



## **SB 750 ANALYSIS** (as of May 20, 2009)

### **Senate Amendment #2**

**Sponsor:** Meeks-Collins-Lightford-Steans

The bill contains provisions for changes in the Illinois tax structure, raises \$7.7 billion in new tax revenues, and provides additional funds for public schools.

**\*This amendment differs** from Senate Amendment # 1 as: the corporate income tax rate is not increased in amendment #2; the number of services that will be subject to the State sales tax was reduced in amendment #2; there is not provision for property tax relief for corporations in amendment #2; the renter's tax credit was removed in amendment #2; the amount of construction bonds was reduced in amendment #2; reimbursement for pre-kindergarten transportation was included in amendment #2.

Page 2	<b>Invest in Illinois Fund</b>	Provides funding for State infrastructure  \$1 billion in FY 2010 from GRF to IIF \$1 billion in FY 2011 from GRF to IIF \$1.1 billion in FY 2012 from GRF to IIF \$1.2 billion in FY 2013 from GRF to IIF \$1.2 billion all years thereafter
Page 3	<b>Capital Strategy Board</b>	Studies need for building projects
Page 6	<b>Higher education funding</b>	\$300 million in 2010 indexed to Employment Cost Index thereafter 75% universities/ 25 % community colleges
Page 10	<b>Income Tax Rate</b>	Increases individual rate from 3% to 5% (\$6.06 B)
Page 44	<b>Property Tax Relief</b>	Increases the income tax credit on property taxes paid from 5% to 10% (\$650 M) instead of changing levy process
Page 44	<b>Earned Income Tax Credit</b>	Increases the tax credit to low-income earners (\$176 M)
Page 46	<b>Family Tax Credit</b>	\$650 million back to low-income taxpayers
Page 50	<b>Sales Tax Expanded To Services</b>	\$1 billion in tax receipts from 42 different services taxed (the specific services are listed in the bill)
Page 71	<b>Exemption from 6% Salary Cap</b>	For salary from mentoring teachers and principals

Page 75	<b>Financial Difficulty Designation</b>	States that a school district cannot be placed on the list of schools in financial difficulty if it is because the State failed to disburse school district reimbursements
Page 78	<b>Early Childhood Education Funding</b>	\$45 million increase in FY 10 \$90 million increase in FY 11 \$135 million increase in FY 12 \$180 million increase in FY 13 Indexed to Employment Cost Index thereafter
Page 80	<b>Education Financial Award System</b>	Additional funding for districts that show achievement
Page 85	<b>New District Improvement Plans</b>	In conjunction with bargaining unit
Page 87	<b>Education Improvement Plans</b>	Developed “in collaboration with parents, staff, and the staff’s exclusive bargaining” unit
Page 88	<b>Principal Mentoring</b>	Improvements to the current program in statute.
Page 91	<b>Superintendent Mentoring</b>	New program for new superintendents in Illinois
Page 94	<b>Growth Model Assessments</b>	defined
Page 98	<b>Digital Learning Grants</b>	For grades 9-12; based on need
Page 104	<b>Best Practices Clearing House</b>	ISBE solicits and collects information
Page 105	<b>STEM Grants</b>	Permissive grants for science and math
Page 115	<b>School Improvement Partnership Pool</b>	Permissive – must not have made AYP for 2 years If accessed, funds to be used for:  staff training literary coaching class size reduction after school programs summer school programs
Page 116	<b>Resource Management Service</b>	Required. Must have a certified business official or have staff trained by ISBE
Page 119	<b>ROE Evaluations</b>	ISBE must contract with a provider to evaluate the performance of the Regional Offices of Education
Page 123	<b>Risk Assessment as Part of district audit</b>	The audit must look at risk assessment of district internal controls

Page 126	<b>District audits out to bid every 5 years</b>	Must conduct an RFP for auditors at least once every five years										
Page 126	<b>School Board Member Training</b>	School board members are encouraged and expected to receive professional development and training, but not mandated										
Page 129	<b>District Report Card</b>	Includes growth model assessment data										
Page 130	<b>District Report Card</b>	Includes five components of the financial rating scores										
Page 131	<b>District Report Card</b>	Includes indicator describing whether the school district has improved, declined, or remained stable regarding academic growth										
Page 131	<b>Financial Policies</b>	Contains language on what should be included in the formal, written financial policy										
Page 132	<b>Long Term Financial Plan</b>	Requires the plan for a 3-year period										
Page 133	<b>Capital Improvement Plan</b>	Requires a 5-year capital improvement plan										
Page 134	<b>Immunity for Mentors</b>	Indemnifies staff who mentor teachers										
Page 137	<b>Pay for Performance</b>	Is allowable, but must be bargained with unions										
Page 138	<b>School District Finances</b>	Must have executive summary of budget, goals, financial factors and trends, budget forecast, etc.										
Page 139	<b>Audit Committee</b>	An audit committee is required, and may include persons who do not serve on the board to “review audit reports”										
Page 141	<b>Special Education</b>	Increases special education teacher reimbursement, which is now \$9,000 per teacher  <table border="0"> <tr> <td>\$11,839</td> <td>2009-10 school year</td> </tr> <tr> <td>\$12,786</td> <td>2010-11 school year</td> </tr> <tr> <td>\$14,679</td> <td>2011-12 school year</td> </tr> <tr> <td>\$20,358</td> <td>2012-13 school year</td> </tr> <tr> <td colspan="2">Indexed to Employment Cost Index thereafter</td> </tr> </table>	\$11,839	2009-10 school year	\$12,786	2010-11 school year	\$14,679	2011-12 school year	\$20,358	2012-13 school year	Indexed to Employment Cost Index thereafter	
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Page 147	<b>Non-Referendum Bonds</b>	May be issued in certain circumstances.										
Page 152	<b>Foundation Level Increases</b>	Increase over four years  <table border="0"> <tr> <td>\$5,959 per student</td> <td>2009-10</td> </tr> <tr> <td>\$6,540 per student</td> <td>2010-11</td> </tr> <tr> <td>\$7,141 per student</td> <td>2011-12</td> </tr> <tr> <td>\$7,764 per student</td> <td>2012-13</td> </tr> </table>	\$5,959 per student	2009-10	\$6,540 per student	2010-11	\$7,141 per student	2011-12	\$7,764 per student	2012-13		
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		\$8,410 per student 2013-14 Indexed to Employment Cost Index thereafter
Page 190	<b>“Hard to Staff” Schools</b>	Definition
Page 192	<b>New Teacher Mentoring</b>	New criteria and standards. Cost increases from \$1,200 per teacher (currently) to \$6,000
Page 202	<b>IASB Required to Offer Specific Training and Report</b>	School finance, financial oversight and accountability, labor law and collective bargaining, ethics, duties and responsibilities of a school board member, and board governance principals must be offered by IASB. Every school board member is expected to receive at least 4 hours of professional development per year.  IASB must report to Governor and ISBE the training topics offered and the number of school board members that attended.
Page 204	<b>Teacher Dismissal Procedures</b>	Substantial changes to this process including changes in dates, timelines, and procedures.
Page 217	<b>Evaluation Training</b>	School district employees that evaluate teachers must receive yearly training.
Page 219	<b>Teacher Evaluations</b>	Significant changes in what is required in evaluations, including for non-tenured teachers.
Page 233	<b>Transportation Reimbursement</b>	Allows reimbursement for transporting Pre-kindergarten students.
Page 239	<b>Chicago Financial Reporting</b>	requires same reporting requirements for Chicago Public Schools as for the rest of the State

*This analysis was created by the Governmental Relations Department of the Illinois Association of School Boards.*