of any calculation required under  
8 paragraph (1), (2), (3), (4), (5), ~~or (6)~~, or (6.5) of this  
9 subsection (c), a district with a combined fund balance that is  
10 positive shall be considered to have a deficit of zero. For  
11 purposes of determining each district's audited fund balances  
12 in its educational fund, working cash fund, operations and  
13 maintenance fund, and transportation fund for the specified  
14 year ending June 30, as provided in paragraphs (1), (2), (3),  
15 (4), (5), ~~and (6)~~, and (6.5) of this subsection (c), the  
16 balance of each fund shall be deemed decreased by an amount  
17 equal to the amount of the annual property tax theretofore  
18 levied in the fund by the district for collection and payment  
19 to the district during the calendar year in which the June 30  
20 fell, but only to the extent that the tax so levied in the fund  
21 actually was received by the district on or before or comprised  
22 a part of the fund on such June 30. For purposes of determining  
23 each district's audited fund balances, a calculation shall be  
24 made for each fund to determine the average for the 3 years  
25 prior to the specified year ending June 30, as provided in  
26 paragraphs (1), (2), (3), (4), (5), ~~and (6)~~, and (6.5) of this



1 subsection (c), of the district's expenditures in the  
2 categories "purchased services", "supplies and materials", and  
3 "capital outlay", as those categories are defined in rules of  
4 the State Board of Education. If this 3-year average is less  
5 than the district's expenditures in these categories for the  
6 specified year ending June 30, as provided in paragraphs (1),  
7 (2), (3), (4), (5), ~~and (6)~~, and (6.5) of this subsection (c),  
8 then the 3-year average shall be used in calculating the  
9 amounts payable under this Section in place of the amounts  
10 shown in these categories for the specified year ending June  
11 30, as provided in paragraphs (1), (2), (3), (4), (5), ~~and (6)~~,  
12 and (6.5) of this subsection (c). Any deficit because of State  
13 aid not yet received may not be considered in determining the  
14 June 30 deficits. The same basis of accounting shall be used by  
15 all previously existing districts and by all annexing or  
16 annexed districts, as constituted prior to the annexation, in  
17 making any computation required under paragraphs (1), (2), (3),  
18 (4), (5), ~~and (6)~~, and (6.5) of this subsection (c).

19 (8) The supplementary State aid payments under this  
20 subsection (c) shall be treated as separate from all other  
21 payments made pursuant to Section 18-8.05 of this Code.

22 (d)(1) Following the formation of a combined school  
23 district, as defined in Section 11E-20 of this Code, a new unit  
24 district, as defined in Section 11E-25 of this Code, a new  
25 elementary district or districts and a new high school district  
26 formed through a school district conversion, as defined in

1 ~~subsection (b)~~ of Section 11E-15 of this Code, a new partial  
 2 elementary unit district, as defined in Section 11E-30 of this  
 3 Code, or a new elementary district or districts formed through  
 4 a multi-unit conversion, as defined in subsection (b) of  
 5 Section 11E-30 of this Code, or the annexation of all of the  
 6 territory of one or more entire school districts by one or more  
 7 other school districts, as defined in Article 7 of this Code, a  
 8 supplementary State aid reimbursement shall be paid for the  
 9 number of school years determined under the following table to  
 10 each new or annexing district equal to the sum of \$4,000 for  
 11 each certified employee who is employed by the district on a  
 12 full-time basis for the regular term of the school year:

13	Reorganized District's Rank	Reorganized District's Rank		
14	by type of district (unit,	in Average Daily Attendance		
15	high school, elementary)	By Quintile		
16	in Equalized Assessed Value			
17	Per Pupil by Quintile			
18			3rd, 4th,	
19		1st	2nd	or 5th
20		Quintile	Quintile	Quintile
21	1st Quintile	1 year	1 year	1 year
22	2nd Quintile	1 year	2 years	2 years
23	3rd Quintile	2 years	3 years	3 years
24	4th Quintile	2 years	3 years	3 years
25	5th Quintile	2 years	3 years	3 years

1 The State Board of Education shall make a one-time calculation  
2 of a reorganized district's quintile ranks. The average daily  
3 attendance used in this calculation shall be the best 3 months'  
4 average daily attendance for the district's first year. The  
5 equalized assessed value per pupil shall be the district's real  
6 property equalized assessed value used in calculating the  
7 district's first-year general State aid claim, under Section  
8 18-8.05 of this Code, divided by the best 3 months' average  
9 daily attendance.

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

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

20 (2) For an elementary opt-in, as defined in subsection (d)  
21 of Section 11E-30 of this Code, the full-time certified staff  
22 incentive shall be computed in accordance with paragraph (1) of  
23 this subsection (d), equal to the sum of \$4,000 for each  
24 certified employee of the elementary district that opts-in who  
25 is employed by the optional elementary unit district on a

1 full-time basis for the regular term of the school year. The  
2 calculation from this paragraph (2) must be paid as follows:

3 (A) If the effective date for the elementary opt-in is  
4 one year after the effective date for the optional  
5 elementary unit district, 100% of the amount calculated in  
6 this paragraph (2) shall be paid to the optional elementary  
7 unit district for the number of years calculated in  
8 paragraph (1) of this subsection (d) at the optional  
9 elementary unit district's original effective date,  
10 starting in the second year after the effective date of the  
11 elementary opt-in.

12 (B) If the effective date for the elementary opt-in is  
13 2 years after the effective date for the optional  
14 elementary unit district, 75% of the amount calculated in  
15 this paragraph (2) shall be paid to the optional elementary  
16 unit district for the number of years calculated in  
17 paragraph (1) of this subsection (d) at the optional  
18 elementary unit district's original effective date,  
19 starting in the second year after the effective date of the  
20 elementary opt-in.

21 (C) If the effective date for the elementary opt-in is  
22 3 years after the effective date for the optional  
23 elementary unit district, 50% of the amount calculated in  
24 this paragraph (2) shall be paid to the optional elementary  
25 unit district for the number of years calculated in  
26 paragraph (1) of this subsection (d) at the optional

1 elementary unit district's original effective date,  
2 starting in the second year after the effective date of the  
3 elementary opt-in.

4 (D) If the effective date for the elementary opt-in is  
5 4 years after the effective date for the optional  
6 elementary unit district, 25% of the amount calculated in  
7 this paragraph (2) shall be paid to the optional elementary  
8 unit district for the number of years calculated in  
9 paragraph (1) of this subsection (d) at the optional  
10 elementary unit district's original effective date,  
11 starting in the second year after the effective date of the  
12 elementary opt-in.

13 (E) If the effective date for the elementary opt-in is  
14 5 years after the effective date for the optional  
15 elementary unit district, the optional elementary unit  
16 district is not eligible for any additional incentives due  
17 to the elementary opt-in.

18 (2.5) ~~(a-5)~~ Following the formation of a cooperative high  
19 school by 2 or more school districts under Section 10-22.22c of  
20 this Code, a supplementary State aid reimbursement shall be  
21 paid for 3 school years to the cooperative high school equal to  
22 the sum of \$4,000 for each certified employee who is employed  
23 by the cooperative high school on a full-time basis for the  
24 regular term of any such school year. If a cooperative high  
25 school results from multiple agreements that would otherwise  
26 qualify the cooperative high school for multiple payments under

1 this Section in any year, the cooperative high school shall  
2 receive a single payment for that year based solely on the most  
3 recent agreement.

4 (2.10) Following the annexation of territory detached from  
5 another school district whereby the enrollment of the annexing  
6 district increases 90% or more as a result of the annexation, a  
7 supplementary State aid reimbursement shall be paid to the  
8 annexing district equal to the sum of \$4,000 for each certified  
9 employee who is employed by the annexing district on a  
10 full-time basis and shall be calculated in accordance with  
11 subsection (a) of this Section. To be eligible for  
12 supplementary State aid reimbursement under this Section, the  
13 intergovernmental agreement to be submitted pursuant to  
14 Section 7-14A of this Code must show that certified staff  
15 members were transferred from the control of the district  
16 losing territory to the control of the district gaining  
17 territory in the annexation. The changes to this Section made  
18 by this amendatory Act of the 95th General Assembly are  
19 intended to be retroactive and applicable to any annexation  
20 taking effect on or after July 1, 2004. For annexations that  
21 are eligible for payments under this paragraph (2.10) and that  
22 are effective on or after July 1, 2004, but before the  
23 effective date of this amendatory Act of the 95th General  
24 Assembly, the first required yearly payment under this  
25 paragraph (2.10) shall be paid in the second fiscal year after  
26 the effective date of this amendatory Act of the 95th General

1 Assembly. Any subsequent required yearly payments shall be paid  
2 in subsequent fiscal years until the payment obligation under  
3 this paragraph (2.10) is complete.

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

21 (3) The supplementary State aid reimbursement payable  
22 under this subsection (d) shall be separate from and in  
23 addition to all other payments made to the district pursuant to  
24 any other Section of this Article.

25 (4) During May of each school year for which a  
26 supplementary State aid reimbursement is to be paid to a new, L

1 ~~or~~ annexing, or receiving school district or cooperative high  
2 school pursuant to this subsection (d), the school board or  
3 governing board shall certify to the State Board of Education,  
4 on forms furnished to the school board or governing board by  
5 the State Board of Education for purposes of this subsection  
6 (d), the number of certified employees for which the district  
7 or cooperative high school is entitled to reimbursement under  
8 this Section, together with the names, certificate numbers, and  
9 positions held by the certified employees.

10 (5) Upon certification by the State Board of Education to  
11 the State Comptroller of the amount of the supplementary State  
12 aid reimbursement to which a school district or cooperative  
13 high school is entitled under this subsection (d), the State  
14 Comptroller shall draw his or her warrant upon the State  
15 Treasurer for the payment thereof to the school district or  
16 cooperative high school and shall promptly transmit the payment  
17 to the school district or cooperative high school through the  
18 appropriate school treasurer.

19 (Source: P.A. 94-1019, eff. 7-10-06; incorporates P.A. 94-902,  
20 eff. 7-1-06; revised 9-13-06.)

21 (105 ILCS 5/14-13.01) (from Ch. 122, par. 14-13.01)

22 Sec. 14-13.01. Reimbursement payable by State; Amounts.  
23 Reimbursement for furnishing special educational facilities in  
24 a recognized school to the type of children defined in Section  
25 14-1.02 shall be paid to the school districts in accordance



1 with Section 14-12.01 for each school year ending June 30 by  
2 the State Comptroller out of any money in the treasury  
3 appropriated for such purposes on the presentation of vouchers  
4 by the State Board of Education.

5 The reimbursement shall be limited to funds expended for  
6 construction and maintenance of special education facilities  
7 designed and utilized to house instructional programs,  
8 diagnostic services, other special education services for  
9 children with disabilities and reimbursement as provided in  
10 Section 14-13.01. There shall be no reimbursement for  
11 construction and maintenance of any administrative facility  
12 separated from special education facilities designed and  
13 utilized to house instructional programs, diagnostic services  
14 and other special education services for children with  
15 disabilities.

16 (a) For children who have not been identified as eligible  
17 for special education and for eligible children with physical  
18 disabilities, including all eligible children whose placement  
19 has been determined under Section 14-8.02 in hospital or home  
20 instruction, 1/2 of the teacher's salary but not more than  
21 \$1,000 annually per child or \$8,000 per teacher for the  
22 1985-1986 school year through the 2006-2007 school year and  
23 \$1,000 per child or \$9,000 per teacher for the 2007-2008 school  
24 year and for each school year ~~and~~ thereafter, whichever is  
25 less. Children to be included in any reimbursement under this  
26 paragraph must regularly receive a minimum of one hour of

1 instruction each school day, or in lieu thereof of a minimum of  
2 5 hours of instruction in each school week in order to qualify  
3 for full reimbursement under this Section. If the attending  
4 physician for such a child has certified that the child should  
5 not receive as many as 5 hours of instruction in a school week,  
6 however, reimbursement under this paragraph on account of that  
7 child shall be computed proportionate to the actual hours of  
8 instruction per week for that child divided by 5.

9 (b) For children described in Section 14-1.02, 4/5 of the  
10 cost of transportation for each such child, whom the State  
11 Superintendent of Education determined in advance requires  
12 special transportation service in order to take advantage of  
13 special educational facilities. Transportation costs shall be  
14 determined in the same fashion as provided in Section 29-5. For  
15 purposes of this subsection (b), the dates for processing  
16 claims specified in Section 29-5 shall apply.

17 (c) For each professional worker excluding those included  
18 in subparagraphs (a), (d), (e), and (f) of this Section, the  
19 annual sum of \$8,000 for the 1985-1986 school year through the  
20 2006-2007 school year and \$9,000 for the 2007-2008 school year  
21 and for each school year ~~and~~ thereafter.

22 (d) For one full time qualified director of the special  
23 education program of each school district which maintains a  
24 fully approved program of special education the annual sum of  
25 \$8,000 for the 1985-1986 school year through the 2006-2007  
26 school year and \$9,000 for the 2007-2008 school year and for

1 each school year ~~and~~ thereafter. Districts participating in a  
2 joint agreement special education program shall not receive  
3 such reimbursement if reimbursement is made for a director of  
4 the joint agreement program.

5 (e) For each school psychologist as defined in Section  
6 14-1.09 the annual sum of \$8,000 for the 1985-1986 school year  
7 through the 2006-2007 school year and \$9,000 for the 2007-2008  
8 school year and for each school year ~~and~~ thereafter.

9 (f) For each qualified teacher working in a fully approved  
10 program for children of preschool age who are deaf or  
11 hard-of-hearing the annual sum of \$8,000 for the 1985-1986  
12 school year through the 2006-2007 school year and \$9,000 for  
13 the 2007-2008 school year and for each school year ~~and~~  
14 thereafter.

15 (g) For readers, working with blind or partially seeing  
16 children 1/2 of their salary but not more than \$400 annually  
17 per child. Readers may be employed to assist such children and  
18 shall not be required to be certified but prior to employment  
19 shall meet standards set up by the State Board of Education.

20 (h) For necessary non-certified employees working in any  
21 class or program for children defined in this Article, 1/2 of  
22 the salary paid or \$2,800 annually per employee through the  
23 2006-2007 school year and \$3,500 per employee for the 2007-2008  
24 school year and for each school year thereafter, whichever is  
25 less.

26 The State Board of Education shall set standards and

1 prescribe rules for determining the allocation of  
2 reimbursement under this section on less than a full time basis  
3 and for less than a school year.

4 When any school district eligible for reimbursement under  
5 this Section operates a school or program approved by the State  
6 Superintendent of Education for a number of days in excess of  
7 the adopted school calendar but not to exceed 235 school days,  
8 such reimbursement shall be increased by 1/180 of the amount or  
9 rate paid hereunder for each day such school is operated in  
10 excess of 180 days per calendar year.

11 Notwithstanding any other provision of law, any school  
12 district receiving a payment under this Section or under  
13 Section 14-7.02, 14-7.02b, or 29-5 of this Code may classify  
14 all or a portion of the funds that it receives in a particular  
15 fiscal year or from general State aid pursuant to Section  
16 18-8.05 of this Code as funds received in connection with any  
17 funding program for which it is entitled to receive funds from  
18 the State in that fiscal year (including, without limitation,  
19 any funding program referenced in this Section), regardless of  
20 the source or timing of the receipt. The district may not  
21 classify more funds as funds received in connection with the  
22 funding program than the district is entitled to receive in  
23 that fiscal year for that program. Any classification by a  
24 district must be made by a resolution of its board of  
25 education. The resolution must identify the amount of any  
26 payments or general State aid to be classified under this

1 paragraph and must specify the funding program to which the  
2 funds are to be treated as received in connection therewith.  
3 This resolution is controlling as to the classification of  
4 funds referenced therein. A certified copy of the resolution  
5 must be sent to the State Superintendent of Education. The  
6 resolution shall still take effect even though a copy of the  
7 resolution has not been sent to the State Superintendent of  
8 Education in a timely manner. No classification under this  
9 paragraph by a district shall affect the total amount or timing  
10 of money the district is entitled to receive under this Code.  
11 No classification under this paragraph by a district shall in  
12 any way relieve the district from or affect any requirements  
13 that otherwise would apply with respect to that funding  
14 program, including any accounting of funds by source, reporting  
15 expenditures by original source and purpose, reporting  
16 requirements, or requirements of providing services.

17 (Source: P.A. 95-415, eff. 8-24-07.)

18 (105 ILCS 5/18-8.05)

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

22 (A) General Provisions.

23 (1) The provisions of this Section apply to the 1998-1999  
24 and subsequent school years. The system of general State

1 financial aid provided for in this Section is designed to  
2 assure that, through a combination of State financial aid and  
3 required local resources, the financial support provided each  
4 pupil in Average Daily Attendance equals or exceeds a  
5 prescribed per pupil Foundation Level. This formula approach  
6 imputes a level of per pupil Available Local Resources and  
7 provides for the basis to calculate a per pupil level of  
8 general State financial aid that, when added to Available Local  
9 Resources, equals or exceeds the Foundation Level. The amount  
10 of per pupil general State financial aid for school districts,  
11 in general, varies in inverse relation to Available Local  
12 Resources. Per pupil amounts are based upon each school  
13 district's Average Daily Attendance as that term is defined in  
14 this Section.

15 (2) In addition to general State financial aid, school  
16 districts with specified levels or concentrations of pupils  
17 from low income households are eligible to receive supplemental  
18 general State financial aid grants as provided pursuant to  
19 subsection (H). The supplemental State aid grants provided for  
20 school districts under subsection (H) shall be appropriated for  
21 distribution to school districts as part of the same line item  
22 in which the general State financial aid of school districts is  
23 appropriated under this Section.

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

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

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

20           (c) If a school district operates a full year school  
21 under Section 10-19.1, the general State aid to the school  
22 district shall be determined by the State Board of  
23 Education in accordance with this Section as near as may be  
24 applicable.

25           (d) (Blank).

26           (4) Except as provided in subsections (H) and (L), the

1 board of any district receiving any of the grants provided for  
2 in this Section may apply those funds to any fund so received  
3 for which that board is authorized to make expenditures by law.

4 School districts are not required to exert a minimum  
5 Operating Tax Rate in order to qualify for assistance under  
6 this Section.

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

9 (a) "Average Daily Attendance": A count of pupil  
10 attendance in school, averaged as provided for in  
11 subsection (C) and utilized in deriving per pupil financial  
12 support levels.

13 (b) "Available Local Resources": A computation of  
14 local financial support, calculated on the basis of Average  
15 Daily Attendance and derived as provided pursuant to  
16 subsection (D).

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

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

26 (e) "Operating Tax Rate": All school district property



1 taxes extended for all purposes, except Bond and Interest,  
2 Summer School, Rent, Capital Improvement, and Vocational  
3 Education Building purposes.

4 (B) Foundation Level.

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

15 (2) For the 1998-1999 school year, the Foundation Level of  
16 support is \$4,225. For the 1999-2000 school year, the  
17 Foundation Level of support is \$4,325. For the 2000-2001 school  
18 year, the Foundation Level of support is \$4,425. For the  
19 2001-2002 school year and 2002-2003 school year, the Foundation  
20 Level of support is \$4,560. For the 2003-2004 school year, the  
21 Foundation Level of support is \$4,810. For the 2004-2005 school  
22 year, the Foundation Level of support is \$4,964. For the  
23 2005-2006 school year, the Foundation Level of support is  
24 \$5,164. For the 2006-2007 school year, the Foundation Level of  
25 support is \$5,334.

1           (3) For the 2007-2008 ~~2006-2007~~ school year and each school  
2 year thereafter, the Foundation Level of support is \$5,734  
3 ~~\$5,334~~ or such greater amount as may be established by law by  
4 the General Assembly.

5           (C) Average Daily Attendance.

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

17           (2) The Average Daily Attendance figures utilized in  
18 subsection (E) shall be the requisite attendance data for the  
19 school year immediately preceding the school year for which  
20 general State aid is being calculated or the average of the  
21 attendance data for the 3 preceding school years, whichever is  
22 greater. The Average Daily Attendance figures utilized in  
23 subsection (H) shall be the requisite attendance data for the  
24 school year immediately preceding the school year for which  
25 general State aid is being calculated.

1 (D) Available Local Resources.

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

12 (2) In determining a school district's revenue from local  
13 property taxes, the State Board of Education shall utilize the  
14 equalized assessed valuation of all taxable property of each  
15 school district as of September 30 of the previous year. The  
16 equalized assessed valuation utilized shall be obtained and  
17 determined as provided in subsection (G).

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

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

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

21 (4) The Corporate Personal Property Replacement Taxes paid  
22 to each school district during the calendar year 2 years before  
23 the calendar year in which a school year begins, divided by the  
24 Average Daily Attendance figure for that district, shall be  
25 added to the local property tax revenues per pupil as derived  
26 by the application of the immediately preceding paragraph (3).

1 The sum of these per pupil figures for each school district  
2 shall constitute Available Local Resources as that term is  
3 utilized in subsection (E) in the calculation of general State  
4 aid.

5 (E) Computation of General State Aid.

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

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

15 (3) For any school district for which Available Local  
16 Resources per pupil is equal to or greater than the product of  
17 0.93 times the Foundation Level and less than the product of  
18 1.75 times the Foundation Level, the general State aid per  
19 pupil shall be a decimal proportion of the Foundation Level  
20 derived using a linear algorithm. Under this linear algorithm,  
21 the calculated general State aid per pupil shall decline in  
22 direct linear fashion from 0.07 times the Foundation Level for  
23 a school district with Available Local Resources equal to the  
24 product of 0.93 times the Foundation Level, to 0.05 times the  
25 Foundation Level for a school district with Available Local

1 Resources equal to the product of 1.75 times the Foundation  
2 Level. The allocation of general State aid for school districts  
3 subject to this paragraph 3 shall be the calculated general  
4 State aid per pupil figure multiplied by the Average Daily  
5 Attendance of the school district.

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

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

21 (F) Compilation of Average Daily Attendance.

22 (1) Each school district shall, by July 1 of each year,  
23 submit to the State Board of Education, on forms prescribed by  
24 the State Board of Education, attendance figures for the school  
25 year that began in the preceding calendar year. The attendance

1 information so transmitted shall identify the average daily  
2 attendance figures for each month of the school year. Beginning  
3 with the general State aid claim form for the 2002-2003 school  
4 year, districts shall calculate Average Daily Attendance as  
5 provided in subdivisions (a), (b), and (c) of this paragraph  
6 (1).

7 (a) In districts that do not hold year-round classes,  
8 days of attendance in August shall be added to the month of  
9 September and any days of attendance in June shall be added  
10 to the month of May.

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

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

1           Except as otherwise provided in this Section, days of  
2 attendance by pupils shall be counted only for sessions of not  
3 less than 5 clock hours of school work per day under direct  
4 supervision of: (i) teachers, or (ii) non-teaching personnel or  
5 volunteer personnel when engaging in non-teaching duties and  
6 supervising in those instances specified in subsection (a) of  
7 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils  
8 of legal school age and in kindergarten and grades 1 through  
9 12.

10           Days of attendance by tuition pupils shall be accredited  
11 only to the districts that pay the tuition to a recognized  
12 school.

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

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

25           (b) Days of attendance may be less than 5 clock hours  
26 on the opening and closing of the school term, and upon the



1 first day of pupil attendance, if preceded by a day or days  
2 utilized as an institute or teachers' workshop.

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

8 (d) A session of 3 or more clock hours may be counted  
9 as a day of attendance (1) when the remainder of the school  
10 day or at least 2 hours in the evening of that day is  
11 utilized for an in-service training program for teachers,  
12 up to a maximum of 5 days per school year of which a  
13 maximum of 4 days of such 5 days may be used for  
14 parent-teacher conferences, provided a district conducts  
15 an in-service training program for teachers which has been  
16 approved by the State Superintendent of Education; or, in  
17 lieu of 4 such days, 2 full days may be used, in which  
18 event each such day may be counted as a day of attendance;  
19 and (2) when days in addition to those provided in item (1)  
20 are scheduled by a school pursuant to its school  
21 improvement plan adopted under Article 34 or its revised or  
22 amended school improvement plan adopted under Article 2,  
23 provided that (i) such sessions of 3 or more clock hours  
24 are scheduled to occur at regular intervals, (ii) the  
25 remainder of the school days in which such sessions occur  
26 are utilized for in-service training programs or other

1 staff development activities for teachers, and (iii) a  
2 sufficient number of minutes of school work under the  
3 direct supervision of teachers are added to the school days  
4 between such regularly scheduled sessions to accumulate  
5 not less than the number of minutes by which such sessions  
6 of 3 or more clock hours fall short of 5 clock hours. Any  
7 full days used for the purposes of this paragraph shall not  
8 be considered for computing average daily attendance. Days  
9 scheduled for in-service training programs, staff  
10 development activities, or parent-teacher conferences may  
11 be scheduled separately for different grade levels and  
12 different attendance centers of the district.

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

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

24 (g) For children with disabilities who are below the  
25 age of 6 years and who cannot attend 2 or more clock hours  
26 because of their disability or immaturity, a session of not

1 less than one clock hour may be counted as 1/2 day of  
2 attendance; however for such children whose educational  
3 needs so require a session of 4 or more clock hours may be  
4 counted as a full day of attendance.

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

22 (i) On the days when the Prairie State Achievement  
23 Examination is administered under subsection (c) of  
24 Section 2-3.64 of this Code, the day of attendance for a  
25 pupil whose school day must be shortened to accommodate  
26 required testing procedures may be less than 5 clock hours

1 and shall be counted towards the 176 days of actual pupil  
2 attendance required under Section 10-19 of this Code,  
3 provided that a sufficient number of minutes of school work  
4 in excess of 5 clock hours are first completed on other  
5 school days to compensate for the loss of school work on  
6 the examination days.

7 (G) Equalized Assessed Valuation Data.

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

18 The Department of Revenue shall add to the equalized  
19 assessed value of all taxable property of each school district  
20 situated entirely or partially within a county that is or was  
21 subject to the alternative general homestead exemption  
22 provisions of Section 15-176 of the Property Tax Code (a) an  
23 amount equal to the total amount by which the homestead  
24 exemption allowed under Section 15-176 of the Property Tax Code  
25 for real property situated in that school district exceeds the

1 total amount that would have been allowed in that school  
2 district if the maximum reduction under Section 15-176 was (i)  
3 \$4,500 in Cook County or \$3,500 in all other counties in tax  
4 year 2003 or (ii) \$5,000 in all counties in tax year 2004 and  
5 thereafter and (b) an amount equal to the aggregate amount for  
6 the taxable year of all additional exemptions under Section  
7 15-175 of the Property Tax Code for owners with a household  
8 income of \$30,000 or less. The county clerk of any county that  
9 is or was subject to the alternative general homestead  
10 exemption provisions of Section 15-176 of the Property Tax Code  
11 shall annually calculate and certify to the Department of  
12 Revenue for each school district all homestead exemption  
13 amounts under Section 15-176 of the Property Tax Code and all  
14 amounts of additional exemptions under Section 15-175 of the  
15 Property Tax Code for owners with a household income of \$30,000  
16 or less. It is the intent of this paragraph that if the general  
17 homestead exemption for a parcel of property is determined  
18 under Section 15-176 of the Property Tax Code rather than  
19 Section 15-175, then the calculation of Available Local  
20 Resources shall not be affected by the difference, if any,  
21 between the amount of the general homestead exemption allowed  
22 for that parcel of property under Section 15-176 of the  
23 Property Tax Code and the amount that would have been allowed  
24 had the general homestead exemption for that parcel of property  
25 been determined under Section 15-175 of the Property Tax Code.  
26 It is further the intent of this paragraph that if additional

1 exemptions are allowed under Section 15-175 of the Property Tax  
2 Code for owners with a household income of less than \$30,000,  
3 then the calculation of Available Local Resources shall not be  
4 affected by the difference, if any, because of those additional  
5 exemptions.

6 This equalized assessed valuation, as adjusted further by  
7 the requirements of this subsection, shall be utilized in the  
8 calculation of Available Local Resources.

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

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

1           Redevelopment Act or in Section 11-74.6-35 of the  
2           Industrial Jobs Recovery Law. For the purpose of the  
3           equalized assessed valuation of the district, the total  
4           initial equalized assessed valuation or the current  
5           equalized assessed valuation, whichever is lower, shall be  
6           used until such time as all redevelopment project costs  
7           have been paid.

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

22          (3) For the 1999-2000 school year and each school year  
23          thereafter, if a school district meets all of the criteria of  
24          this subsection (G) (3), the school district's Available Local  
25          Resources shall be calculated under subsection (D) using the  
26          district's Extension Limitation Equalized Assessed Valuation

1 as calculated under this subsection (G) (3).

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

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

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

8 "Preceding Tax Year": The property tax levy year  
9 immediately preceding the Base Tax Year.

10 "Base Tax Year's Tax Extension": The product of the  
11 equalized assessed valuation utilized by the County Clerk  
12 in the Base Tax Year multiplied by the limiting rate as  
13 calculated by the County Clerk and defined in the Property  
14 Tax Extension Limitation Law.

15 "Preceding Tax Year's Tax Extension": The product of  
16 the equalized assessed valuation utilized by the County  
17 Clerk in the Preceding Tax Year multiplied by the Operating  
18 Tax Rate as defined in subsection (A).

19 "Extension Limitation Ratio": A numerical ratio,  
20 certified by the County Clerk, in which the numerator is  
21 the Base Tax Year's Tax Extension and the denominator is  
22 the Preceding Tax Year's Tax Extension.

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

25 If a school district is subject to property tax extension  
26 limitations as imposed under the Property Tax Extension



1 Limitation Law, the State Board of Education shall calculate  
2 the Extension Limitation Equalized Assessed Valuation of that  
3 district. For the 1999-2000 school year, the Extension  
4 Limitation Equalized Assessed Valuation of a school district as  
5 calculated by the State Board of Education shall be equal to  
6 the product of the district's 1996 Equalized Assessed Valuation  
7 and the district's Extension Limitation Ratio. For the  
8 2000-2001 school year and each school year thereafter, the  
9 Extension Limitation Equalized Assessed Valuation of a school  
10 district as calculated by the State Board of Education shall be  
11 equal to the product of the Equalized Assessed Valuation last  
12 used in the calculation of general State aid and the district's  
13 Extension Limitation Ratio. If the Extension Limitation  
14 Equalized Assessed Valuation of a school district as calculated  
15 under this subsection (G)(3) is less than the district's  
16 equalized assessed valuation as calculated pursuant to  
17 subsections (G)(1) and (G)(2), then for purposes of calculating  
18 the district's general State aid for the Budget Year pursuant  
19 to subsection (E), that Extension Limitation Equalized  
20 Assessed Valuation shall be utilized to calculate the  
21 district's Available Local Resources under subsection (D).

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

26 (4) For the purposes of calculating general State aid for

1 the 1999-2000 school year only, if a school district  
2 experienced a triennial reassessment on the equalized assessed  
3 valuation used in calculating its general State financial aid  
4 apportionment for the 1998-1999 school year, the State Board of  
5 Education shall calculate the Extension Limitation Equalized  
6 Assessed Valuation that would have been used to calculate the  
7 district's 1998-1999 general State aid. This amount shall equal  
8 the product of the equalized assessed valuation used to  
9 calculate general State aid for the 1997-1998 school year and  
10 the district's Extension Limitation Ratio. If the Extension  
11 Limitation Equalized Assessed Valuation of the school district  
12 as calculated under this paragraph (4) is less than the  
13 district's equalized assessed valuation utilized in  
14 calculating the district's 1998-1999 general State aid  
15 allocation, then for purposes of calculating the district's  
16 general State aid pursuant to paragraph (5) of subsection (E),  
17 that Extension Limitation Equalized Assessed Valuation shall  
18 be utilized to calculate the district's Available Local  
19 Resources.

20 (5) For school districts having a majority of their  
21 equalized assessed valuation in any county except Cook, DuPage,  
22 Kane, Lake, McHenry, or Will, if the amount of general State  
23 aid allocated to the school district for the 1999-2000 school  
24 year under the provisions of subsection (E), (H), and (J) of  
25 this Section is less than the amount of general State aid  
26 allocated to the district for the 1998-1999 school year under

1 these subsections, then the general State aid of the district  
2 for the 1999-2000 school year only shall be increased by the  
3 difference between these amounts. The total payments made under  
4 this paragraph (5) shall not exceed \$14,000,000. Claims shall  
5 be prorated if they exceed \$14,000,000.

6 (H) Supplemental General State Aid.

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

1 districts on a prorated basis.

2 (1.5) This paragraph (1.5) applies only to those school  
3 years preceding the 2003-2004 school year. For purposes of this  
4 subsection (H), the term "Low-Income Concentration Level"  
5 shall be the low-income eligible pupil count from the most  
6 recently available federal census divided by the Average Daily  
7 Attendance of the school district. If, however, (i) the  
8 percentage decrease from the 2 most recent federal censuses in  
9 the low-income eligible pupil count of a high school district  
10 with fewer than 400 students exceeds by 75% or more the  
11 percentage change in the total low-income eligible pupil count  
12 of contiguous elementary school districts, whose boundaries  
13 are coterminous with the high school district, or (ii) a high  
14 school district within 2 counties and serving 5 elementary  
15 school districts, whose boundaries are coterminous with the  
16 high school district, has a percentage decrease from the 2 most  
17 recent federal censuses in the low-income eligible pupil count  
18 and there is a percentage increase in the total low-income  
19 eligible pupil count of a majority of the elementary school  
20 districts in excess of 50% from the 2 most recent federal  
21 censuses, then the high school district's low-income eligible  
22 pupil count from the earlier federal census shall be the number  
23 used as the low-income eligible pupil count for the high school  
24 district, for purposes of this subsection (H). The changes made  
25 to this paragraph (1) by Public Act 92-28 shall apply to  
26 supplemental general State aid grants for school years

1 preceding the 2003-2004 school year that are paid in fiscal  
2 year 1999 or thereafter and to any State aid payments made in  
3 fiscal year 1994 through fiscal year 1998 pursuant to  
4 subsection 1(n) of Section 18-8 of this Code (which was  
5 repealed on July 1, 1998), and any high school district that is  
6 affected by Public Act 92-28 is entitled to a recomputation of  
7 its supplemental general State aid grant or State aid paid in  
8 any of those fiscal years. This recomputation shall not be  
9 affected by any other funding.

10 (1.10) This paragraph (1.10) applies to the 2003-2004  
11 school year and each school year thereafter. For purposes of  
12 this subsection (H), the term "Low-Income Concentration Level"  
13 shall, for each fiscal year, be the low-income eligible pupil  
14 count as of July 1 of the immediately preceding fiscal year (as  
15 determined by the Department of Human Services based on the  
16 number of pupils who are eligible for at least one of the  
17 following low income programs: Medicaid, KidCare, TANF, or Food  
18 Stamps, excluding pupils who are eligible for services provided  
19 by the Department of Children and Family Services, averaged  
20 over the 2 immediately preceding fiscal years for fiscal year  
21 2004 and over the 3 immediately preceding fiscal years for each  
22 fiscal year thereafter) divided by the Average Daily Attendance  
23 of the school district.

24 (2) Supplemental general State aid pursuant to this  
25 subsection (H) shall be provided as follows for the 1998-1999,  
26 1999-2000, and 2000-2001 school years only:

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

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

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

13           (d) For any school district with a Low Income  
14 Concentration Level of 60% or more, the grant for the  
15 1998-99 school year shall be \$1,900 multiplied by the low  
16 income eligible pupil count.

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

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

25           (2.5) Supplemental general State aid pursuant to this  
26 subsection (H) shall be provided as follows for the 2002-2003

1 school year:

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

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

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

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

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

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

26 (2.10) Except as otherwise provided, supplemental general

1 State aid pursuant to this subsection (H) shall be provided as  
2 follows for the 2003-2004 school year and each school year  
3 thereafter:

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

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

13 For the 2003-2004 school year and each school year through  
14 the 2007-2008 school year, ~~2004-2005 school year, 2005-2006~~  
15 ~~school year, and 2006-2007 school year~~ only, the grant shall be  
16 no less than the grant for the 2002-2003 school year. For the  
17 2008-2009 ~~2007-2008~~ school year only, the grant shall be no  
18 less than the grant for the 2002-2003 school year multiplied by  
19 0.66. For the 2009-2010 ~~2008-2009~~ school year only, the grant  
20 shall be no less than the grant for the 2002-2003 school year  
21 multiplied by 0.33. Notwithstanding the provisions of this  
22 paragraph to the contrary, if for any school year supplemental  
23 general State aid grants are prorated as provided in paragraph  
24 (1) of this subsection (H), then the grants under this  
25 paragraph shall be prorated.

26 For the 2003-2004 school year only, the grant shall be no



1 greater than the grant received during the 2002-2003 school  
2 year added to the product of 0.25 multiplied by the difference  
3 between the grant amount calculated under subsection (a) or (b)  
4 of this paragraph (2.10), whichever is applicable, and the  
5 grant received during the 2002-2003 school year. For the  
6 2004-2005 school year only, the grant shall be no greater than  
7 the grant received during the 2002-2003 school year added to  
8 the product of 0.50 multiplied by the difference between the  
9 grant amount calculated under subsection (a) or (b) of this  
10 paragraph (2.10), whichever is applicable, and the grant  
11 received during the 2002-2003 school year. For the 2005-2006  
12 school year only, the grant shall be no greater than the grant  
13 received during the 2002-2003 school year added to the product  
14 of 0.75 multiplied by the difference between the grant amount  
15 calculated under subsection (a) or (b) of this paragraph  
16 (2.10), whichever is applicable, and the grant received during  
17 the 2002-2003 school year.

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

1 regulations promulgated by the State Board of Education.

2 (4) School districts with an Average Daily Attendance of  
3 50,000 or more that qualify for supplemental general State aid  
4 pursuant to this subsection shall be required to distribute  
5 from funds available pursuant to this Section, no less than  
6 \$261,000,000 in accordance with the following requirements:

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

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

22 (c) Each attendance center shall be provided by the  
23 school district a distribution of noncategorical funds and  
24 other categorical funds to which an attendance center is  
25 entitled under law in order that the general State aid and  
26 supplemental general State aid provided by application of

1           this subsection supplements rather than supplants the  
2           noncategorical funds and other categorical funds provided  
3           by the school district to the attendance centers.

4           (d) Any funds made available under this subsection that  
5           by reason of the provisions of this subsection are not  
6           required to be allocated and provided to attendance centers  
7           may be used and appropriated by the board of the district  
8           for any lawful school purpose.

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

22          (f) Each district subject to the provisions of this  
23          subdivision (H) (4) shall submit an acceptable plan to meet  
24          the educational needs of disadvantaged children, in  
25          compliance with the requirements of this paragraph, to the  
26          State Board of Education prior to July 15 of each year.

1 This plan shall be consistent with the decisions of local  
2 school councils concerning the school expenditure plans  
3 developed in accordance with part 4 of Section 34-2.3. The  
4 State Board shall approve or reject the plan within 60 days  
5 after its submission. If the plan is rejected, the district  
6 shall give written notice of intent to modify the plan  
7 within 15 days of the notification of rejection and then  
8 submit a modified plan within 30 days after the date of the  
9 written notice of intent to modify. Districts may amend  
10 approved plans pursuant to rules promulgated by the State  
11 Board of Education.

12 Upon notification by the State Board of Education that  
13 the district has not submitted a plan prior to July 15 or a  
14 modified plan within the time period specified herein, the  
15 State aid funds affected by that plan or modified plan  
16 shall be withheld by the State Board of Education until a  
17 plan or modified plan is submitted.

18 If the district fails to distribute State aid to  
19 attendance centers in accordance with an approved plan, the  
20 plan for the following year shall allocate funds, in  
21 addition to the funds otherwise required by this  
22 subsection, to those attendance centers which were  
23 underfunded during the previous year in amounts equal to  
24 such underfunding.

25 For purposes of determining compliance with this  
26 subsection in relation to the requirements of attendance

1 center funding, each district subject to the provisions of  
2 this subsection shall submit as a separate document by  
3 December 1 of each year a report of expenditure data for  
4 the prior year in addition to any modification of its  
5 current plan. If it is determined that there has been a  
6 failure to comply with the expenditure provisions of this  
7 subsection regarding contravention or supplanting, the  
8 State Superintendent of Education shall, within 60 days of  
9 receipt of the report, notify the district and any affected  
10 local school council. The district shall within 45 days of  
11 receipt of that notification inform the State  
12 Superintendent of Education of the remedial or corrective  
13 action to be taken, whether by amendment of the current  
14 plan, if feasible, or by adjustment in the plan for the  
15 following year. Failure to provide the expenditure report  
16 or the notification of remedial or corrective action in a  
17 timely manner shall result in a withholding of the affected  
18 funds.

19 The State Board of Education shall promulgate rules and  
20 regulations to implement the provisions of this  
21 subsection. No funds shall be released under this  
22 subdivision (H) (4) to any district that has not submitted a  
23 plan that has been approved by the State Board of  
24 Education.

25 (I) (Blank).

1 (J) Supplementary Grants in Aid.

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

21 (2) If, as provided in paragraph (1) of this subsection  
22 (J), a school district is to receive aggregate general State  
23 aid in combination with supplemental general State aid under  
24 this Section for the 1998-99 school year and any subsequent  
25 school year that in any such school year is less than the

1 amount of the aggregate general State aid entitlement that the  
2 district received for the 1997-98 school year, the school  
3 district shall also receive, from a separate appropriation made  
4 for purposes of this subsection (J), a supplementary payment  
5 that is equal to the amount of the difference in the aggregate  
6 State aid figures as described in paragraph (1).

7 (3) (Blank).

8 (K) Grants to Laboratory and Alternative Schools.

9 In calculating the amount to be paid to the governing board  
10 of a public university that operates a laboratory school under  
11 this Section or to any alternative school that is operated by a  
12 regional superintendent of schools, the State Board of  
13 Education shall require by rule such reporting requirements as  
14 it deems necessary.

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

1 disabilities in a special education program.

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

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



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

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

15 (2) (Blank).

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

18 (M) Education Funding Advisory Board.

19 The Education Funding Advisory Board, hereinafter in this  
20 subsection (M) referred to as the "Board", is hereby created.  
21 The Board shall consist of 5 members who are appointed by the  
22 Governor, by and with the advice and consent of the Senate. The  
23 members appointed shall include representatives of education,  
24 business, and the general public. One of the members so  
25 appointed shall be designated by the Governor at the time the

1 appointment is made as the chairperson of the Board. The  
2 initial members of the Board may be appointed any time after  
3 the effective date of this amendatory Act of 1997. The regular  
4 term of each member of the Board shall be for 4 years from the  
5 third Monday of January of the year in which the term of the  
6 member's appointment is to commence, except that of the 5  
7 initial members appointed to serve on the Board, the member who  
8 is appointed as the chairperson shall serve for a term that  
9 commences on the date of his or her appointment and expires on  
10 the third Monday of January, 2002, and the remaining 4 members,  
11 by lots drawn at the first meeting of the Board that is held  
12 after all 5 members are appointed, shall determine 2 of their  
13 number to serve for terms that commence on the date of their  
14 respective appointments and expire on the third Monday of  
15 January, 2001, and 2 of their number to serve for terms that  
16 commence on the date of their respective appointments and  
17 expire on the third Monday of January, 2000. All members  
18 appointed to serve on the Board shall serve until their  
19 respective successors are appointed and confirmed. Vacancies  
20 shall be filled in the same manner as original appointments. If  
21 a vacancy in membership occurs at a time when the Senate is not  
22 in session, the Governor shall make a temporary appointment  
23 until the next meeting of the Senate, when he or she shall  
24 appoint, by and with the advice and consent of the Senate, a  
25 person to fill that membership for the unexpired term. If the  
26 Senate is not in session when the initial appointments are

1 made, those appointments shall be made as in the case of  
2 vacancies.

3 The Education Funding Advisory Board shall be deemed  
4 established, and the initial members appointed by the Governor  
5 to serve as members of the Board shall take office, on the date  
6 that the Governor makes his or her appointment of the fifth  
7 initial member of the Board, whether those initial members are  
8 then serving pursuant to appointment and confirmation or  
9 pursuant to temporary appointments that are made by the  
10 Governor as in the case of vacancies.

11 The State Board of Education shall provide such staff  
12 assistance to the Education Funding Advisory Board as is  
13 reasonably required for the proper performance by the Board of  
14 its responsibilities.

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

1 recommendations to the General Assembly on January 1 of odd  
2 numbered years, beginning January 1, 2001.

3 (N) (Blank).

4 (O) References.

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

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

13 (P) Public Act 93-838 and Public Act 93-808 make inconsistent  
14 changes to this Section. Under Section 6 of the Statute on  
15 Statutes there is an irreconcilable conflict between Public Act  
16 93-808 and Public Act 93-838. Public Act 93-838, being the last  
17 acted upon, is controlling. The text of Public Act 93-838 is  
18 the law regardless of the text of Public Act 93-808.

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

1 (105 ILCS 5/21-29 new)

2 Sec. 21-29. Salary Incentive Program for Hard-to-Staff  
3 Schools.

4 (a) The Salary Incentive Program for Hard-to-Staff Schools  
5 is established to provide categorical funding for monetary  
6 incentives and bonuses for teachers and school administrators  
7 who are employed by school districts designated as  
8 hard-to-staff by the State Board of Education. The State Board  
9 of Education shall allocate and distribute to qualifying school  
10 districts an amount as annually appropriated by the General  
11 Assembly for the Salary Incentive Program for Hard-to-Staff  
12 Schools. The State Board of Education's annual budget must set  
13 out by separate line item the appropriation for the program.

14 (b) Unless otherwise provided by appropriation, each  
15 school district's annual allocation under the Salary Incentive  
16 Program for Hard-to-Staff Schools shall be the sum of the  
17 following incentives and bonuses:

18 (1) An annual payment of \$3,000 to be paid to each  
19 certificated teacher employed as a school teacher by a  
20 school district. The school district shall distribute this  
21 payment to each eligible teacher as a single payment or in  
22 not more than 3 payments.

23 (2) An annual payment of \$5,000 to each certificated  
24 principal that is employed as a school principal by a  
25 school district. The school district shall distribute this  
26 payment to each eligible principal as a single payment or

1 in not more than 3 payments.

2 (c) Each regional superintendent of schools shall provide  
3 information about the Salary Incentive Program for  
4 Hard-to-Staff Schools to each individual seeking to register or  
5 renew a certificate.

6 (105 ILCS 5/29-3) (from Ch. 122, par. 29-3)

7 Sec. 29-3. Transportation in school districts. School  
8 boards of community consolidated districts, community unit  
9 districts, consolidated districts, ~~and~~ consolidated high  
10 school districts, optional elementary unit districts, combined  
11 high school - unit districts, and combined school districts if  
12 the combined district includes any district which was  
13 previously required to provide transportation, and any newly  
14 created elementary or high school districts resulting from a  
15 high school - unit conversion, a unit to dual conversion, or a  
16 multi-unit conversion if the newly created district includes  
17 any area that was previously required to provide transportation  
18 shall provide free transportation for pupils residing at a  
19 distance of one and one-half miles or more from any school to  
20 which they are assigned for attendance maintained within the  
21 district, except for those pupils for whom the school board  
22 shall certify to the State Board of Education that adequate  
23 transportation for the public is available.

24 For the purpose of this Act 1 1/2 miles distance shall be  
25 from the exit of the property where the pupil resides to the

1 point where pupils are normally unloaded at the school  
2 attended; such distance shall be measured by determining the  
3 shortest distance on normally traveled roads or streets.

4 Such school board may comply with the provisions of this  
5 Section by providing free transportation for pupils to and from  
6 an assigned school and a pick-up point located not more than  
7 one and one-half miles from the home of each pupil assigned to  
8 such point.

9 For the purposes of this Act "adequate transportation for  
10 the public" shall be assumed to exist for such pupils as can  
11 reach school by walking, one way, along normally traveled roads  
12 or streets less than 1 1/2 miles irrespective of the distance  
13 the pupil is transported by public transportation.

14 In addition to the other requirements of this Section, each  
15 school board may provide free transportation for any pupil  
16 residing within 1 1/2 miles from the school attended where  
17 conditions are such that walking, either to or from the school  
18 to which a pupil is assigned for attendance or to or from a  
19 pick-up point or bus stop, constitutes a serious hazard to the  
20 safety of the pupil due to vehicular traffic or rail crossings.  
21 Such transportation shall not be provided if adequate  
22 transportation for the public is available.

23 The determination as to what constitutes a serious safety  
24 hazard shall be made by the school board, in accordance with  
25 guidelines promulgated by the Illinois Department of  
26 Transportation, in consultation with the State Superintendent

1 of Education. A school board, on written petition of the parent  
2 or guardian of a pupil for whom adequate transportation for the  
3 public is alleged not to exist because the pupil is required to  
4 walk along normally traveled roads or streets where walking is  
5 alleged to constitute a serious safety hazard due to vehicular  
6 traffic or rail crossings, or who is required to walk between  
7 the pupil's home and assigned school or between the pupil's  
8 home or assigned school and a pick-up point or bus stop along  
9 roads or streets where walking is alleged to constitute a  
10 serious safety hazard due to vehicular traffic or rail  
11 crossings, shall conduct a study and make findings, which the  
12 Department of Transportation shall review and approve or  
13 disapprove as provided in this Section, to determine whether a  
14 serious safety hazard exists as alleged in the petition. The  
15 Department of Transportation shall review the findings of the  
16 school board and shall approve or disapprove the school board's  
17 determination that a serious safety hazard exists within 30  
18 days after the school board submits its findings to the  
19 Department. The school board shall annually review the  
20 conditions and determine whether or not the hazardous  
21 conditions remain unchanged. The State Superintendent of  
22 Education may request that the Illinois Department of  
23 Transportation verify that the conditions have not changed. No  
24 action shall lie against the school board, the State  
25 Superintendent of Education or the Illinois Department of  
26 Transportation for decisions made in accordance with this



1 Section. The provisions of the Administrative Review Law and  
2 all amendments and modifications thereof and the rules adopted  
3 pursuant thereto shall apply to and govern all proceedings  
4 instituted for the judicial review of final administrative  
5 decisions of the Department of Transportation under this  
6 Section.

7 (Source: P.A. 94-439, eff. 8-4-05.)

8 (105 ILCS 5/29-5) (from Ch. 122, par. 29-5)

9 Sec. 29-5. Reimbursement by State for transportation. Any  
10 school district, maintaining a school, transporting resident  
11 pupils to another school district's vocational program,  
12 offered through a joint agreement approved by the State Board  
13 of Education, as provided in Section 10-22.22 or transporting  
14 its resident pupils to a school which meets the standards for  
15 recognition as established by the State Board of Education  
16 which provides transportation meeting the standards of safety,  
17 comfort, convenience, efficiency and operation prescribed by  
18 the State Board of Education for resident pupils in  
19 kindergarten or any of grades 1 through 12 who: (a) reside at  
20 least 1 1/2 miles as measured by the customary route of travel,  
21 from the school attended; or (b) reside in areas where  
22 conditions are such that walking constitutes a hazard to the  
23 safety of the child when determined under Section 29-3; and (c)  
24 are transported to the school attended from pick-up points at  
25 the beginning of the school day and back again at the close of

1 the school day or transported to and from their assigned  
2 attendance centers during the school day, shall be reimbursed  
3 by the State as hereinafter provided in this Section.

4 The State will pay the cost of transporting eligible pupils  
5 less the assessed valuation in a dual school district  
6 maintaining secondary grades 9 to 12 inclusive times a  
7 qualifying rate of .05%; in elementary school districts  
8 maintaining grades K to 8 times a qualifying rate of .06%; and  
9 in unit districts maintaining grades K to 12, including  
10 optional elementary unit districts and combined high school -  
11 unit districts, times a qualifying rate of .07%; provided that  
12 for optional elementary unit districts and combined high school  
13 - unit districts, assessed valuation for high school purposes,  
14 as defined in Article 11E of this Code, must be used. To be  
15 eligible to receive reimbursement in excess of 4/5 of the cost  
16 to transport eligible pupils, a school district shall have a  
17 Transportation Fund tax rate of at least .12%. If a school  
18 district does not have a .12% Transportation Fund tax rate, the  
19 amount of its claim in excess of 4/5 of the cost of  
20 transporting pupils shall be reduced by the sum arrived at by  
21 subtracting the Transportation Fund tax rate from .12% and  
22 multiplying that amount by the districts equalized or assessed  
23 valuation, provided, that in no case shall said reduction  
24 result in reimbursement of less than 4/5 of the cost to  
25 transport eligible pupils.

26 The minimum amount to be received by a district is \$16

1 times the number of eligible pupils transported.

2 Any such district transporting resident pupils during the  
3 school day to an area vocational school or another school  
4 district's vocational program more than 1 1/2 miles from the  
5 school attended, as provided in Sections 10-22.20a and  
6 10-22.22, shall be reimbursed by the State for 4/5 of the cost  
7 of transporting eligible pupils.

8 School day means that period of time which the pupil is  
9 required to be in attendance for instructional purposes.

10 If a pupil is at a location within the school district  
11 other than his residence for child care purposes at the time  
12 for transportation to school, that location may be considered  
13 for purposes of determining the 1 1/2 miles from the school  
14 attended.

15 Claims for reimbursement that include children who attend  
16 any school other than a public school shall show the number of  
17 such children transported.

18 Claims for reimbursement under this Section shall not be  
19 paid for the transportation of pupils for whom transportation  
20 costs are claimed for payment under other Sections of this Act.

21 The allowable direct cost of transporting pupils for  
22 regular, vocational, and special education pupil  
23 transportation shall be limited to the sum of the cost of  
24 physical examinations required for employment as a school bus  
25 driver; the salaries of full or part-time drivers and school  
26 bus maintenance personnel; employee benefits excluding

1 Illinois municipal retirement payments, social security  
2 payments, unemployment insurance payments and workers'  
3 compensation insurance premiums; expenditures to independent  
4 carriers who operate school buses; payments to other school  
5 districts for pupil transportation services; pre-approved  
6 contractual expenditures for computerized bus scheduling; the  
7 cost of gasoline, oil, tires, and other supplies necessary for  
8 the operation of school buses; the cost of converting buses'  
9 gasoline engines to more fuel efficient engines or to engines  
10 which use alternative energy sources; the cost of travel to  
11 meetings and workshops conducted by the regional  
12 superintendent or the State Superintendent of Education  
13 pursuant to the standards established by the Secretary of State  
14 under Section 6-106 of the Illinois Vehicle Code to improve the  
15 driving skills of school bus drivers; the cost of maintenance  
16 of school buses including parts and materials used;  
17 expenditures for leasing transportation vehicles, except  
18 interest and service charges; the cost of insurance and  
19 licenses for transportation vehicles; expenditures for the  
20 rental of transportation equipment; plus a depreciation  
21 allowance of 20% for 5 years for school buses and vehicles  
22 approved for transporting pupils to and from school and a  
23 depreciation allowance of 10% for 10 years for other  
24 transportation equipment so used. Each school year, if a school  
25 district has made expenditures to the Regional Transportation  
26 Authority or any of its service boards, a mass transit

1 district, or an urban transportation district under an  
2 intergovernmental agreement with the district to provide for  
3 the transportation of pupils and if the public transit carrier  
4 received direct payment for services or passes from a school  
5 district within its service area during the 2000-2001 school  
6 year, then the allowable direct cost of transporting pupils for  
7 regular, vocational, and special education pupil  
8 transportation shall also include the expenditures that the  
9 district has made to the public transit carrier. In addition to  
10 the above allowable costs school districts shall also claim all  
11 transportation supervisory salary costs, including Illinois  
12 municipal retirement payments, and all transportation related  
13 building and building maintenance costs without limitation.

14 Special education allowable costs shall also include  
15 expenditures for the salaries of attendants or aides for that  
16 portion of the time they assist special education pupils while  
17 in transit and expenditures for parents and public carriers for  
18 transporting special education pupils when pre-approved by the  
19 State Superintendent of Education.

20 Indirect costs shall be included in the reimbursement claim  
21 for districts which own and operate their own school buses.  
22 Such indirect costs shall include administrative costs, or any  
23 costs attributable to transporting pupils from their  
24 attendance centers to another school building for  
25 instructional purposes. No school district which owns and  
26 operates its own school buses may claim reimbursement for

1 indirect costs which exceed 5% of the total allowable direct  
2 costs for pupil transportation.

3 The State Board of Education shall prescribe uniform  
4 regulations for determining the above standards and shall  
5 prescribe forms of cost accounting and standards of determining  
6 reasonable depreciation. Such depreciation shall include the  
7 cost of equipping school buses with the safety features  
8 required by law or by the rules, regulations and standards  
9 promulgated by the State Board of Education, and the Department  
10 of Transportation for the safety and construction of school  
11 buses provided, however, any equipment cost reimbursed by the  
12 Department of Transportation for equipping school buses with  
13 such safety equipment shall be deducted from the allowable cost  
14 in the computation of reimbursement under this Section in the  
15 same percentage as the cost of the equipment is depreciated.

16 On or before August 15, annually, the chief school  
17 administrator for the district shall certify to the State  
18 Superintendent of Education the district's claim for  
19 reimbursement for the school year ending on June 30 next  
20 preceding. The State Superintendent of Education shall check  
21 and approve the claims and prepare the vouchers showing the  
22 amounts due for district reimbursement claims. Each fiscal  
23 year, the State Superintendent of Education shall prepare and  
24 transmit the first 3 vouchers to the Comptroller on the 30th  
25 day of September, December and March, respectively, and the  
26 final voucher, no later than June 20.

1           If the amount appropriated for transportation  
2 reimbursement is insufficient to fund total claims for any  
3 fiscal year, the State Board of Education shall reduce each  
4 school district's allowable costs and flat grant amount  
5 proportionately to make total adjusted claims equal the total  
6 amount appropriated.

7           For purposes of calculating claims for reimbursement under  
8 this Section for any school year beginning July 1, 1998, or  
9 thereafter, the equalized assessed valuation for a school  
10 district used to compute reimbursement shall be computed in the  
11 same manner as it is computed under paragraph (2) of subsection  
12 (G) of Section 18-8.05.

13           All reimbursements received from the State shall be  
14 deposited into the district's transportation fund or into the  
15 fund from which the allowable expenditures were made.

16           Notwithstanding any other provision of law, any school  
17 district receiving a payment under this Section or under  
18 Section 14-7.02, 14-7.02b, or 14-13.01 of this Code may  
19 classify all or a portion of the funds that it receives in a  
20 particular fiscal year or from general State aid pursuant to  
21 Section 18-8.05 of this Code as funds received in connection  
22 with any funding program for which it is entitled to receive  
23 funds from the State in that fiscal year (including, without  
24 limitation, any funding program referenced in this Section),  
25 regardless of the source or timing of the receipt. The district  
26 may not classify more funds as funds received in connection

1 with the funding program than the district is entitled to  
2 receive in that fiscal year for that program. Any  
3 classification by a district must be made by a resolution of  
4 its board of education. The resolution must identify the amount  
5 of any payments or general State aid to be classified under  
6 this paragraph and must specify the funding program to which  
7 the funds are to be treated as received in connection  
8 therewith. This resolution is controlling as to the  
9 classification of funds referenced therein. A certified copy of  
10 the resolution must be sent to the State Superintendent of  
11 Education. The resolution shall still take effect even though a  
12 copy of the resolution has not been sent to the State  
13 Superintendent of Education in a timely manner. No  
14 classification under this paragraph by a district shall affect  
15 the total amount or timing of money the district is entitled to  
16 receive under this Code. No classification under this paragraph  
17 by a district shall in any way relieve the district from or  
18 affect any requirements that otherwise would apply with respect  
19 to that funding program, including any accounting of funds by  
20 source, reporting expenditures by original source and purpose,  
21 reporting requirements, or requirements of providing services.

22 Any school district with a population of not more than  
23 500,000 must deposit all funds received under this Article into  
24 the transportation fund and use those funds for the provision  
25 of transportation services.

26 (Source: P.A. 93-166, eff. 7-10-03; 93-663, eff. 2-17-04;



1 93-1022, eff. 8-24-04; 94-875, eff. 7-1-06.)

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

1		INDEX
2		Statutes amended in order of appearance
3	30 ILCS 105/6z-65.5	
4	30 ILCS 105/6z-66	
5	30 ILCS 105/6z-67	
6	30 ILCS 105/13.2	from Ch. 127, par. 149.2
7	105 ILCS 5/2-3.25p new	
8	105 ILCS 5/2-3.51.5	
9	105 ILCS 5/2-3.53b new	
10	105 ILCS 5/2-3.117a	
11	105 ILCS 5/2-3.127a	
12	105 ILCS 5/2-3.131	
13	105 ILCS 5/2-3.142 new	
14	105 ILCS 5/2-3.143 new	
15	105 ILCS 5/2-3.144 new	
16	105 ILCS 5/2-3.145 new	
17	105 ILCS 5/2-3.146 new	
18	105 ILCS 5/7-14A	from Ch. 122, par. 7-14A
19	105 ILCS 5/10-20.40 new	
20	105 ILCS 5/11E-35	
21	105 ILCS 5/11E-40	
22	105 ILCS 5/11E-45	
23	105 ILCS 5/11E-50	
24	105 ILCS 5/11E-65	
25	105 ILCS 5/11E-135	

- 1 105 ILCS 5/14-13.01 from Ch. 122, par. 14-13.01
- 2 105 ILCS 5/18-8.05
- 3 105 ILCS 5/21-29 new
- 4 105 ILCS 5/29-3 from Ch. 122, par. 29-3
- 5 105 ILCS 5/29-5 from Ch. 122, par. 29-5