

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 18-8.05 and 24-2 as follows:

6 (105 ILCS 5/18-8.05)

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

10 (A) General Provisions.

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

1 in general, varies in inverse relation to Available Local
2 Resources. Per pupil amounts are based upon each school
3 district's Average Daily Attendance as that term is defined in
4 this Section.

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

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

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

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

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

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

15 (d) (Blank).

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

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

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

25 (a) "Average Daily Attendance": A count of pupil
26 attendance in school, averaged as provided for in

1 subsection (C) and utilized in deriving per pupil financial
2 support levels.

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

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

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

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

20 (B) Foundation Level.

21 (1) The Foundation Level is a figure established by the
22 State representing the minimum level of per pupil financial
23 support that should be available to provide for the basic
24 education of each pupil in Average Daily Attendance. As set
25 forth in this Section, each school district is assumed to exert

1 a sufficient local taxing effort such that, in combination with
2 the aggregate of general State financial aid provided the
3 district, an aggregate of State and local resources are
4 available to meet the basic education needs of pupils in the
5 district.

6 (2) For the 1998-1999 school year, the Foundation Level of
7 support is \$4,225. For the 1999-2000 school year, the
8 Foundation Level of support is \$4,325. For the 2000-2001 school
9 year, the Foundation Level of support is \$4,425. For the
10 2001-2002 school year and 2002-2003 school year, the Foundation
11 Level of support is \$4,560. For the 2003-2004 school year, the
12 Foundation Level of support is \$4,810. For the 2004-2005 school
13 year, the Foundation Level of support is \$4,964. For the
14 2005-2006 school year, the Foundation Level of support is
15 \$5,164. For the 2006-2007 school year, the Foundation Level of
16 support is \$5,334. For the 2007-2008 school year, the
17 Foundation Level of support is \$5,734.

18 (3) For the 2008-2009 school year and each school year
19 thereafter, the Foundation Level of support is \$5,959 or such
20 greater amount as may be established by law by the General
21 Assembly.

22 (C) Average Daily Attendance.

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

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

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

18 (D) Available Local Resources.

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

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

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

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

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

1 valuation for property within the partial elementary unit
2 district for elementary purposes, as defined in Article 11E of
3 this Code, multiplied by 2.06% and divided by the district's
4 Average Daily Attendance figure, plus the product of the
5 equalized assessed valuation for property within the partial
6 elementary unit district for high school purposes, as defined
7 in Article 11E of this Code, multiplied by 0.94% and divided by
8 the district's Average Daily Attendance figure.

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

19 (E) Computation of General State Aid.

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

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

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

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

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

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

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

9 (F) Compilation of Average Daily Attendance.

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

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

24 (b) In districts in which all buildings hold year-round
25 classes, days of attendance in July and August shall be

1 added to the month of September and any days of attendance
2 in June shall be added to the month of May.

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

15 Except as otherwise provided in this Section, days of
16 attendance by pupils shall be counted only for sessions of not
17 less than 5 clock hours of school work per day under direct
18 supervision of: (i) teachers, or (ii) non-teaching personnel or
19 volunteer personnel when engaging in non-teaching duties and
20 supervising in those instances specified in subsection (a) of
21 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils
22 of legal school age and in kindergarten and grades 1 through
23 12.

24 Days of attendance by tuition pupils shall be accredited
25 only to the districts that pay the tuition to a recognized
26 school.

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

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

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

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

22 (d) A session of 3 or more clock hours may be counted
23 as a day of attendance (1) when the remainder of the school
24 day or at least 2 hours in the evening of that day is
25 utilized for an in-service training program for teachers,
26 up to a maximum of 5 days per school year ~~of which a~~

1 ~~maximum of 4 days of such 5 days may be used for~~
2 ~~parent-teacher conferences,~~ provided a district conducts
3 an in-service training program for teachers in accordance
4 with Section 10-22.39 of this Code ~~which has been approved~~
5 ~~by the State Superintendent of Education;~~ or, in lieu of 4
6 such days, 2 full days may be used, in which event each
7 such day may be counted as a day required for a legal
8 school calendar pursuant to Section 10-19 of this Code ~~of~~
9 ~~attendance;~~ (1.5) when, of the 5 days allowed under item
10 (1), a maximum of 4 days are used for parent-teacher
11 conferences, or, in lieu of 4 such days, 2 full days are
12 used, in which case each such day may be counted as a
13 calendar day required under Section 10-19 of this Code,
14 provided that the full-day, parent-teacher conference
15 consists of (i) a minimum of 5 clock hours of
16 parent-teacher conferences, (ii) both a minimum of 2 clock
17 hours of parent-teacher conferences held in the evening
18 following a full day of student attendance, as specified in
19 subsection (F)(1)(c), and a minimum of 3 clock hours of
20 parent-teacher conferences held on the day immediately
21 following evening parent-teacher conferences, or (iii)
22 multiple parent-teacher conferences held in the evenings
23 following full days of student attendance, as specified in
24 subsection (F)(1)(c), in which the time used for the
25 parent-teacher conferences is equivalent to a minimum of 5
26 clock hours; and (2) when days in addition to those

1 provided in items ~~item~~ (1) and (1.5) are scheduled by a
2 school pursuant to its school improvement plan adopted
3 under Article 34 or its revised or amended school
4 improvement plan adopted under Article 2, provided that (i)
5 such sessions of 3 or more clock hours are scheduled to
6 occur at regular intervals, (ii) the remainder of the
7 school days in which such sessions occur are utilized for
8 in-service training programs or other staff development
9 activities for teachers, and (iii) a sufficient number of
10 minutes of school work under the direct supervision of
11 teachers are added to the school days between such
12 regularly scheduled sessions to accumulate not less than
13 the number of minutes by which such sessions of 3 or more
14 clock hours fall short of 5 clock hours. Any full days used
15 for the purposes of this paragraph shall not be considered
16 for computing average daily attendance. Days scheduled for
17 in-service training programs, staff development
18 activities, or parent-teacher conferences may be scheduled
19 separately for different grade levels and different
20 attendance centers of the district.

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

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

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

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

1 fifth year whose educational development requires a second
2 year of kindergarten as determined under the rules and
3 regulations of the State Board of Education.

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

15 (G) Equalized Assessed Valuation Data.

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

1 The Department of Revenue shall add to the equalized
2 assessed value of all taxable property of each school district
3 situated entirely or partially within a county that is or was
4 subject to the provisions of Section 15-176 or 15-177 of the
5 Property Tax Code (a) an amount equal to the total amount by
6 which the homestead exemption allowed under Section 15-176 or
7 15-177 of the Property Tax Code for real property situated in
8 that school district exceeds the total amount that would have
9 been allowed in that school district if the maximum reduction
10 under Section 15-176 was (i) \$4,500 in Cook County or \$3,500 in
11 all other counties in tax year 2003 or (ii) \$5,000 in all
12 counties in tax year 2004 and thereafter and (b) an amount
13 equal to the aggregate amount for the taxable year of all
14 additional exemptions under Section 15-175 of the Property Tax
15 Code for owners with a household income of \$30,000 or less. The
16 county clerk of any county that is or was subject to the
17 provisions of Section 15-176 or 15-177 of the Property Tax Code
18 shall annually calculate and certify to the Department of
19 Revenue for each school district all homestead exemption
20 amounts under Section 15-176 or 15-177 of the Property Tax Code
21 and all amounts of additional exemptions under Section 15-175
22 of the Property Tax Code for owners with a household income of
23 \$30,000 or less. It is the intent of this paragraph that if the
24 general homestead exemption for a parcel of property is
25 determined under Section 15-176 or 15-177 of the Property Tax
26 Code rather than Section 15-175, then the calculation of

1 Available Local Resources shall not be affected by the
2 difference, if any, between the amount of the general homestead
3 exemption allowed for that parcel of property under Section
4 15-176 or 15-177 of the Property Tax Code and the amount that
5 would have been allowed had the general homestead exemption for
6 that parcel of property been determined under Section 15-175 of
7 the Property Tax Code. It is further the intent of this
8 paragraph that if additional exemptions are allowed under
9 Section 15-175 of the Property Tax Code for owners with a
10 household income of less than \$30,000, then the calculation of
11 Available Local Resources shall not be affected by the
12 difference, if any, because of those additional exemptions.

13 This equalized assessed valuation, as adjusted further by
14 the requirements of this subsection, shall be utilized in the
15 calculation of Available Local Resources.

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

18 (a) For the purposes of calculating State aid under
19 this Section, with respect to any part of a school district
20 within a redevelopment project area in respect to which a
21 municipality has adopted tax increment allocation
22 financing pursuant to the Tax Increment Allocation
23 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11
24 of the Illinois Municipal Code or the Industrial Jobs
25 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the
26 Illinois Municipal Code, no part of the current equalized

1 assessed valuation of real property located in any such
2 project area which is attributable to an increase above the
3 total initial equalized assessed valuation of such
4 property shall be used as part of the equalized assessed
5 valuation of the district, until such time as all
6 redevelopment project costs have been paid, as provided in
7 Section 11-74.4-8 of the Tax Increment Allocation
8 Redevelopment Act or in Section 11-74.6-35 of the
9 Industrial Jobs Recovery Law. For the purpose of the
10 equalized assessed valuation of the district, the total
11 initial equalized assessed valuation or the current
12 equalized assessed valuation, whichever is lower, shall be
13 used until such time as all redevelopment project costs
14 have been paid.

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

1 percentage rates for district type as specified in this
2 subparagraph (b).

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

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

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

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

15 "Preceding Tax Year": The property tax levy year
16 immediately preceding the Base Tax Year.

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

22 "Preceding Tax Year's Tax Extension": The product of
23 the equalized assessed valuation utilized by the County
24 Clerk in the Preceding Tax Year multiplied by the Operating
25 Tax Rate as defined in subsection (A).

26 "Extension Limitation Ratio": A numerical ratio,

1 certified by the County Clerk, in which the numerator is
2 the Base Tax Year's Tax Extension and the denominator is
3 the Preceding Tax Year's Tax Extension.

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

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

1 Assessed Valuation shall be utilized to calculate the
2 district's Available Local Resources under subsection (D).

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

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

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

13 (H) Supplemental General State Aid.

14 (1) In addition to the general State aid a school district
15 is allotted pursuant to subsection (E), qualifying school
16 districts shall receive a grant, paid in conjunction with a
17 district's payments of general State aid, for supplemental
18 general State aid based upon the concentration level of
19 children from low-income households within the school
20 district. Supplemental State aid grants provided for school
21 districts under this subsection shall be appropriated for
22 distribution to school districts as part of the same line item
23 in which the general State financial aid of school districts is
24 appropriated under this Section. If the appropriation in any
25 fiscal year for general State aid and supplemental general

1 State aid is insufficient to pay the amounts required under the
2 general State aid and supplemental general State aid
3 calculations, then the State Board of Education shall ensure
4 that each school district receives the full amount due for
5 general State aid and the remainder of the appropriation shall
6 be used for supplemental general State aid, which the State
7 Board of Education shall calculate and pay to eligible
8 districts on a prorated basis.

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

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

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

1 over the 2 immediately preceding fiscal years for fiscal year
2 2004 and over the 3 immediately preceding fiscal years for each
3 fiscal year thereafter) divided by the Average Daily Attendance
4 of the school district.

5 (2) Supplemental general State aid pursuant to this
6 subsection (H) shall be provided as follows for the 1998-1999,
7 1999-2000, and 2000-2001 school years only:

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

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

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

20 (d) For any school district with a Low Income
21 Concentration Level of 60% or more, the grant for the
22 1998-99 school year shall be \$1,900 multiplied by the low
23 income eligible pupil count.

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

1 respectively.

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

6 (2.5) Supplemental general State aid pursuant to this
7 subsection (H) shall be provided as follows for the 2002-2003
8 school year:

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

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

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

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

25 (e) For any school district with a Low Income
26 Concentration Level of at least 50% and less than 60%, the

1 grant for each school year shall be \$1,680 multiplied by
2 the low income eligible pupil count.

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

7 (2.10) Except as otherwise provided, supplemental general
8 State aid pursuant to this subsection (H) shall be provided as
9 follows for the 2003-2004 school year and each school year
10 thereafter:

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

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

20 For the 2003-2004 school year and each school year
21 thereafter through the 2008-2009 school year only, the grant
22 shall be no less than the grant for the 2002-2003 school year.
23 For the 2009-2010 school year only, the grant shall be no less
24 than the grant for the 2002-2003 school year multiplied by
25 0.66. For the 2010-2011 school year only, the grant shall be no
26 less than the grant for the 2002-2003 school year multiplied by

1 0.33. Notwithstanding the provisions of this paragraph to the
2 contrary, if for any school year supplemental general State aid
3 grants are prorated as provided in paragraph (1) of this
4 subsection (H), then the grants under this paragraph shall be
5 prorated.

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

24 (3) School districts with an Average Daily Attendance of
25 more than 1,000 and less than 50,000 that qualify for
26 supplemental general State aid pursuant to this subsection

1 shall submit a plan to the State Board of Education prior to
2 October 30 of each year for the use of the funds resulting from
3 this grant of supplemental general State aid for the
4 improvement of instruction in which priority is given to
5 meeting the education needs of disadvantaged children. Such
6 plan shall be submitted in accordance with rules and
7 regulations promulgated by the State Board of Education.

8 (4) School districts with an Average Daily Attendance of
9 50,000 or more that qualify for supplemental general State aid
10 pursuant to this subsection shall be required to distribute
11 from funds available pursuant to this Section, no less than
12 \$261,000,000 in accordance with the following requirements:

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

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

1 to the opening of school.

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

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

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

1 by board rule.

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

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

24 If the district fails to distribute State aid to
25 attendance centers in accordance with an approved plan, the
26 plan for the following year shall allocate funds, in

1 addition to the funds otherwise required by this
2 subsection, to those attendance centers which were
3 underfunded during the previous year in amounts equal to
4 such underfunding.

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

25 The State Board of Education shall promulgate rules and
26 regulations to implement the provisions of this

1 subsection. No funds shall be released under this
2 subdivision (H) (4) to any district that has not submitted a
3 plan that has been approved by the State Board of
4 Education.

5 (I) (Blank).

6 (J) Supplementary Grants in Aid.

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

1 provisions of that Section as it was then in effect.

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

13 (3) (Blank).

14 (K) Grants to Laboratory and Alternative Schools.

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

21 As used in this Section, "laboratory school" means a public
22 school which is created and operated by a public university and
23 approved by the State Board of Education. The governing board
24 of a public university which receives funds from the State
25 Board under this subsection (K) may not increase the number of

1 students enrolled in its laboratory school from a single
2 district, if that district is already sending 50 or more
3 students, except under a mutual agreement between the school
4 board of a student's district of residence and the university
5 which operates the laboratory school. A laboratory school may
6 not have more than 1,000 students, excluding students with
7 disabilities in a special education program.

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

24 Each laboratory and alternative school shall file, on forms
25 provided by the State Superintendent of Education, an annual
26 State aid claim which states the Average Daily Attendance of

1 the school's students by month. The best 3 months' Average
2 Daily Attendance shall be computed for each school. The general
3 State aid entitlement shall be computed by multiplying the
4 applicable Average Daily Attendance by the Foundation Level as
5 determined under this Section.

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

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

20 (2) (Blank).

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

23 (M) Education Funding Advisory Board.

24 The Education Funding Advisory Board, hereinafter in this

1 subsection (M) referred to as the "Board", is hereby created.
2 The Board shall consist of 5 members who are appointed by the
3 Governor, by and with the advice and consent of the Senate. The
4 members appointed shall include representatives of education,
5 business, and the general public. One of the members so
6 appointed shall be designated by the Governor at the time the
7 appointment is made as the chairperson of the Board. The
8 initial members of the Board may be appointed any time after
9 the effective date of this amendatory Act of 1997. The regular
10 term of each member of the Board shall be for 4 years from the
11 third Monday of January of the year in which the term of the
12 member's appointment is to commence, except that of the 5
13 initial members appointed to serve on the Board, the member who
14 is appointed as the chairperson shall serve for a term that
15 commences on the date of his or her appointment and expires on
16 the third Monday of January, 2002, and the remaining 4 members,
17 by lots drawn at the first meeting of the Board that is held
18 after all 5 members are appointed, shall determine 2 of their
19 number to serve for terms that commence on the date of their
20 respective appointments and expire on the third Monday of
21 January, 2001, and 2 of their number to serve for terms that
22 commence on the date of their respective appointments and
23 expire on the third Monday of January, 2000. All members
24 appointed to serve on the Board shall serve until their
25 respective successors are appointed and confirmed. Vacancies
26 shall be filled in the same manner as original appointments. If

1 a vacancy in membership occurs at a time when the Senate is not
2 in session, the Governor shall make a temporary appointment
3 until the next meeting of the Senate, when he or she shall
4 appoint, by and with the advice and consent of the Senate, a
5 person to fill that membership for the unexpired term. If the
6 Senate is not in session when the initial appointments are
7 made, those appointments shall be made as in the case of
8 vacancies.

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

17 The State Board of Education shall provide such staff
18 assistance to the Education Funding Advisory Board as is
19 reasonably required for the proper performance by the Board of
20 its responsibilities.

21 For school years after the 2000-2001 school year, the
22 Education Funding Advisory Board, in consultation with the
23 State Board of Education, shall make recommendations as
24 provided in this subsection (M) to the General Assembly for the
25 foundation level under subdivision (B)(3) of this Section and
26 for the supplemental general State aid grant level under

1 subsection (H) of this Section for districts with high
2 concentrations of children from poverty. The recommended
3 foundation level shall be determined based on a methodology
4 which incorporates the basic education expenditures of
5 low-spending schools exhibiting high academic performance. The
6 Education Funding Advisory Board shall make such
7 recommendations to the General Assembly on January 1 of odd
8 numbered years, beginning January 1, 2001.

9 (N) (Blank).

10 (O) References.

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

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

19 (P) Public Act 93-838 and Public Act 93-808 make inconsistent
20 changes to this Section. Under Section 6 of the Statute on
21 Statutes there is an irreconcilable conflict between Public Act
22 93-808 and Public Act 93-838. Public Act 93-838, being the last
23 acted upon, is controlling. The text of Public Act 93-838 is

1 the law regardless of the text of Public Act 93-808.
2 (Source: P.A. 94-69, eff. 7-1-05; 94-438, eff. 8-4-05; 94-835,
3 eff. 6-6-06; 94-1019, eff. 7-10-06; 94-1105, eff. 6-1-07;
4 95-331, eff. 8-21-07; 95-644, eff. 10-12-07; 95-707, eff.
5 1-11-08; 95-744, eff. 7-18-08; 95-903, eff. 8-25-08; revised
6 9-5-08.)

7 Section 99. Effective date. This Act takes effect July 1,
8 2009.