



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.".