



## ALLIANCE LEGISLATIVE REPORT (95-58)

The House of Representatives and Senate worked steadily this week considering bills in committee. Next week the legislature will meet Tuesday through Thursday. The deadline to have bills considered in committee is March 13 in the Senate and March 14 in the House.

### SENATE PANEL APPROVES SCHOOL FUNDING BILL

The Senate Education Committee Wednesday approved a bill that would increase the income tax rate in the State and provide new funding for education, construction, and debt reduction along with some minor tax reform. **SB 2288 (Meeks, D-Chicago)** was presented to the committee by the bill sponsor and co-sponsor **John Cullerton (D-Chicago)**. **Senate President Emil Jones, Jr. (D-Chicago)** has also signed onto the bill as a co-sponsor. The bill was sent to the Senate floor for consideration. Republicans voted no on the bill; Democrat Senators on the committee voted yes except for **Senator Susan Garrett (D-Lake Forest)** who voted “present”.

The bill was presented as a work in progress and a series of amendments will likely be added to modify the bill. Currently, the bill sponsors said the bill will:

- increase the individual income tax rate from 3% to 5% (estimated to raise \$6.2 billion);
- raise the corporate income tax rate from 4.8% to 8% (estimated to raise \$1 billion);
- provide, in the first year of implementation, a \$633 million increase for elementary and secondary education;
- increase the foundation level by \$1,240 (for a total foundation level of \$6,974) and increase the special education personnel reimbursement amount to over \$19,000 by the 2012-2013 school year;
- provide, in the first year of implementation, \$2.9 billion in property tax relief ;
- provide a funding increase for higher education of \$300 million;
- create a new Family Tax Credit (\$600 million);
- allocate \$1 billion for debt service on bonds for an \$11 billion statewide infrastructure program to build roads, bridges, and schools; and
- use \$1.7 billion to pay down the Medicaid debt (reduce the State’s payment cycle from 120 days to 30 days) and cover the “ramp up” for the State pension system payments.

Currently, municipalities around the State receive 10% of all income tax revenues. Senator Cullerton wants to amend the bill to state that the cities will not receive 10% of this income tax increase, rather those revenues will go to the State to further pay down pension debt and other State debt.

Many of the details of the proposal listed above are not contained in the bill as currently drafted and will have to be added later. There was also a call for language to address the State’s accountability for the new money to make sure that the money in fact would be used to pay off debt and not to start any new programs. Likewise, there was a request for new “education reforms” to be included so school districts are held accountable for this new increase in funding. An amendment will likely be added regarding school accountability measures.

### WHERE DOES IT GO FROM HERE?

Though the bill was sent to the Senate floor, no one expects the bill to be debated soon by the full Senate. As stated, many amendments will still be added and much discussion will be necessary before

moving a bill of this magnitude. One request from a committee member was for statewide hearings on the bill to allow for input from citizens from across the state.

The Alliance supported the bill in committee – even though some provisions will need to be worked out – with the reasoning that this important issue should move forward to keep discussion alive. Specifically, the Alliance is studying the property tax relief mechanism. The lengthy property tax abatement verbiage in the bill is difficult to understand and the timeline and revenue stream flow need to be investigated to assure that local school districts are not underfunded by the State. The sponsors say that local property taxes will be abated but that the State will make up the entire difference to the school districts so they receive no less revenue. This must be guaranteed.

The mechanism for the property tax relief is similar to that included in HB 750. Generally, the school district files a levy and extension as it does currently. The Department of Revenue (DOR) calculates the amount of property tax relief abatement for the individual school district; the county subtracts the amount of the State tax relief and sends the property tax receipts (less the abatement) to the school district. The State sends to the school district the exact same amount of money that was abated to the property taxpayers, therefore making the school district whole. The bill's drafters claim that if the State does not make an appropriation to cover the amount of the property tax abatement – no abatement will occur at the county level and the school district will receive the total amount of revenues in the tax extension that it levied for. The Alliance stand is that the bill must ensure that school districts receive the State income tax money no later than they receive the local property tax receipts.

The Alliance also will closely follow the discussions and amendments on education “reforms”.

### **BILL ACTION FROM THIS WEEK**

**HB 4441 (Flowers, D-Chicago)**, opposed by the Alliance, will require school districts to enroll students into kindergarten if their 5<sup>th</sup> birthday falls between September 1 and December 31 if the child has attended a preschool. **The bill was approved** by the House Elementary and Secondary Education Committee and was sent to the House floor for consideration. **Committee members requested that the Alliance gather information** regarding the impact of this legislation. Please respond via e-mail to [dsullivan@iasb.com](mailto:dsullivan@iasb.com) as to the impact you anticipate with the passage of this bill. Also, please contact the members of the House Education Committee and Representative Mary Flowers with the same. You can obtain their contact information from the General Assembly website: [www.ilga.gov](http://www.ilga.gov)

**HB 4702 (Osmond, R-Antioch)** states that for payment for students attending a residential program designed to correct alcohol or other drug dependencies, the cost of the educational services shall be paid by the district of the student's residence (instead of providing that the cost of educational services shall be paid by the district in which the student resides in an amount equal to the cost of providing educational services in a treatment facility). This would apply to all Illinois students receiving educational services, whether placed pursuant to the School Code or the Juvenile Court Act of 1987, by court order, or by a State agency or whether the student voluntarily enrolls or is enrolled by a parent or guardian. **The bill was approved** by the House Elementary and Secondary Education Committee and was sent to the House floor for consideration.

**SB 1939 (Maloney, D-Chicago)**, supported by the Alliance, allows for a chief school business official endorsement if, among other conditions, the certificate holder has 2 years of university-approved practical experience (as an alternative to requiring 2 years of administrative experience in school business management). **The bill was approved** by the Senate Education Committee and was sent to the Senate floor for consideration.

**SB 1955 (Lightford, D-Maywood)**, supported by the Alliance, statutorily requires the last two school district State aid payments to be made in June (instead of July) so the funds are received in the proper fiscal year. Currently, the Governor each year must decide if he wishes to accelerate those payments to

be made in June. **The bill was approved** by the Senate Education Committee and was sent to the Senate floor for consideration.

**SB 2042 (Bond, D-Grayslake)** makes changes relating to the residency of pupils in residential facilities and the payment of costs concerning tuition for non-resident pupils, residency and the payment of tuition, determining the resident district with respect to children with disabilities, and special education classes for children from orphanages, foster family homes, children's homes, or in-State housing units. **The bill was approved** by the Senate Education Committee and was sent to the Senate floor for consideration.

### **BILLS SCHEDULED FOR COMMITTEE NEXT WEEK**

HOUSE APPROPRIATIONS – ELEMENTARY AND SECONDARY EDUCATION COMMITTEE  
Tuesday, March 4, 2:00 p.m., Room 118, State Capitol

**Subject matter:** Testimony by Illinois State Board of Education on the FY '09 budget.

HOUSE ELEMENTARY AND SECONDARY EDUCATION COMMITTEE  
Wednesday, Marcy 5, 8:30 a.m., Room 114, State Capitol

**HB 4268 (Davis, M., D-Chicago)** provides that if a student has been expelled from an attendance center, the school district must permit the student to transfer to another attendance center within the district for the remainder of the expulsion.

**HB 4705 (Currie, D-Chicago)** allows for the continuation of the distribution of funds by the ISBE to achieve a goal of "Preschool for All Children" by removing certain provisions that limit this distribution to a time period from July 1, 2006 to June 30, 2008.

**HB 4771 (Winters, R-Rockford)** provides that a school district may verify, no more than every other month, a student's verification of eligibility for the school breakfast program, the school lunch program, the free breakfast program, the free lunch program, or the summer food service program.

**HB 4913 (Golar, D-Chicago)** requires (instead of permits) a charter to be revoked or not renewed if the school board or ISBE demonstrates that the charter school failed to comply with the requirements of the Law.

**HB 5338 (Lindner, R-Sugar Grove)** requires the ISBE to develop and make available to each school board guidelines for the management of students with life-threatening food allergies. It requires each school board to implement a plan based on the guidelines for the management of students with life-threatening food allergies.

**HB 5367 (Chapa LaVia, D-Aurora)** allows school boards to award high school diplomas to honorably discharged veterans who served in the armed forces during the Vietnam Conflict.

**HB 5611 (Jefferson, D-Rockford)** subject to appropriation, requires the State Board of Education to establish and administer a program that provides stipends (\$20,000 over 5 years) to teachers (with at least 4 years of experience) who choose to teach at hard-to-staff public schools.

**HB 5669 (Meyer, R-Naperville)** requires schools boards to, on or before December 1 of each year, make available on the school district's Internet website a detailed annual expenditure report for each school building listing the dollar amount expended, by category, and the percentage each expenditure by category represents of the school building's total budget.

**HB 5717 (Coulson-R-Glenview)**, an Alliance initiative, clarifies that any child who received a health examination before entering the fifth grade for the 2007-2008 school year is not required to receive an additional health examination before entering 6<sup>th</sup> grade in the 2008-2009 school year.

**HB 5769 (Ryg, D-Vernon Hills)** contains provisions of the “school accountability” proposal that was added to the school construction/gaming expansion bill from December (see Alliance Legislative Report 95-48 at [www.iasb.com/govrel/alr9548.cfm](http://www.iasb.com/govrel/alr9548.cfm)). The provisions require mandatory school board training, the creation of an Education Inspector General, new financial policies on a long term financial plan and a capital improvement plan, the inclusion of certain items in the full budget document, and other mandates. Please contact your State Representative and members of the House education committee to voice your concerns about this bill.

**\*All bills previously scheduled for this committee have been re-posted for next week’s committee**

HOUSE JUDICIARY I – CIVIL LAW COMMITTEE

Wednesday, March 5, 8:30 a.m., Room C-1, Stratton Office Building

**HB 5188 (Pihos, R-Glen Ellyn)** provides that a confidential communication made by a student 12 years of age or older, or by a parent or a guardian of such a student, must not be disclosed without the voluntary written consent of the person who originally disclosed the information. It provides that a confidential communication made by a student under the age of 12 years may be disclosed to the parent or guardian of the student and that the communication must not become part of the school student record without express written consent.

**HB 5578 (Mautino, D-Spring Valley)**, an Alliance initiative, provides that a party seeking to subpoena a public school employee to testify during school hours must obtain a court order which shall provide that the party tender, in addition to the required witness and mileage fee, a fee to the school district to pay the substitute teacher or other temporary staff employed during the witness's absence and consult with the school district to schedule the appearance to minimize disruption of the educational program.

HOUSE HUMAN SERVICES COMMITTEE

Wednesday, March 5, 8:30 a.m., Room D-1, Stratton Office Building

**HB 5615 (Currie, D-Chicago)** creates the Reproductive Justice and Access Act which, among many provisions, requires public schools to offer medically accurate, age appropriate, comprehensive sexual health education.

HOUSE DRIVERS’ EDUCATION & SAFETY COMMITTEE

Wednesday, March 5, 10:30 a.m., Room 122B, State Capitol

**HB 5255 (Sacia, R-Freeport)** lowers the minimum age for issuance of an instruction permit to 14 years if the child (i) is enrolled in an approved driver education course or (ii) is enrolled in school, meets the educational requirements of the Driver Education Act, and has passed examinations prescribed by the Secretary of State.

SENATE APPROPRIATIONS III COMMITTEE

Wednesday, March 5, 5:00 p.m., Room 212, State Capitol

**Subject Matter:** Testimony by Illinois State Board of Education on the FY '09 budget.