1 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:

6 (105 ILCS 5/10-22.31) (from Ch. 122, par. 10-22.31)

7 Sec. 10-22.31. Special education.

(a) To enter into joint agreements with other school boards 8 9 to provide the needed special educational facilities and to employ a director and other professional workers as defined in 10 Section 14-1.10 and to establish facilities as defined in 11 12 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 13 14 contract as provided in subsection (c) of this Section) and other professional workers may be employed by one district, 15 16 which shall be reimbursed on a mutually agreed basis by other 17 districts that are parties to the joint agreement. Such provide 18 agreements may that one district may supply 19 professional workers for a joint program conducted in another 20 district. Such agreement shall provide that any full-time 21 professional worker who is employed by a joint agreement program and spends over 50% of his or her time in one school 22 district shall not be required to work a different teaching 23

schedule than the other professional worker in that district. 1 2 Such agreement shall include, but not be limited to, provisions administration, staff, programs, financing, housing, 3 for transportation, an advisory body, and the method or methods to 4 5 be employed for disposing of property upon the withdrawal of a school district or dissolution of the joint agreement and shall 6 specify procedures for the withdrawal of districts from the 7 8 joint agreement as long as these procedures are consistent with 9 this Section. Such agreement may be amended at any time as 10 provided in the joint agreement or, if the joint agreement does 11 not so provide, then such agreement may be amended at any time 12 upon the adoption of concurring resolutions by the school 13 boards of all member districts, provided that no later than 6 months after August 28, 2009 (the effective date of Public Act 14 15 96-783), all existing agreements shall be amended to be 16 consistent with Public Act 96-783. Such an amendment may 17 include the removal of a school district from or the addition of a school district to the joint agreement without a petition 18 as otherwise required in this Section if all member districts 19 20 adopt concurring resolutions to that effect. A fully executed copy of any such agreement or amendment entered into on or 21 after January 1, 1989 shall be filed with the State Board of 22 23 Education. Petitions for withdrawal shall be made to the regional board or boards of school trustees exercising 24 25 oversight or governance over any of the districts in the joint 26 agreement. Upon receipt of a petition for withdrawal, the

SB2344 Engrossed - 3 - LRB100 17893 AXK 33077 b

regional board of school trustees shall publish notice of and 1 2 conduct a hearing or, in instances in which more than one regional board of school trustees exercises oversight or 3 governance over any of the districts in the joint agreement, a 4 5 joint hearing, in accordance with rules adopted by the State Board of Education. In instances in which a single regional 6 7 board of school trustees holds the hearing, approval of the 8 petition must be by a two-thirds majority vote of the school 9 trustees. In instances in which a joint hearing of 2 or more 10 regional boards of school trustees is required, approval of the 11 petition must be by a two-thirds majority of all those school 12 trustees present and voting. Notwithstanding the provisions of 13 Article 6 of this Code, in instances in which the competent regional board or boards of school trustees has been abolished, 14 15 petitions for withdrawal shall be made to the school boards of 16 those districts that fall under the oversight or governance of 17 the abolished regional board of school trustees in accordance with rules adopted by the State Board of Education. If any 18 19 petition is approved pursuant to this subsection (a), the 20 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 21 22 all changes to special education joint agreement membership 23 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

SB2344 Engrossed - 4 - LRB100 17893 AXK 33077 b

board composed of one member of the school board of each 1 2 cooperating district and designated by such boards to act in accordance with the joint agreement. No such governing board 3 may levy taxes and no such governing board may incur any 4 5 indebtedness except within an annual budget for the joint agreement approved by the governing board and by the boards of 6 7 at least a majority of the cooperating school districts or a 8 number of districts greater than a majority if required by the 9 joint agreement. The governing board may appoint an executive 10 board of at least 7 members to administer the joint agreement 11 in accordance with its terms. However, if 7 or more school 12 districts are parties to a joint agreement that does not have 13 an administrative district: (i) at least a majority of the 14 members appointed by the governing board to the executive board 15 shall be members of the school boards of the cooperating 16 districts; or (ii) if the governing board wishes to appoint 17 members who are not school board members, they shall be superintendents from the cooperating districts. 18

(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.

26

The contract year is July 1 through the following June

SB2344 Engrossed - 5 - LRB100 17893 AXK 33077 b

30th, unless the contract specifically provides otherwise. 1 2 Notice of intent not to renew a contract when given by a controlling board or administrative district must be in writing 3 stating the specific reason therefor. Notice of intent not to 4 5 renew the contract must be given by the controlling board or the administrative district at least 90 days before the 6 7 contract expires. Failure to do so will automatically extend 8 the contract for one additional year.

9 By accepting the terms of the contract, the director of a 10 special education joint agreement waives all rights granted 11 under Sections 24-11 through 24-16 for the duration of his or 12 her employment as a director of a special education joint 13 agreement.

(d) To designate a district that is a party to the joint 14 15 agreement as the issuer of bonds or notes for the purposes and 16 in the manner provided in this Section. It is not necessary for 17 such district to also be the administrative district for the joint agreement, nor is it necessary for the same district to 18 be designated as the issuer of all series of bonds or notes 19 20 issued hereunder. Any district so designated may, from time to time, borrow money and, in evidence of its obligation to repay 21 22 the borrowing, issue its negotiable bonds or notes for the 23 purpose of acquiring, constructing, altering, repairing, 24 enlarging and equipping any building or portion thereof, 25 together with any land or interest therein, necessary to 26 provide special educational facilities and services as defined

SB2344 Engrossed - 6 - LRB100 17893 AXK 33077 b

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.

9 Prior to the issuance of such bonds or notes, each school 10 district that is a party to the joint agreement shall agree, 11 whether by amendment to the joint agreement or by resolution of 12 the board of education, to be jointly and severally liable for 13 the payment of the bonds and notes. The bonds or notes shall be 14 payable solely and only from the payments made pursuant to such 15 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

SB2344 Engrossed - 7 - LRB100 17893 AXK 33077 b

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.

5 (f) With respect to those joint agreements that have a governing board composed of one member of the school board of 6 7 each cooperating district and designated by those boards to act 8 in accordance with the joint agreement, the governing board 9 shall have, in addition to its other powers under this Section, the authority to issue bonds or notes for the purposes and in 10 11 the manner provided in this subsection. The governing board of 12 the joint agreement may from time to time borrow money and, in 13 evidence of its obligation to repay the borrowing, issue its 14 negotiable bonds or notes for the purpose of acquiring, 15 constructing, altering, repairing, enlarging and equipping any 16 building or portion thereof, together with any land or interest 17 therein, necessary to provide special educational facilities and services as defined in Section 14-1.08 and including also 18 facilities for activities of administration and educational 19 20 support personnel employees. Title in and to any such facilities shall be held in accordance with the joint 21 22 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 SB2344 Engrossed - 8 - LRB100 17893 AXK 33077 b

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

3 Each school district that is a party to the joint agreement shall be automatically liable, by virtue of its membership in 4 5 the joint agreement, for its proportionate share of the 6 principal amount of the bonds and notes plus interest accruing 7 thereon, as provided in the resolution. Subject to the joint 8 and several liability hereinafter provided for, the resolution 9 may provide for different payment schedules for different 10 districts except that the aggregate amount of scheduled 11 payments for each district shall be equal to its proportionate 12 share of the debt service in the bonds or notes based upon the 13 fraction that its equalized assessed valuation bears to the total equalized assessed valuation of all the district members 14 15 of the joint agreement as adjusted in the manner hereinafter 16 provided. In computing that fraction the most recent available 17 equalized assessed valuation at the time of the issuance of the bonds and notes shall be used, and the equalized assessed 18 valuation of any district maintaining grades K to 12 shall be 19 20 doubled in both the numerator and denominator of the fraction used for all of the districts that are members of the joint 21 22 agreement. In case of default in payment by any member, each 23 school district that is a party to the joint agreement shall automatically be jointly and severally liable for the amount of 24 25 any deficiency. The bonds or notes and interest thereon shall 26 be payable solely and only from the funds made available

SB2344 Engrossed - 9 - LRB100 17893 AXK 33077 b

pursuant to the procedures set forth in this subsection. No 1 2 project authorized under this subsection may require an annual 3 contribution for bond payments from any member district in excess of 0.15% of the value of taxable property as equalized 4 5 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 6 of taxable property as equalized or assessed by the Department 7 of Revenue in the case of districts maintaining grades K-12. 8 9 This limitation on taxing authority is expressly applicable to 10 taxing authority provided under Section 17-9 and other 11 applicable Sections of this Act. Nothing contained in this 12 subsection shall be construed as an exception to the property 13 tax limitations contained in Section 17-2, 17-2.2a, 17-5, or 14 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.

19 As long as any bonds or notes are outstanding and unpaid, 20 the obligation of a district to pay its proportionate share of the principal of and interest on the bonds and notes as 21 22 required in this Section shall be a general obligation of the 23 district payable from any and all sources of revenue designated for that purpose by the board of education of the district and 24 25 shall be irrevocable notwithstanding the district's withdrawal 26 from membership in the joint special education program.

SB2344 Engrossed - 10 - LRB100 17893 AXK 33077 b

(q) A member district wishing to withdraw from a joint 1 2 agreement may obtain from its school board a written resolution approving the withdrawal. The withdrawing district must then 3 present a written petition for withdrawal from the joint 4 5 agreement to the other member districts within such timelines 6 designated by the joint agreement. A member district wishing to 7 withdraw from a joint agreement under this subsection (g) must present to its school board and the other member districts 8 9 evidence that withdrawing from the joint agreement is in the 10 best needs of a child. Upon approval by school board written 11 resolution of all of the remaining member districts, the 12 petitioning member district shall be withdrawn from the joint 13 agreement effective the following July 1 and shall notify the 14 State Board of Education of the approved withdrawal in writing. 15 If the petition for withdrawal is not approved and the 16 petitioning member district is a part of a Class II county 17 school unit outside of a city of 500,000 or more inhabitants, the petitioning member district may appeal the disapproval 18 decision to the trustees of schools of the township that has 19 20 jurisdiction and authority over the withdrawing district. If a withdrawing district is not under the 21 jurisdiction and 22 authority of the trustees of schools of a township, a hearing 23 panel shall be established by the chief administrative officer of the intermediate service center having jurisdiction over the 24 25 withdrawing district. The hearing panel shall be made up of 3 26 persons who have a demonstrated interest and background in

education. Each hearing panel member must reside within an 1 2 educational service region of 2,000,000 or more inhabitants but not within the withdrawing district and may not be a current 3 school board member or employee of the withdrawing district or 4 5 hold any county office. None of the hearing panel members may reside within the same school district. The hearing panel shall 6 7 serve without remuneration; however, the necessary expenses, 8 including travel, attendant upon any meeting or hearing in 9 relation to these proceedings must be paid. If the trustees of 10 schools of the township having jurisdiction and authority over 11 the withdrawing district or the hearing panel established by 12 the chief administrative officer of the intermediate service center having jurisdiction over the withdrawing district 13 approves the petition for withdrawal, then the petitioning 14 15 member district shall be withdrawn from the joint agreement 16 effective the following July 1 and shall notify the State Board 17 of Education of the approved withdrawal in writing.

(q-5) If a member district withdraws from a joint agreement 18 19 under subsection (q) of this Section and the district was, 20 prior to the withdrawal, sending students with disabilities to special educational facilities and services in another 21 22 district under the joint agreement, the student may continue to 23 use the facilities and services of the other district, 24 regardless of the district in which the student resides, and 25 the district in which the student resides shall pay the cost of 26 those services.

SB2344 Engrossed

(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).

5 (i) Notwithstanding subsections (a), (g), and (h) of this Section or any other provision of this Code to the contrary, an 6 7 elementary school district that maintains grades up to and including grade 8, that had a 2014-2015 best 3 months' average 8 9 daily attendance of 5,209.57, and that had a 2014 equalized 10 assessed valuation of at least \$451,500,000, but not more than 11 \$452,000,000, may withdraw from its special education joint 12 agreement program consisting of 6 school districts upon 13 submission and approval of the comprehensive plan, in 14 compliance with the applicable requirements of Section 14-4.01 15 of this Code, in addition to the approval by the school board 16 of the elementary school district and notification to and the 17 filing of an intent to withdraw statement with the governing board of the joint agreement program. Such notification and 18 statement shall specify the effective date of the withdrawal, 19 20 which in no case shall be less than 60 days after the date of 21 the filing of the notification and statement. Upon receipt of 22 the notification and statement, the governing board of the 23 joint agreement program shall distribute a copy to each member 24 district of the joint agreement and shall initiate anv 25 appropriate allocation of assets and liabilities among the 26 remaining member districts to take effect upon the date of the

SB2344 Engrossed - 13 - LRB100 17893 AXK 33077 b

withdrawal. The withdrawal shall take effect upon the date
 specified in the notification and statement.

3 (Source: P.A. 99-729, eff. 8-5-16; 100-66, eff. 8-11-17.)

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