



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

SB2487

Introduced 2/15/2008, by Sen. Gary Forby

SYNOPSIS AS INTRODUCED:

105 ILCS 5/11E-35	
105 ILCS 5/11E-40	
105 ILCS 5/11E-45	
105 ILCS 5/11E-50	
105 ILCS 5/11E-65	
105 ILCS 5/11E-135	
105 ILCS 5/18-8.05	
105 ILCS 5/29-3	from Ch. 122, par. 29-3
105 ILCS 5/29-5	from Ch. 122, par. 29-5

Amends the School Code. Makes changes in the Conversion and Formation of School Districts Article with respect to voting on a bond issuance, information in the petition filing notice, the presentation of evidence at a hearing, approval or denial of an amended petition, supplementary State aid reimbursement after the deactivation of a school facility or following formation of a new unit district, and references to a school district conversion. Makes changes to the State aid formula provisions concerning the calculation of local property tax revenues per pupil for partial elementary unit districts. Makes changes concerning free transportation for pupils in optional elementary unit districts, combined high school - unit districts, and newly created elementary or high school districts resulting from a high school - unit conversion, a unit to dual conversion, or a multi-unit conversion and the calculation of State reimbursement for transportation costs for optional elementary unit districts and combined high school - unit districts. Makes technical changes. Effective immediately.

LRB095 14366 NHT 40268 b

FISCAL NOTE ACT
MAY APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

A BILL FOR

1 AN ACT concerning education.

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

4 Section 5. The School Code is amended by changing Sections
5 11E-35, 11E-40, 11E-45, 11E-50, 11E-65, 11E-135, 18-8.05,
6 29-3, and 29-5 as follows:

7 (105 ILCS 5/11E-35)

8 Sec. 11E-35. Petition filing.

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

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

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

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

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

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

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

1 (C) for or against the establishment of a combined
2 elementary district;

3 (D) for or against the establishment of a combined
4 high school district;

5 (E) for or against the establishment of a combined
6 unit district;

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

9 (G) for or against the establishment of a unit
10 district from both dual district and unit district
11 territory;

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

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

19 (J) for or against the establishment of an optional
20 elementary unit district from a combination of a
21 substantially coterminous dual district; or

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

24 (2) A description of the territory comprising the
25 districts proposed to be dissolved and those to be created,
26 which, for an entire district, may be a general reference

1 to all of the territory included within that district.

2 (3) A specification of the maximum tax rates for
3 various purposes the proposed district or districts shall
4 be authorized to levy for various purposes and, if
5 applicable, the specifications related to the Property Tax
6 Extension Limitation Law, in accordance with Section
7 11E-80 of this Code.

8 (4) A description of how supplementary State deficit
9 difference payments made under subsection (c) of Section
10 11E-135 of this Code will be allocated among the new
11 districts proposed to be formed.

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

16 (6) If desired, a request that at that same election as
17 the reorganization proposition a school board or boards be
18 elected on a separate ballot or ballots to serve as the
19 school board or boards of the proposed new district or
20 districts. Any election of board members at the same
21 election at which the proposition to create the district or
22 districts to be served by the board or boards is submitted
23 to the voters shall proceed under the supervision of the
24 regional superintendent of schools as provided in Section
25 11E-55 of this Code.

26 (7) If desired, a request that the referendum at which

1 the proposition is submitted for the purpose of voting for
2 or against the establishment of a unit district (other than
3 a partial elementary unit district) include as part of the
4 proposition the election of board members by school board
5 district rather than at large. Any petition requesting the
6 election of board members by district shall divide the
7 proposed school district into 7 school board districts,
8 each of which must be compact and contiguous and
9 substantially equal in population to each other school
10 board district. Any election of board members by school
11 board district shall proceed under the supervision of the
12 regional superintendent of schools as provided in Section
13 11E-55 of this Code.

14 (8) If desired, a request that the referendum at which
15 the proposition is submitted for the purpose of voting for
16 or against the establishment of a unit to dual conversion
17 include as part of the proposition the election of board
18 members for the new high school district (i) on an at large
19 basis, (ii) with board members representing each of the
20 forming elementary school districts, or (iii) a
21 combination of both. The format for the election of the new
22 high school board must be defined in the petition. When 4
23 or more unit school districts and a combination of board
24 members representing each of the forming elementary school
25 districts are involved and at large formats are used, one
26 member must be elected from each of the forming elementary

1 school districts. The remaining members may be elected on
2 an at large basis, provided that none of the underlying
3 elementary school districts have a majority on the
4 resulting high school board. When 3 unit school districts
5 and a combination of board members representing each of the
6 forming elementary school districts are involved and at
7 large formats are used, 2 members must be elected from each
8 of the forming elementary school districts. The remaining
9 member must be elected at large.

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

1 residents in the territory of the district proposing the
2 bond issuance may vote on the bond issuance.

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

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

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

1 members to appoint a petitioner or petitioners, as the case may
2 be, to fill the vacancies in the Committee of Ten so
3 designated. An appointment by the Committee of Ten to fill a
4 vacancy shall be made by a simple majority vote of the
5 designated remaining members.

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

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

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

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

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

1 (105 ILCS 5/11E-40)

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

3 (a) Upon the filing of a petition with the regional
4 superintendent of schools as provided in Section 11E-35 of this
5 Code, the regional superintendent shall do all of the
6 following:

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

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

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

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

21 (2) The prayer of the petition.

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

26 (4) If applicable, the proposition to elect, by

1 separate ballot, school board members at the same election,
2 indicating whether the board members are to be elected at
3 large or by school board district.

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

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

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

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

1 cure the alleged defects at any time prior to the receipt of
2 the regional superintendent's written order made in accordance
3 with subsection (a) of Section 11E-50 of this Code or may elect
4 not to amend the petition, in which case the Committee of Ten
5 may appeal a denial by the regional superintendent following
6 the hearing in accordance with Section 11E-50 of this Code.

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

8 (105 ILCS 5/11E-45)

9 Sec. 11E-45. Hearing.

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

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

1 (1) Evidence as to the school needs and conditions in
2 the territory described in the petition and the area
3 adjacent thereto.

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

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

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

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

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

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

1 (105 ILCS 5/11E-50)

2 Sec. 11E-50. Approval or denial of the petition;
3 administrative review.

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

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

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

17 (c) Any resident of any territory described in the petition
18 who appears in support of or opposition to the petition at the
19 hearing or any petitioner or school board of any district in
20 which territory described in the petition is situated may,
21 within 35 days after a copy of the decision sought to be
22 reviewed was served by certified mail, return receipt
23 requested, upon the party affected thereby or upon the attorney
24 of record for the party, apply for a review of an
25 administrative decision of the State Superintendent of
26 Education in accordance with the Administrative Review Law and

1 any rules adopted pursuant to the Administrative Review Law.
2 The commencement of any action for review shall operate as a
3 supersedeas ~~supersedes~~, and no further proceedings shall be had
4 until final disposition of the review. The circuit court of the
5 county in which the petition is filed with the regional
6 superintendent of schools shall have sole jurisdiction to
7 entertain a complaint for the review.

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

9 (105 ILCS 5/11E-65)

10 Sec. 11E-65. Passage requirements.

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

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

1 of the proposition for elementary purposes.

2 (c) In the case of an elementary district electing to join
3 an optional elementary unit district in accordance with
4 subsection (d) of Section 11E-30 of this Code, a majority of
5 the electors voting in that elementary district only must vote
6 in favor of the proposition at a regularly scheduled election.

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

21 (2) Each school board to which the petition is submitted
22 shall meet and vote to approve or not approve the amended
23 petition no more than 30 days after it has been filed with the
24 school board. The regional superintendent of schools shall make
25 available to each school board with which a petition has been
26 filed all transcripts and records of the previous petition

1 hearing. The school boards shall, by appropriate resolution,
2 approve or disapprove the amended petition. No school board may
3 approve an amended petition unless it first finds that the
4 territory described in the petition is compact and contiguous.

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

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

16 (105 ILCS 5/11E-135)

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

22 (a)(1) For a combined school district, as defined in
23 Section 11E-20 of this Code, or for a unit district, as defined
24 in Section 11E-25 of this Code, for its first year of
25 existence, the general State aid and supplemental general State

1 aid calculated under Section 18-8.05 of this Code shall be
2 computed for the new district and for the previously existing
3 districts for which property is totally included within the new
4 district. If the computation on the basis of the previously
5 existing districts is greater, a supplementary payment equal to
6 the difference shall be made for the first 4 years of existence
7 of the new district.

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

23 (3) For 2 or more school districts that annex all of the
24 territory of one or more entire other school districts, as
25 defined in Article 7 of this Code, for the first year during
26 which the change of boundaries attributable to the annexation

1 becomes effective for all purposes, as determined under Section
2 7-9 of this Code, the general State aid and supplemental
3 general State aid calculated under Section 18-8.05 of this Code
4 shall be computed for each annexing district as constituted
5 after the annexation and for each annexing and annexed district
6 as constituted prior to the annexation; and if the aggregate of
7 the general State aid and supplemental general State aid as so
8 computed for the annexing districts as constituted after the
9 annexation is less than the aggregate of the general State aid
10 and supplemental general State aid as so computed for the
11 annexing and annexed districts, as constituted prior to the
12 annexation, then a supplementary payment equal to the
13 difference shall be made and allocated between or among the
14 annexing districts, as constituted upon the annexation, for the
15 first 4 years of their existence. The total difference payment
16 shall be allocated between or among the annexing districts in
17 the same ratio as the pupil enrollment from that portion of the
18 annexed district or districts that is annexed to each annexing
19 district bears to the total pupil enrollment from the entire
20 annexed district or districts, as such pupil enrollment is
21 determined for the school year last ending prior to the date
22 when the change of boundaries attributable to the annexation
23 becomes effective for all purposes. The amount of the total
24 difference payment and the amount thereof to be allocated to
25 the annexing districts shall be computed by the State Board of
26 Education on the basis of pupil enrollment and other data that

1 shall be certified to the State Board of Education, on forms
2 that it shall provide for that purpose, by the regional
3 superintendent of schools for each educational service region
4 in which the annexing and annexed districts are located.

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

24 (A) the deemed pupil enrollment of the newly created
25 high school district from a school district conversion
26 shall be an amount equal to its actual pupil enrollment for

1 its first year of existence multiplied by 1.25;

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

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

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

1 exceeds its actual grade 9 through 12 pupil enrollment for
2 its first year of existence is multiplied by a fraction,
3 the numerator of which is the actual grade K through 8
4 pupil enrollment of each newly created district for its
5 first year of existence and the denominator of which is the
6 actual aggregate grade K through 8 pupil enrollment of all
7 such newly created districts for their first year of
8 existence.

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

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

1 elementary unit district for the first 4 years of existence of
2 that newly created district.

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

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

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

1 each of the first 4 years after the effective date of the
2 elementary opt-in.

3 (C) If the effective date for the elementary opt-in is
4 3 years after the effective date for the optional
5 elementary unit district, 50% of the calculated excess
6 shall be paid to the optional elementary unit district in
7 each of the first 4 years after the effective date of the
8 elementary opt-in.

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

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

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

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

26 (b) (1) After the formation of a combined school district,

1 as defined in Section 11E-20 of this Code, or a unit district,
2 as defined in Section 11E-25 of this Code, a computation shall
3 be made to determine the difference between the salaries
4 effective in each of the previously existing districts on June
5 30, prior to the creation of the new district. For the first 4
6 years after the formation of the new district, a supplementary
7 State aid reimbursement shall be paid to the new district equal
8 to the difference between the sum of the salaries earned by
9 each of the certificated members of the new district, while
10 employed in one of the previously existing districts during the
11 year immediately preceding the formation of the new district,
12 and the sum of the salaries those certificated members would
13 have been paid during the year immediately prior to the
14 formation of the new district if placed on the salary schedule
15 of the previously existing district with the highest salary
16 schedule.

17 (2) After the territory of one or more school districts is
18 annexed by one or more other school districts as defined in
19 Article 7 of this Code, a computation shall be made to
20 determine the difference between the salaries effective in each
21 annexed district and in the annexing district or districts as
22 they were each constituted on June 30 preceding the date when
23 the change of boundaries attributable to the annexation became
24 effective for all purposes, as determined under Section 7-9 of
25 this Code. For the first 4 years after the annexation, a
26 supplementary State aid reimbursement shall be paid to each

1 annexing district as constituted after the annexation equal to
2 the difference between the sum of the salaries earned by each
3 of the certificated members of the annexing district as
4 constituted after the annexation, while employed in an annexed
5 or annexing district during the year immediately preceding the
6 annexation, and the sum of the salaries those certificated
7 members would have been paid during the immediately preceding
8 year if placed on the salary schedule of whichever of the
9 annexing or annexed districts had the highest salary schedule
10 during the immediately preceding year.

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

20 (4) For each newly created partial elementary unit
21 district, the State shall make a supplementary payment for 4
22 years equal to the difference between the sum of the salaries
23 earned by each certified member of the newly created partial
24 elementary unit district, while employed in one of the
25 previously existing districts that formed the partial
26 elementary unit district, and the sum of the salaries those

1 certified members would have been paid if placed on the salary
2 schedule of the previously existing district with the highest
3 salary schedule. The salary schedules used in the calculation
4 shall be those in effect in the previously existing districts
5 for the school year prior to the creation of the new partial
6 elementary unit district.

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

21 (A) If the effective date for the elementary opt-in is
22 one year after the effective date for the optional
23 elementary unit district, 100% of the calculated excess
24 shall be paid to the optional elementary unit district in
25 each of the first 4 years after the effective date of the
26 elementary opt-in.

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

7 (C) If the effective date for the elementary opt-in is
8 3 years after the effective date for the optional
9 elementary unit district, 50% of the calculated excess
10 shall be paid to the optional elementary unit district in
11 each of the first 4 years after the effective date of the
12 elementary opt-in.

13 (D) If the effective date for the elementary opt-in is
14 4 years after the effective date for the partial elementary
15 unit district, 25% of the calculated excess shall be paid
16 to the optional elementary unit district in each of the
17 first 4 years after the effective date of the elementary
18 opt-in.

19 (E) If the effective date for the elementary opt-in is
20 5 years after the effective date for the optional
21 elementary unit district, the optional elementary unit
22 district is not eligible for any additional incentives due
23 to the elementary opt-in.

24 (5.5) After the formation of a cooperative high school by 2
25 or more school districts under Section 10-22.22c of this Code,
26 a computation shall be made to determine the difference between

1 the salaries effective in each of the previously existing high
2 schools on June 30 prior to the formation of the cooperative
3 high school. For the first 4 years after the formation of the
4 cooperative high school, a supplementary State aid
5 reimbursement shall be paid to the cooperative high school
6 equal to the difference between the sum of the salaries earned
7 by each of the certificated members of the cooperative high
8 school while employed in one of the previously existing high
9 schools during the year immediately preceding the formation of
10 the cooperative high school and the sum of the salaries those
11 certificated members would have been paid during the year
12 immediately prior to the formation of the cooperative high
13 school if placed on the salary schedule of the previously
14 existing high school with the highest salary schedule.

15 (5.10) After the deactivation of a school facility in
16 accordance with Section 10-22.22b of this Code, a computation
17 shall be made to determine the difference between the salaries
18 effective in the sending school district and each receiving
19 school district on June 30 prior to the deactivation of the
20 school facility. For the lesser of the first 4 years after the
21 deactivation of the school facility or the length of the
22 deactivation agreement, including any renewals of the original
23 deactivation agreement, a supplementary State aid
24 reimbursement shall be paid to each receiving district equal to
25 the difference between the sum of the salaries earned by each
26 of the certificated members transferred to that receiving

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

8 (6) The supplementary State aid reimbursement under this
9 subsection (b) shall be treated as separate from all other
10 payments made pursuant to Section 18-8.05 of this Code. In the
11 case of the formation of a new district or cooperative high
12 school or a deactivation, reimbursement shall begin during the
13 first year of operation of the new district or cooperative high
14 school or the first year of the deactivation, and in the case
15 of an annexation of the territory of one or more school
16 districts by one or more other school districts, reimbursement
17 shall begin during the first year when the change in boundaries
18 attributable to the annexation ~~or division~~ becomes effective
19 for all purposes as determined pursuant to Section 7-9 of this
20 Code. Each year that the new, annexing, or receiving ~~resulting~~
21 district or cooperative high school, as the case may be, is
22 entitled to receive reimbursement, the number of eligible
23 certified members who are employed on October 1 in the district
24 or cooperative high school shall be certified to the State
25 Board of Education on prescribed forms by October 15 and
26 payment shall be made on or before November 15 of that year.

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

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

1 deficit of whichever of the annexing or annexed districts as
2 constituted prior to the annexation had the smallest deficit
3 and the deficits of each of the other districts as constituted
4 prior to the annexation.

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

26 (A) the regional superintendent of schools for each

1 educational service region in which an annexed district is
2 located prior to the annexation shall certify to the State
3 Board of Education, on forms that it shall provide for that
4 purpose, the value of all taxable property in each annexed
5 district, as last equalized or assessed by the Department
6 of Revenue prior to the annexation, and the equalized
7 assessed value of each part of the annexed district that
8 was annexed to or included as a part of an annexing
9 district;

10 (B) using equalized assessed values as certified by the
11 regional superintendent of schools under clause (A) of this
12 paragraph (3), the combined audited fund balance deficit of
13 each annexed district as determined under this Section
14 shall be apportioned between or among the annexing
15 districts in the same ratio as the equalized assessed value
16 of that part of the annexed district that was annexed to or
17 included as a part of an annexing district bears to the
18 total equalized assessed value of the annexed district; and

19 (C) the aggregate supplementary State aid payment
20 under this paragraph (3) shall be allocated between or
21 among, and shall be paid to, the annexing districts in the
22 same ratio as the sum of the combined audited fund balance
23 deficit of each annexing district as constituted prior to
24 the annexation, plus all combined audited fund balance
25 deficit amounts apportioned to that annexing district
26 under clause (B) of this subsection, bears to the aggregate

1 of the combined audited fund balance deficits of all of the
2 annexing and annexed districts as constituted prior to the
3 annexation.

4 (4) For the new elementary districts and new high school
5 district formed through a school district conversion, as
6 defined in ~~subsection (b)~~ of Section 11E-15 of this Code or the
7 new elementary district or districts and new combined high
8 school - unit district formed through a multi-unit conversion,
9 as defined in subsection (b) of Section 11E-30 of this Code, a
10 computation shall be made totaling each previously existing
11 district's audited fund balances in the educational fund,
12 working cash fund, operations and maintenance fund, and
13 transportation fund for the year ending June 30 prior to the
14 referendum establishing the new districts. In the first year of
15 the new districts, the State shall make a one-time
16 supplementary payment equal to the sum of the differences
17 between the deficit of the previously existing district with
18 the smallest deficit and the deficits of each of the other
19 previously existing districts. A district with a combined
20 balance among the 4 funds that is positive shall be considered
21 to have a deficit of zero. The supplementary payment shall be
22 allocated among the newly formed high school and elementary
23 districts in the manner provided by the petition for the
24 formation of the districts, in the form in which the petition
25 is approved by the regional superintendent of schools or State
26 Superintendent of Education under Section 11E-50 of this Code.

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

17 (6) For an elementary opt-in as defined in subsection (d)
18 of Section 11E-30 of this Code, the deficit fund balance
19 incentive shall be computed in accordance with paragraph (5) of
20 this subsection (c) as if the opted-in elementary was included
21 in the optional elementary unit district at the optional
22 elementary unit district's original effective date. If the
23 calculation in this paragraph (6) is less than that calculated
24 in paragraph (5) of this subsection (c) at the optional
25 elementary unit district's original effective date, then no
26 adjustments may be made. If the calculation in this paragraph

1 (6) is more than that calculated in paragraph (5) of this
2 subsection (c) at the optional elementary unit district's
3 original effective date, then the excess must be paid as
4 follows:

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

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

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

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

1 the first year after the effective date of the elementary
2 opt-in.

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

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

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

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

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

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

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

1 5th Quintile 2 years 3 years 3 years

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

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

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

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

1 is employed by the optional elementary unit district on a
2 full-time basis for the regular term of the school year. The
3 calculation from this paragraph (2) must be paid as follows:

4 (A) If the effective date for the elementary opt-in is
5 one year after the effective date for the optional
6 elementary unit district, 100% 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 (B) If the effective date for the elementary opt-in is
14 2 years after the effective date for the optional
15 elementary unit district, 75% of the amount calculated in
16 this paragraph (2) shall be paid to the optional elementary
17 unit district for the number of years calculated in
18 paragraph (1) of this subsection (d) at the optional
19 elementary unit district's original effective date,
20 starting in the second year after the effective date of the
21 elementary opt-in.

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

1 paragraph (1) of this subsection (d) at the optional
2 elementary unit district's original effective date,
3 starting in the second year after the effective date of the
4 elementary opt-in.

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

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

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

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

5 (2.10) Following the deactivation of a school facility in
6 accordance with Section 10-22.22b of this Code, a supplementary
7 State aid reimbursement shall be paid for the lesser of 3
8 school years or the length of the deactivation agreement,
9 including any renewals of the original deactivation agreement,
10 to each receiving school district equal to the sum of \$4,000
11 for each certified employee who is employed by that receiving
12 district on a full-time basis for the regular term of any such
13 school year who was originally transferred to the control of
14 that receiving district as a result of the deactivation.
15 Receiving districts are eligible for payments under this
16 paragraph (2.10) based on the certified employees transferred
17 to that receiving district as a result of the deactivation and
18 are not required to receive at least 30% of the deactivating
19 district's average daily attendance as required under
20 paragraph (1) of this subsection (d) to be eligible for
21 payments.

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

26 (4) During May of each school year for which a

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

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

20 (Source: P.A. 94-1019, eff. 7-10-06; incorporates P.A. 94-902,
21 eff. 7-1-06; 95-331, eff. 8-21-07.)

22 (105 ILCS 5/18-8.05)

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

1 (A) General Provisions.

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

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

1 appropriated under this Section.

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

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

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

24 (c) If a school district operates a full year school
25 under Section 10-19.1, the general State aid to the school
26 district shall be determined by the State Board of

1 Education in accordance with this Section as near as may be
2 applicable.

3 (d) (Blank).

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

8 School districts are not required to exert a minimum
9 Operating Tax Rate in order to qualify for assistance under
10 this Section.

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

13 (a) "Average Daily Attendance": A count of pupil
14 attendance in school, averaged as provided for in
15 subsection (C) and utilized in deriving per pupil financial
16 support levels.

17 (b) "Available Local Resources": A computation of
18 local financial support, calculated on the basis of Average
19 Daily Attendance and derived as provided pursuant to
20 subsection (D).

21 (c) "Corporate Personal Property Replacement Taxes":
22 Funds paid to local school districts pursuant to "An Act in
23 relation to the abolition of ad valorem personal property
24 tax and the replacement of revenues lost thereby, and
25 amending and repealing certain Acts and parts of Acts in
26 connection therewith", certified August 14, 1979, as

1 amended (Public Act 81-1st S.S.-1).

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

4 (e) "Operating Tax Rate": All school district property
5 taxes extended for all purposes, except Bond and Interest,
6 Summer School, Rent, Capital Improvement, and Vocational
7 Education Building purposes.

8 (B) Foundation Level.

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

19 (2) For the 1998-1999 school year, the Foundation Level of
20 support is \$4,225. For the 1999-2000 school year, the
21 Foundation Level of support is \$4,325. For the 2000-2001 school
22 year, the Foundation Level of support is \$4,425. For the
23 2001-2002 school year and 2002-2003 school year, the Foundation
24 Level of support is \$4,560. For the 2003-2004 school year, the
25 Foundation Level of support is \$4,810. For the 2004-2005 school

1 year, the Foundation Level of support is \$4,964. For the
2 2005-2006 school year, the Foundation Level of support is
3 \$5,164.

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

8 (C) Average Daily Attendance.

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

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

1 subsection (H) shall be the requisite attendance data for the
2 school year immediately preceding the school year for which
3 general State aid is being calculated.

4 (D) Available Local Resources.

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

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

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

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

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

24 (4) The Corporate Personal Property Replacement Taxes paid
25 to each school district during the calendar year 2 years before
26 the calendar year in which a school year begins, divided by the

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

8 (E) Computation of General State Aid.

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

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

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

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

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

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

24 (F) Compilation of Average Daily Attendance.

25 (1) Each school district shall, by July 1 of each year,

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

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

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

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

1 multiplied by the days in session for the non-year-round
2 buildings for each month and added to the monthly
3 attendance of the non-year-round buildings.

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

13 Days of attendance by tuition pupils shall be accredited
14 only to the districts that pay the tuition to a recognized
15 school.

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

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

1 minutes that school work is required to be held that day.

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

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

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

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

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

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

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

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

25 (i) On the days when the Prairie State Achievement
26 Examination is administered under subsection (c) of

1 Section 2-3.64 of this Code, the day of attendance for a
2 pupil whose school day must be shortened to accommodate
3 required testing procedures may be less than 5 clock hours
4 and shall be counted towards the 176 days of actual pupil
5 attendance required under Section 10-19 of this Code,
6 provided that a sufficient number of minutes of school work
7 in excess of 5 clock hours are first completed on other
8 school days to compensate for the loss of school work on
9 the examination days.

10 (G) Equalized Assessed Valuation Data.

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

21 The Department of Revenue shall add to the equalized
22 assessed value of all taxable property of each school district
23 situated entirely or partially within a county that is or was
24 subject to the provisions of Section 15-176 or 15-177 of the
25 Property Tax Code (a) an amount equal to the total amount by

1 which the homestead exemption allowed under Section 15-176 or
2 15-177 of the Property Tax Code for real property situated in
3 that school district exceeds the total amount that would have
4 been allowed in that school district if the maximum reduction
5 under Section 15-176 was (i) \$4,500 in Cook County or \$3,500 in
6 all other counties in tax year 2003 or (ii) \$5,000 in all
7 counties in tax year 2004 and thereafter and (b) an amount
8 equal to the aggregate amount for the taxable year of all
9 additional exemptions under Section 15-175 of the Property Tax
10 Code for owners with a household income of \$30,000 or less. The
11 county clerk of any county that is or was subject to the
12 provisions of Section 15-176 or 15-177 of the Property Tax Code
13 shall annually calculate and certify to the Department of
14 Revenue for each school district all homestead exemption
15 amounts under Section 15-176 or 15-177 of the Property Tax Code
16 and all amounts of additional exemptions under Section 15-175
17 of the Property Tax Code for owners with a household income of
18 \$30,000 or less. It is the intent of this paragraph that if the
19 general homestead exemption for a parcel of property is
20 determined under Section 15-176 or 15-177 of the Property Tax
21 Code rather than Section 15-175, then the calculation of
22 Available Local Resources shall not be affected by the
23 difference, if any, between the amount of the general homestead
24 exemption allowed for that parcel of property under Section
25 15-176 or 15-177 of the Property Tax Code and the amount that
26 would have been allowed had the general homestead exemption for

1 that parcel of property been determined under Section 15-175 of
2 the Property Tax Code. It is further the intent of this
3 paragraph that if additional exemptions are allowed under
4 Section 15-175 of the Property Tax Code for owners with a
5 household income of less than \$30,000, then the calculation of
6 Available Local Resources shall not be affected by the
7 difference, if any, because of those additional exemptions.

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

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

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

1 redevelopment project costs have been paid, as provided in
2 Section 11-74.4-8 of the Tax Increment Allocation
3 Redevelopment Act or in Section 11-74.6-35 of the
4 Industrial Jobs Recovery Law. For the purpose of the
5 equalized assessed valuation of the district, the total
6 initial equalized assessed valuation or the current
7 equalized assessed valuation, whichever is lower, shall be
8 used until such time as all redevelopment project costs
9 have been paid.

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

24 (3) For the 1999-2000 school year and each school year
25 thereafter, if a school district meets all of the criteria of
26 this subsection (G) (3), the school district's Available Local

1 Resources shall be calculated under subsection (D) using the
2 district's Extension Limitation Equalized Assessed Valuation
3 as calculated under this subsection (G) (3).

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

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

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

10 "Preceding Tax Year": The property tax levy year
11 immediately preceding the Base Tax Year.

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

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

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

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

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

24 Partial elementary unit districts created in accordance
25 with Article 11E of this Code shall not be eligible for the
26 adjustment in this subsection (G)(3) until the fifth year

1 following the effective date of the reorganization.

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

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

1 this Section is less than the amount of general State aid
2 allocated to the district for the 1998-1999 school year under
3 these subsections, then the general State aid of the district
4 for the 1999-2000 school year only shall be increased by the
5 difference between these amounts. The total payments made under
6 this paragraph (5) shall not exceed \$14,000,000. Claims shall
7 be prorated if they exceed \$14,000,000.

8 (H) Supplemental General State Aid.

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

1 be used for supplemental general State aid, which the State
2 Board of Education shall calculate and pay to eligible
3 districts on a prorated basis.

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

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

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

26 (2) Supplemental general State aid pursuant to this

1 subsection (H) shall be provided as follows for the 1998-1999,
2 1999-2000, and 2000-2001 school years only:

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

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

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

15 (d) For any school district with a Low Income
16 Concentration Level of 60% or more, the grant for the
17 1998-99 school year shall be \$1,900 multiplied by the low
18 income eligible pupil count.

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

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

1 (2.5) Supplemental general State aid pursuant to this
2 subsection (H) shall be provided as follows for the 2002-2003
3 school year:

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

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

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

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

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

1 eligible pupil count.

2 (2.10) Except as otherwise provided, supplemental general
3 State aid pursuant to this subsection (H) shall be provided as
4 follows for the 2003-2004 school year and each school year
5 thereafter:

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

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

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

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

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

1 plan shall be submitted in accordance with rules and
2 regulations promulgated by the State Board of Education.

3 (4) School districts with an Average Daily Attendance of
4 50,000 or more that qualify for supplemental general State aid
5 pursuant to this subsection shall be required to distribute
6 from funds available pursuant to this Section, no less than
7 \$261,000,000 in accordance with the following requirements:

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

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

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

1 supplemental general State aid provided by application of
2 this subsection supplements rather than supplants the
3 noncategorical funds and other categorical funds provided
4 by the school district to the attendance centers.

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

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

23 (f) Each district subject to the provisions of this
24 subdivision (H) (4) shall submit an acceptable plan to meet
25 the educational needs of disadvantaged children, in
26 compliance with the requirements of this paragraph, to the

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

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

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

26 For purposes of determining compliance with this

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

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

1 (I) (Blank).

2 (J) Supplementary Grants in Aid.

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

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

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

8 (3) (Blank).

9 (K) Grants to Laboratory and Alternative Schools.

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

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

1 not have more than 1,000 students, excluding students with
2 disabilities in a special education program.

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

19 Each laboratory and alternative school shall file, on forms
20 provided by the State Superintendent of Education, an annual
21 State aid claim which states the Average Daily Attendance of
22 the school's students by month. The best 3 months' Average
23 Daily Attendance shall be computed for each school. The general
24 State aid entitlement shall be computed by multiplying the
25 applicable Average Daily Attendance by the Foundation Level as
26 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

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

1 Senate is not in session when the initial appointments are
2 made, those appointments shall be made as in the case of
3 vacancies.

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

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

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

1 Education Funding Advisory Board shall make such
2 recommendations to the General Assembly on January 1 of odd
3 numbered years, beginning January 1, 2001.

4 (N) (Blank).

5 (O) References.

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

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

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

20 (Source: P.A. 94-69, eff. 7-1-05; 94-438, eff. 8-4-05; 94-835,
21 eff. 6-6-06; 94-1019, eff. 7-10-06; 94-1105, eff. 6-1-07;
22 95-331, eff. 8-21-07; 95-644, eff. 10-12-07.)

1 (105 ILCS 5/29-3) (from Ch. 122, par. 29-3)

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

19 For the purpose of this Act 1 1/2 miles distance shall be
20 from the exit of the property where the pupil resides to the
21 point where pupils are normally unloaded at the school
22 attended; such distance shall be measured by determining the
23 shortest distance on normally traveled roads or streets.

24 Such school board may comply with the provisions of this
25 Section by providing free transportation for pupils to and from
26 an assigned school and a pick-up point located not more than

1 one and one-half miles from the home of each pupil assigned to
2 such point.

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

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

17 The determination as to what constitutes a serious safety
18 hazard shall be made by the school board, in accordance with
19 guidelines promulgated by the Illinois Department of
20 Transportation, in consultation with the State Superintendent
21 of Education. A school board, on written petition of the parent
22 or guardian of a pupil for whom adequate transportation for the
23 public is alleged not to exist because the pupil is required to
24 walk along normally traveled roads or streets where walking is
25 alleged to constitute a serious safety hazard due to vehicular
26 traffic or rail crossings, or who is required to walk between

1 the pupil's home and assigned school or between the pupil's
2 home or assigned school and a pick-up point or bus stop along
3 roads or streets where walking is alleged to constitute a
4 serious safety hazard due to vehicular traffic or rail
5 crossings, shall conduct a study and make findings, which the
6 Department of Transportation shall review and approve or
7 disapprove as provided in this Section, to determine whether a
8 serious safety hazard exists as alleged in the petition. The
9 Department of Transportation shall review the findings of the
10 school board and shall approve or disapprove the school board's
11 determination that a serious safety hazard exists within 30
12 days after the school board submits its findings to the
13 Department. The school board shall annually review the
14 conditions and determine whether or not the hazardous
15 conditions remain unchanged. The State Superintendent of
16 Education may request that the Illinois Department of
17 Transportation verify that the conditions have not changed. No
18 action shall lie against the school board, the State
19 Superintendent of Education or the Illinois Department of
20 Transportation for decisions made in accordance with this
21 Section. The provisions of the Administrative Review Law and
22 all amendments and modifications thereof and the rules adopted
23 pursuant thereto shall apply to and govern all proceedings
24 instituted for the judicial review of final administrative
25 decisions of the Department of Transportation under this
26 Section.

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

2 (105 ILCS 5/29-5) (from Ch. 122, par. 29-5)

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

23 The State will pay the cost of transporting eligible pupils
24 less the assessed valuation in a dual school district
25 maintaining secondary grades 9 to 12 inclusive times a

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

20 The minimum amount to be received by a district is \$16
21 times the number of eligible pupils transported.

22 Any such district transporting resident pupils during the
23 school day to an area vocational school or another school
24 district's vocational program more than 1 1/2 miles from the
25 school attended, as provided in Sections 10-22.20a and
26 10-22.22, shall be reimbursed by the State for 4/5 of the cost

1 of transporting eligible pupils.

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

4 If a pupil is at a location within the school district
5 other than his residence for child care purposes at the time
6 for transportation to school, that location may be considered
7 for purposes of determining the 1 1/2 miles from the school
8 attended.

9 Claims for reimbursement that include children who attend
10 any school other than a public school shall show the number of
11 such children transported.

12 Claims for reimbursement under this Section shall not be
13 paid for the transportation of pupils for whom transportation
14 costs are claimed for payment under other Sections of this Act.

15 The allowable direct cost of transporting pupils for
16 regular, vocational, and special education pupil
17 transportation shall be limited to the sum of the cost of
18 physical examinations required for employment as a school bus
19 driver; the salaries of full or part-time drivers and school
20 bus maintenance personnel; employee benefits excluding
21 Illinois municipal retirement payments, social security
22 payments, unemployment insurance payments and workers'
23 compensation insurance premiums; expenditures to independent
24 carriers who operate school buses; payments to other school
25 districts for pupil transportation services; pre-approved
26 contractual expenditures for computerized bus scheduling; the

1 cost of gasoline, oil, tires, and other supplies necessary for
2 the operation of school buses; the cost of converting buses'
3 gasoline engines to more fuel efficient engines or to engines
4 which use alternative energy sources; the cost of travel to
5 meetings and workshops conducted by the regional
6 superintendent or the State Superintendent of Education
7 pursuant to the standards established by the Secretary of State
8 under Section 6-106 of the Illinois Vehicle Code to improve the
9 driving skills of school bus drivers; the cost of maintenance
10 of school buses including parts and materials used;
11 expenditures for leasing transportation vehicles, except
12 interest and service charges; the cost of insurance and
13 licenses for transportation vehicles; expenditures for the
14 rental of transportation equipment; plus a depreciation
15 allowance of 20% for 5 years for school buses and vehicles
16 approved for transporting pupils to and from school and a
17 depreciation allowance of 10% for 10 years for other
18 transportation equipment so used. Each school year, if a school
19 district has made expenditures to the Regional Transportation
20 Authority or any of its service boards, a mass transit
21 district, or an urban transportation district under an
22 intergovernmental agreement with the district to provide for
23 the transportation of pupils and if the public transit carrier
24 received direct payment for services or passes from a school
25 district within its service area during the 2000-2001 school
26 year, then the allowable direct cost of transporting pupils for

1 regular, vocational, and special education pupil
2 transportation shall also include the expenditures that the
3 district has made to the public transit carrier. In addition to
4 the above allowable costs school districts shall also claim all
5 transportation supervisory salary costs, including Illinois
6 municipal retirement payments, and all transportation related
7 building and building maintenance costs without limitation.

8 Special education allowable costs shall also include
9 expenditures for the salaries of attendants or aides for that
10 portion of the time they assist special education pupils while
11 in transit and expenditures for parents and public carriers for
12 transporting special education pupils when pre-approved by the
13 State Superintendent of Education.

14 Indirect costs shall be included in the reimbursement claim
15 for districts which own and operate their own school buses.
16 Such indirect costs shall include administrative costs, or any
17 costs attributable to transporting pupils from their
18 attendance centers to another school building for
19 instructional purposes. No school district which owns and
20 operates its own school buses may claim reimbursement for
21 indirect costs which exceed 5% of the total allowable direct
22 costs for pupil transportation.

23 The State Board of Education shall prescribe uniform
24 regulations for determining the above standards and shall
25 prescribe forms of cost accounting and standards of determining
26 reasonable depreciation. Such depreciation shall include the

1 cost of equipping school buses with the safety features
2 required by law or by the rules, regulations and standards
3 promulgated by the State Board of Education, and the Department
4 of Transportation for the safety and construction of school
5 buses provided, however, any equipment cost reimbursed by the
6 Department of Transportation for equipping school buses with
7 such safety equipment shall be deducted from the allowable cost
8 in the computation of reimbursement under this Section in the
9 same percentage as the cost of the equipment is depreciated.

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

21 If the amount appropriated for transportation
22 reimbursement is insufficient to fund total claims for any
23 fiscal year, the State Board of Education shall reduce each
24 school district's allowable costs and flat grant amount
25 proportionately to make total adjusted claims equal the total
26 amount appropriated.

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

7 All reimbursements received from the State shall be
8 deposited into the district's transportation fund or into the
9 fund from which the allowable expenditures were made.

10 Notwithstanding any other provision of law, any school
11 district receiving a payment under this Section or under
12 Section 14-7.02, 14-7.02b, or 14-13.01 of this Code may
13 classify all or a portion of the funds that it receives in a
14 particular fiscal year or from general State aid pursuant to
15 Section 18-8.05 of this Code as funds received in connection
16 with any funding program for which it is entitled to receive
17 funds from the State in that fiscal year (including, without
18 limitation, any funding program referenced in this Section),
19 regardless of the source or timing of the receipt. The district
20 may not classify more funds as funds received in connection
21 with the funding program than the district is entitled to
22 receive in that fiscal year for that program. Any
23 classification by a district must be made by a resolution of
24 its board of education. The resolution must identify the amount
25 of any payments or general State aid to be classified under
26 this paragraph and must specify the funding program to which

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

16 Any school district with a population of not more than
17 500,000 must deposit all funds received under this Article into
18 the transportation fund and use those funds for the provision
19 of transportation services.

20 (Source: P.A. 93-166, eff. 7-10-03; 93-663, eff. 2-17-04;
21 93-1022, eff. 8-24-04; 94-875, eff. 7-1-06.)

22 Section 99. Effective date. This Act takes effect upon
23 becoming law.