



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB2540

by Rep. Kathleen Willis

SYNOPSIS AS INTRODUCED:

105 ILCS 5/10-22.31

from Ch. 122, par. 10-22.31

Amends the School Code. With respect to a school district petitioning to withdraw from its special education joint agreement program, provides that if the petition for withdrawal is not approved by all of the remaining member districts and the petitioning member district is a part of a Class II county school unit outside of a city of 500,000 or more inhabitants (suburban Cook County), the petitioning member district may appeal the disapproval decision to its respective intermediate service center. Provides that if the chief administrative officer of the intermediate service center approves the petition for withdrawal, then the petitioning member district shall be withdrawn from the joint agreement effective the following July 1 and shall notify the State Board of Education of the approved withdrawal in writing. Effective immediately.

LRB100 05556 NHT 15570 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning education.

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

4 Section 5. The School Code is amended by changing Section
5 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.

8 (a) To enter into joint agreements with other school boards
9 to provide the needed special educational facilities and to
10 employ a director and other professional workers as defined in
11 Section 14-1.10 and to establish facilities as defined in
12 Section 14-1.08 for the types of children described in Sections
13 14-1.02 and 14-1.03a. The director (who may be employed under a
14 contract as provided in subsection (c) of this Section) and
15 other professional workers may be employed by one district,
16 which shall be reimbursed on a mutually agreed basis by other
17 districts that are parties to the joint agreement. Such
18 agreements may provide 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
22 program and spends over 50% of his or her time in one school
23 district shall not be required to work a different teaching

1 schedule than the other professional worker in that district.
2 Such agreement shall include, but not be limited to, provisions
3 for administration, staff, programs, financing, housing,
4 transportation, an advisory body, and the method or methods to
5 be employed for disposing of property upon the withdrawal of a
6 school district or dissolution of the joint agreement and shall
7 specify procedures for the withdrawal of districts from the
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
14 months after August 28, 2009 (the effective date of Public Act
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
18 of a school district to the joint agreement without a petition
19 as otherwise required in this Section if all member districts
20 adopt concurring resolutions to that effect. A fully executed
21 copy of any such agreement or amendment entered into on or
22 after January 1, 1989 shall be filed with the State Board of
23 Education. Petitions for withdrawal shall be made to the
24 regional board or boards of school trustees exercising
25 oversight or governance over any of the districts in the joint
26 agreement. Upon receipt of a petition for withdrawal, the

1 regional board of school trustees shall publish notice of and
2 conduct a hearing or, in instances in which more than one
3 regional board of school trustees exercises oversight or
4 governance over any of the districts in the joint agreement, a
5 joint hearing, in accordance with rules adopted by the State
6 Board of Education. In instances in which a single regional
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
14 regional board or boards of school trustees has been abolished,
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
18 with rules adopted by the State Board of Education. If any
19 petition is approved pursuant to this subsection (a), the
20 withdrawal takes effect as provided in Section 7-9 of this Act.
21 The changes to this Section made by Public Act 96-769 apply to
22 all changes to special education joint agreement membership
23 initiated after July 1, 2009.

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

1 board composed of one member of the school board of each
2 cooperating district and designated by such boards to act in
3 accordance with the joint agreement. No such governing board
4 may levy taxes and no such governing board may incur any
5 indebtedness except within an annual budget for the joint
6 agreement approved by the governing board and by the boards of
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
18 superintendents from the cooperating districts.

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

26 The contract year is July 1 through the following June

1 30th, unless the contract specifically provides otherwise.
2 Notice of intent not to renew a contract when given by a
3 controlling board or administrative district must be in writing
4 stating the specific reason therefor. Notice of intent not to
5 renew the contract must be given by the controlling board or
6 the administrative district at least 90 days before the
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.

14 (d) To designate a district that is a party to the joint
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
18 joint agreement, nor is it necessary for the same district to
19 be designated as the issuer of all series of bonds or notes
20 issued hereunder. Any district so designated may, from time to
21 time, borrow money and, in evidence of its obligation to repay
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

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

3 Any such bonds or notes shall be authorized by a resolution
4 of the board of education of the issuing district. The
5 resolution may contain such covenants as may be deemed
6 necessary or advisable by the district to assure the payment of
7 the bonds or notes. The resolution shall be effective
8 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.

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

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

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

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

5 (f) With respect to those joint agreements that have a
6 governing board composed of one member of the school board of
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,
10 the authority to issue bonds or notes for the purposes and in
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
18 and services as defined in Section 14-1.08 and including also
19 facilities for activities of administration and educational
20 support personnel employees. Title in and to any such
21 facilities shall be held in accordance with the joint
22 agreement.

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

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

3 Each school district that is a party to the joint agreement
4 shall be automatically liable, by virtue of its membership in
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
14 total equalized assessed valuation of all the district members
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
18 bonds and notes shall be used, and the equalized assessed
19 valuation of any district maintaining grades K to 12 shall be
20 doubled in both the numerator and denominator of the fraction
21 used for all of the districts that are members of the joint
22 agreement. In case of default in payment by any member, each
23 school district that is a party to the joint agreement shall
24 automatically be jointly and severally liable for the amount of
25 any deficiency. The bonds or notes and interest thereon shall
26 be payable solely and only from the funds made available

1 pursuant to the procedures set forth in this subsection. No
2 project authorized under this subsection may require an annual
3 contribution for bond payments from any member district in
4 excess of 0.15% of the value of taxable property as equalized
5 or assessed by the Department of Revenue in the case of
6 districts maintaining grades K-8 or 9-12 and 0.30% of the value
7 of taxable property as equalized or assessed by the Department
8 of Revenue in the case of districts maintaining grades K-12.
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.

15 Neither the bonds or notes nor the obligation to pay the
16 bonds or notes under any joint agreement shall constitute an
17 indebtedness of any district within the meaning of any
18 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
21 the principal of and interest on the bonds and notes as
22 required in this Section shall be a general obligation of the
23 district payable from any and all sources of revenue designated
24 for that purpose by the board of education of the district and
25 shall be irrevocable notwithstanding the district's withdrawal
26 from membership in the joint special education program.

1 (g) A member district wishing to withdraw from a joint
2 agreement may obtain from its school board a written resolution
3 approving the withdrawal. The withdrawing district must then
4 present a written petition for withdrawal from the joint
5 agreement to the other member districts within such timelines
6 designated by the joint agreement. Upon approval by school
7 board written resolution of all of the remaining member
8 districts, the petitioning member district shall be withdrawn
9 from the joint agreement effective the following July 1 and
10 shall notify the State Board of Education of the approved
11 withdrawal in writing. If the petition for withdrawal is not
12 approved and the petitioning member district is a part of a
13 Class II county school unit outside of a city of 500,000 or
14 more inhabitants, the petitioning member district may appeal
15 the disapproval decision to its respective intermediate
16 service center. If the chief administrative officer of the
17 intermediate service center approves the petition for
18 withdrawal, then the petitioning member district shall be
19 withdrawn from the joint agreement effective the following July
20 1 and shall notify the State Board of Education of the approved
21 withdrawal in writing.

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

26 (i) Notwithstanding subsections (a), (g), and (h) of this

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

24 (Source: P.A. 99-729, eff. 8-5-16.)

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