

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 adding Section 2-3.206 as follows:

(105 ILCS 5/2-3.206 new)

Sec. 2-3.206. School district reorganization feasibility studies; grant program.

(a) The State Board of Education may award grants to school districts for the purpose of incentivizing those districts to conduct reorganization feasibility studies.

(b) To be eligible for a grant under this Section, the board of the school district that is applying for the grant shall:

(1) negotiate a proposed agreement to secure the services of a third party consultant who will conduct the reorganization feasibility study;

(2) adopt a resolution that is signed by the board president of the district and calls for the initiation of a school district reorganization feasibility study in accordance with the terms of the proposed agreement and any rules adopted by the State Board of Education; and

(3) submit the completed agreement form, the signed

board resolution, and such other information as the State Board of Education may, by administrative rule, require, to the regional office of education or the executive director of the intermediate service center for the district for approval.

(c) Upon receipt of a complete application from a district, the regional office of education or the executive director of the intermediate service center shall either (i) approve the agreement and send the agreement to the State Board of Education or (ii) disapprove the agreement and return the agreement to the district with a letter of explanation.

(d) From funds appropriated to it for that purpose, the State Board of Education may award grants under this Section to districts for which it receives an approved agreement under subsection (c) for costs incurred by those districts to conduct a reorganization feasibility study.

(e) To ensure that eligible districts are aware of the grant-funding opportunities provided under this Section, the State Board of Education shall annually notify the board and superintendent of each school district in the State of the availability of grant funds for the purpose of conducting school district reorganization feasibility studies and shall provide with that notice all of the following information:

(1) information concerning the procedures for applying for grant funding under this Section during the next award cycle;

(2) a description of the total dollar value of grant funds that are available to be awarded during the next award cycle; and

(3) a list of third-party consultants who have experience conducting feasibility studies in Illinois.

(f) Every 2 years, each board that receives a notice under subsection (e) may include the question of whether to pursue grant funding under this Section as an action item on the agenda at one of its meetings.

(g) When issuing grants under this Section, the State Board of Education may provide a school district up to the maximum reimbursement amount set by the State Board of Education, for the purpose of covering all or part of the costs borne by the school district to conduct a reorganization feasibility study. In awarding grants under this Section, the State Board of Education shall prioritize the awarding of grants to districts that are contiguous with one another, districts that have similar property tax rates, districts with similar per-pupil adequacy funding, and, beginning in State fiscal year 2030, other districts that have been identified as priority districts by the State Board of Education pursuant to rules adopted under subsection (i).

(h) No school district may be awarded a grant under this Section in any 2 consecutive award cycles.

(i) The State Board of Education may adopt any rules it deems necessary to implement and administer the program of

grant funding established under this Section, including, but not limited to, rules establishing the criteria that must be met by the third-party consultants who will perform the feasibility studies described in this Section, rules describing minimum criteria to be included in agreements executed with the third-party consultants who will perform the feasibility studies described in this Section, and, beginning in State fiscal year 2030, rules identifying additional types of school districts to be prioritized for grant funding under this Section. In State fiscal year 2035, and every 5 years thereafter, the State Board of Education shall reevaluate and, if necessary, amend the rules identifying additional types of school districts to be prioritized for grant funding under this Section.

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