



Rep. Tracy Katz Muhl

**Filed: 3/17/2025**

10400HB2966ham002

LRB104 11974 JDS 24084 a

1 AMENDMENT TO HOUSE BILL 2966

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 2966 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The School Code is amended by adding Section  
5 2-3.206 as follows:

6 (105 ILCS 5/2-3.206 new)

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

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

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

15 (1) negotiate a proposed agreement to secure the  
16 services of a third party consultant who will conduct the

1       reorganization feasibility study;

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

7           (3) submit the completed agreement form, the signed  
8       board resolution, and such other information as the State  
9       Board of Education may, by administrative rule, require,  
10      to the regional office of education or the executive  
11      director of the intermediate service center for the  
12      district for approval.

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

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

24      (e) To ensure that eligible districts are aware of the  
25      grant-funding opportunities provided under this Section, the  
26      State Board of Education shall annually notify the board and

1 superintendent of each school district in the State of the  
2 availability of grant funds for the purpose of conducting  
3 school district reorganization feasibility studies and shall  
4 provide with that notice all of the following information:

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

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

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

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

17 (g) When issuing grants under this Section, the State  
18 Board of Education may provide a school district up to the  
19 maximum reimbursement amount set by the State Board of  
20 Education, for the purpose of covering all or part of the costs  
21 borne by the school district to conduct a reorganization  
22 feasibility study. In awarding grants under this Section, the  
23 State Board of Education shall prioritize the awarding of  
24 grants to districts that are contiguous with one another,  
25 districts that have similar property tax rates, districts with  
26 similar per-pupil adequacy funding, and, beginning in State

1 fiscal year 2030, other districts that have been identified as  
2 priority districts by the State Board of Education pursuant to  
3 rules adopted under subsection (i).

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

6 (i) The State Board of Education may adopt any rules it  
7 deems necessary to implement and administer the program of  
8 grant funding established under this Section, including, but  
9 not limited to, rules establishing the criteria that must be  
10 met by the third-party consultants who will perform the  
11 feasibility studies described in this Section, rules  
12 describing minimum criteria to be included in agreements  
13 executed with the third-party consultants who will perform the  
14 feasibility studies described in this Section, and, beginning  
15 in State fiscal year 2030, rules identifying additional types  
16 of school districts to be prioritized for grant funding under  
17 this Section. In State fiscal year 2035, and every 5 years  
18 thereafter, the State Board of Education shall reevaluate and,  
19 if necessary, amend the rules identifying additional types of  
20 school districts to be prioritized for grant funding under  
21 this Section.

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