

AN ACT concerning education.

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

Section 5. The School Code is amended by changing Section 10-22.31 as follows:

(105 ILCS 5/10-22.31) (from Ch. 122, par. 10-22.31)

Sec. 10-22.31. Special education.

(a) To enter into joint agreements with other school boards to provide the needed special educational facilities and to employ a director and other professional workers as defined in Section 14-1.10 and to establish facilities as defined in Section 14-1.08 for the types of children described in Sections 14-1.02 and 14-1.03a. The director (who may be employed under a contract as provided in subsection (c) of this Section) and other professional workers may be employed by one district, which shall be reimbursed on a mutually agreed basis by other districts that are parties to the joint agreement. Such agreements may provide that one district may supply professional workers for a joint program conducted in another district. Such agreement shall provide that any full-time professional worker who is employed by a joint agreement program and spends over 50% of his or her time in one school district shall not be required to work a different

teaching schedule than the other professional worker in that district. Such agreement shall include, but not be limited to, provisions for administration, staff, programs, financing, housing, transportation, an advisory body, and the method or methods to be employed for disposing of property upon the withdrawal of a school district or dissolution of the joint agreement and shall specify procedures for the withdrawal of districts from the joint agreement as long as these procedures are consistent with this Section. Such agreement may be amended at any time as provided in the joint agreement or, if the joint agreement does not so provide, then such agreement may be amended at any time upon the adoption of concurring resolutions by the school boards of all member districts, provided that no later than 6 months after August 28, 2009 (the effective date of Public Act 96-783), all existing agreements shall be amended to be consistent with Public Act 96-783. Such an amendment may include the removal of a school district from or the addition of a school district to the joint agreement without a petition as otherwise required in this Section if all member districts adopt concurring resolutions to that effect. A fully executed copy of any such agreement or amendment entered into on or after January 1, 1989 shall be filed with the State Board of Education. Petitions for withdrawal shall be made to the regional board or boards of school trustees exercising oversight or governance over any of the districts in the joint agreement. Upon receipt of a

petition for withdrawal, the regional board of school trustees shall publish notice of and conduct a hearing or, in instances in which more than one regional board of school trustees exercises oversight or governance over any of the districts in the joint agreement, a joint hearing, in accordance with rules adopted by the State Board of Education. In instances in which a single regional board of school trustees holds the hearing, approval of the petition must be by a two-thirds majority vote of the school trustees. In instances in which a joint hearing of 2 or more regional boards of school trustees is required, approval of the petition must be by a two-thirds majority of all those school trustees present and voting. Notwithstanding the provisions of Article 6 of this Code, in instances in which the competent regional board or boards of school trustees has been abolished, petitions for withdrawal shall be made to the school boards of those districts that fall under the oversight or governance of the abolished regional board of school trustees in accordance with rules adopted by the State Board of Education. If any petition is approved pursuant to this subsection (a), the withdrawal takes effect as provided in Section 7-9 of this Act. The changes to this Section made by Public Act 96-769 apply to all changes to special education joint agreement membership initiated after July 1, 2009.

(b) To either (1) designate an administrative district to act as fiscal and legal agent for the districts that are parties to the joint agreement, or (2) designate a governing

board composed of one member of the school board of each cooperating district and designated by such boards to act in accordance with the joint agreement. No such governing board may levy taxes and no such governing board may incur any indebtedness except within an annual budget for the joint agreement approved by the governing board and by the boards of at least a majority of the cooperating school districts or a number of districts greater than a majority if required by the joint agreement. The governing board may appoint an executive board of at least 7 members to administer the joint agreement in accordance with its terms. However, if 7 or more school districts are parties to a joint agreement that does not have an administrative district: (i) at least a majority of the members appointed by the governing board to the executive board shall be members of the school boards of the cooperating districts; or (ii) if the governing board wishes to appoint members who are not school board members, they shall be superintendents from the cooperating districts.

(c) To employ a full-time director of special education of the joint agreement program under a one-year or multi-year contract. No such contract can be offered or accepted for less than one year. Such contract may be discontinued at any time by mutual agreement of the contracting parties, or may be extended for an additional one-year or multi-year period at the end of any year.

The contract year is July 1 through the following June

30th, unless the contract specifically provides otherwise. Notice of intent not to renew a contract when given by a controlling board or administrative district must be in writing stating the specific reason therefor. Notice of intent not to renew the contract must be given by the controlling board or the administrative district at least 90 days before the contract expires. Failure to do so will automatically extend the contract for one additional year.

By accepting the terms of the contract, the director of a special education joint agreement waives all rights granted under Sections 24-11 through 24-16 for the duration of his or her employment as a director of a special education joint agreement.

(d) To designate a district that is a party to the joint agreement as the issuer of bonds or notes for the purposes and in the manner provided in this Section. It is not necessary for such district to also be the administrative district for the joint agreement, nor is it necessary for the same district to be designated as the issuer of all series of bonds or notes issued hereunder. Any district so designated may, from time to time, borrow money and, in evidence of its obligation to repay the borrowing, issue its negotiable bonds or notes for the purpose of acquiring, constructing, altering, repairing, enlarging and equipping any building or portion thereof, together with any land or interest therein, necessary to provide special educational facilities and services as defined

in Section 14-1.08. Title in and to any such facilities shall be held in accordance with the joint agreement.

Any such bonds or notes shall be authorized by a resolution of the board of education of the issuing district. The resolution may contain such covenants as may be deemed necessary or advisable by the district to assure the payment of the bonds or notes. The resolution shall be effective immediately upon its adoption.

Prior to the issuance of such bonds or notes, each school district that is a party to the joint agreement shall agree, whether by amendment to the joint agreement or by resolution of the board of education, to be jointly and severally liable for the payment of the bonds and notes. The bonds or notes shall be payable solely and only from the payments made pursuant to such agreement.

Neither the bonds or notes nor the obligation to pay the bonds or notes under any joint agreement shall constitute an indebtedness of any district, including the issuing district, within the meaning of any constitutional or statutory limitation.

As long as any bonds or notes are outstanding and unpaid, the agreement by a district to pay the bonds and notes shall be irrevocable notwithstanding the district's withdrawal from membership in the joint special education program.

(e) If a district whose employees are on strike was, prior to the strike, sending students with disabilities to special

educational facilities and services in another district or cooperative, the district affected by the strike shall continue to send such students during the strike and shall be eligible to receive appropriate State reimbursement.

(f) With respect to those joint agreements that have a governing board composed of one member of the school board of each cooperating district and designated by those boards to act in accordance with the joint agreement, the governing board shall have, in addition to its other powers under this Section, the authority to issue bonds or notes for the purposes and in the manner provided in this subsection. The governing board of the joint agreement may from time to time borrow money and, in evidence of its obligation to repay the borrowing, issue its negotiable bonds or notes for the purpose of acquiring, constructing, altering, repairing, enlarging and equipping any building or portion thereof, together with any land or interest therein, necessary to provide special educational facilities and services as defined in Section 14-1.08 and including also facilities for activities of administration and educational support personnel employees. Title in and to any such facilities shall be held in accordance with the joint agreement.

Any such bonds or notes shall be authorized by a resolution of the governing board. The resolution may contain such covenants as may be deemed necessary or advisable by the governing board to assure the payment of the bonds or notes and

interest accruing thereon. The resolution shall be effective immediately upon its adoption.

Each school district that is a party to the joint agreement shall be automatically liable, by virtue of its membership in the joint agreement, for its proportionate share of the principal amount of the bonds and notes plus interest accruing thereon, as provided in the resolution. Subject to the joint and several liability hereinafter provided for, the resolution may provide for different payment schedules for different districts except that the aggregate amount of scheduled payments for each district shall be equal to its proportionate share of the debt service in the bonds or notes based upon the fraction that its equalized assessed valuation bears to the total equalized assessed valuation of all the district members of the joint agreement as adjusted in the manner hereinafter provided. In computing that fraction the most recent available equalized assessed valuation at the time of the issuance of the bonds and notes shall be used, and the equalized assessed valuation of any district maintaining grades K to 12 shall be doubled in both the numerator and denominator of the fraction used for all of the districts that are members of the joint agreement. In case of default in payment by any member, each school district that is a party to the joint agreement shall automatically be jointly and severally liable for the amount of any deficiency. The bonds or notes and interest thereon shall be payable solely and only

from the funds made available pursuant to the procedures set forth in this subsection. No project authorized under this subsection may require an annual contribution for bond payments from any member district in excess of 0.15% of the value of taxable property as equalized or assessed by the Department of Revenue in the case of districts maintaining grades K-8 or 9-12 and 0.30% of the value of taxable property as equalized or assessed by the Department of Revenue in the case of districts maintaining grades K-12. This limitation on taxing authority is expressly applicable to taxing authority provided under Section 17-9 and other applicable Sections of this Act. Nothing contained in this subsection shall be construed as an exception to the property tax limitations contained in Section 17-2, 17-2.2a, 17-5, or any other applicable Section of this Act.

Neither the bonds or notes nor the obligation to pay the bonds or notes under any joint agreement shall constitute an indebtedness of any district within the meaning of any constitutional or statutory limitation.

As long as any bonds or notes are outstanding and unpaid, the obligation of a district to pay its proportionate share of the principal of and interest on the bonds and notes as required in this Section shall be a general obligation of the district payable from any and all sources of revenue designated for that purpose by the board of education of the district and shall be irrevocable notwithstanding the

district's withdrawal from membership in the joint special education program.

(g) A member district wishing to withdraw from a joint agreement may obtain from its school board a written resolution approving the withdrawal. The withdrawing district must then present a written petition for withdrawal from the joint agreement to the other member districts. Under no circumstances may the petition be presented to the other member districts less than 12 months from the date of the proposed withdrawal, unless the member districts agree to waive this timeline. Upon approval by school board written resolution of all of the remaining member districts, the petitioning member district shall notify the State Board of Education of the approved withdrawal in writing and must submit a comprehensive plan developed under subsection (g-5) for review by the State Board. If the petition for withdrawal is not approved, the petitioning member district may appeal the disapproval decision to the trustees of schools of the township that has jurisdiction and authority over the withdrawing district. If a withdrawing district is not under the jurisdiction and authority of the trustees of schools of a township, a hearing panel shall be established by the chief administrative officer of the intermediate service center having jurisdiction over the withdrawing district. The hearing panel shall be made up of 3 persons who have a demonstrated interest and background in education. Each hearing panel

member must reside within an educational service region of 2,000,000 or more inhabitants but not within the withdrawing district and may not be a current school board member or employee of the withdrawing district or hold any county office. None of the hearing panel members may reside within the same school district. The hearing panel shall serve without remuneration; however, the necessary expenses, including travel, attendant upon any meeting or hearing in relation to these proceedings must be paid. Prior to the hearing, the withdrawing district shall (i) provide written notification to all parents or guardians of students with disabilities residing within the district of its intent to withdraw from the special education joint agreement; (ii) hold a public hearing to allow for members of the community, parents or guardians of students with disabilities, or any other interested parties an opportunity to review the plan for educating students after the withdrawal and to provide feedback on the plan; and (iii) prepare and provide a comprehensive plan as outlined under subsection (g-5). The trustees of schools of the township having jurisdiction and authority over the withdrawing district or the hearing panel established by the chief administrative officer of the intermediate service center having jurisdiction over the withdrawing district shall convene and hear testimony to determine whether the withdrawing district has presented sufficient evidence that the district, standing alone, will

provide a full continuum of services and support to all its students with disabilities in the foreseeable future. If the trustees of schools of the township having jurisdiction and authority over the withdrawing district or the hearing panel established by the chief administrative officer of the intermediate service center having jurisdiction over the withdrawing district approves the petition for withdrawal, then the petitioning member district shall be withdrawn from the joint agreement effective the following July 1 and shall notify the State Board of Education of the approved withdrawal in writing.

(g-5) Each withdrawing district shall develop a comprehensive plan that includes the administrative policies and procedures outlined in Sections 226.50, 226.100, 226.110, 226.180, 226.230, 226.250, 226.260, 226.300, 226.310, 226.320, 226.330, 226.340, 226.350, 226.500, 226.520, 226.530, 226.540, 226.560, 226.700, 226.740, 226.800, and 226.820 and Subpart G of Part 226 of Title 23 of the Illinois Administrative Code and all relevant portions of the federal Individuals with Disabilities Education Act. The withdrawing district must also demonstrate its ability to provide education for a wide range of students with disabilities, including a full continuum of support and services. To demonstrate an appropriate plan for educating all currently enrolled students with disabilities upon withdrawal from the joint agreement, the withdrawing district must provide a written plan for educating and placing

all currently eligible students with disabilities.

(h) The changes to this Section made by Public Act 96-783 apply to withdrawals from or dissolutions of special education joint agreements initiated after August 28, 2009 (the effective date of Public Act 96-783).

(i) Notwithstanding subsections (a), (g), and (h) of this Section or any other provision of this Code to the contrary, an elementary school district that maintains grades up to and including grade 8, that had a 2014-2015 best 3 months' average daily attendance of 5,209.57, and that had a 2014 equalized assessed valuation of at least \$451,500,000, but not more than \$452,000,000, may withdraw from its special education joint agreement program consisting of 6 school districts upon submission and approval of the comprehensive plan, in compliance with the applicable requirements of Section 14-4.01 of this Code, in addition to the approval by the school board of the elementary school district and notification to and the filing of an intent to withdraw statement with the governing board of the joint agreement program. Such notification and statement shall specify the effective date of the withdrawal, which in no case shall be less than 60 days after the date of the filing of the notification and statement. Upon receipt of the notification and statement, the governing board of the joint agreement program shall distribute a copy to each member district of the joint agreement and shall initiate any appropriate allocation of assets and liabilities among the

remaining member districts to take effect upon the date of the withdrawal. The withdrawal shall take effect upon the date specified in the notification and statement.

(j) Notwithstanding any other provision of law, for any member district entering into, amending, renewing, or withdrawing from a joint agreement after the effective date of this amendatory Act of the 104th General Assembly, the following criteria shall be met:

(1) For a member district withdrawing from a joint agreement, the member district's school board shall hold a public hearing on the member district's intent to withdraw at least 18 months before the member district's proposed withdrawal date. A written notice of the member district's intent to withdraw and the details of the public hearing shall be sent to the other member districts of the joint agreement no less than 10 days before the public hearing.

(2) A member district that intends to withdraw from a joint agreement shall adopt a comprehensive plan in accordance with subsection (g-5). The plan shall be submitted to the member district's regional office of education or intermediate service center, whichever is applicable, and shall be accompanied by evidence of the public hearing conducted under paragraph (1) of this subsection (j) and a copy of the approved resolution to withdraw.

(3) Upon the receipt of a member district's

comprehensive plan under paragraph (2) of this subsection (j), the regional superintendent of schools or the executive director of the intermediate service center, whichever is applicable, shall ensure the following criteria are met:

(A) notice of withdrawal was provided to all member districts;

(B) a public hearing that complies with paragraph (1) of this subsection (j) was held by the withdrawing member district's school board;

(C) a resolution has been passed by the withdrawing member district's school board; and

(D) a comprehensive plan for the withdrawing member district that complies with subsection (g-5) is in place.

Upon certification that the criteria in this paragraph (3) have been satisfied, the regional superintendent of schools or the executive director of the intermediate service center shall notify the State Board of Education and the other member districts of the joint agreement of his or her approval of the member district's withdrawal.

If any of the criteria in items (A) through (D) of this paragraph (3) have not been satisfied, the regional superintendent of schools or the executive director of the intermediate service center shall notify the withdrawing member district of the outstanding criteria to be

satisfied and the process for resubmission of the member district's withdrawal plan.

(4) A joint agreement shall include (i) provisions for the dissolution of assets in the event the joint agreement is dissolved and (ii) provisions for the distribution of assets in the event a member district withdraws from the joint agreement. Upon its withdrawal from a joint agreement, a member district shall waive any claims to the joint agreement's assets, except for any assets designated for distribution upon the dissolution of the joint agreement. A withdrawn member district shall, within 12 months after withdrawal, remit payment to the joint agreement for its proportional share of any debt or liabilities incurred by the joint agreement prior to the member district's notice of withdrawal.

(5) A joint agreement shall include a requirement for an annual presentation of the joint agreement's fiscal year budget and the calculation of member and usage fees to all member districts.

A school district that meets all of the requirements of this subsection (j) shall be withdrawn from the joint agreement on the date that the school district specifies in both the notice sent to other school districts pursuant to the joint agreement and the resolution passed by the board as long as the notice was given at least 18 months before, as specified in paragraph (1) of this subsection (j), the date specified.

Public Act 104-0218

HB2390 Enrolled

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(Source: P.A. 100-66, eff. 8-11-17; 101-164, eff. 7-26-19.)