



## 100TH GENERAL ASSEMBLY

### State of Illinois

2017 and 2018

**HB0768**

by Rep. Emanuel Chris Welch

#### SYNOPSIS AS INTRODUCED:

See Index

Amends the Charter Schools Law of the School Code. Removes provisions allowing the State Charter School Commission to reverse a school board's decision to deny, revoke, or not renew a charter; makes related changes. Provides that if a charter school applicant submits a proposal to a school board outside of the process adopted by that school board for receiving charter school proposals on an annual basis, the applicant shall not have any right to submit its proposal to the State Charter School Commission as otherwise authorized. In a provision concerning a charter school proposed to be jointly authorized by 2 or more school districts and the school boards unanimously denying the charter school proposal with a statement that the school boards are not opposed to the charter school, but that they yield to the Commission in light of the complexities of joint administration, allows the charter applicant to submit the proposal to the Commission and requires the Commission to follow the same process and be subject to the same timelines for review as a school board. Allows the Commission to approve an application for a charter if certain conditions are met. Provide that the Commission may condition approval of an application on the acceptance of funding in an amount less than requested. Provides that final decisions of the Commission are subject to judicial review under the Administrative Review Law. Provides that if the Commission approves an application for a charter school, then the Commission shall act as the authorized chartering entity. Provides that if the Commission is the authorized chartering entity, then the Commission shall execute a charter agreement (instead of approve the charter agreement). Provides that the Commission has no authority to approve a charter school proposal that has been denied by a school board. Effective immediately.

LRB100 08423 NHT 18539 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 Sections  
5 27A-7.5, 27A-8, and 27A-9 as follows:

6 (105 ILCS 5/27A-7.5)

7 Sec. 27A-7.5. State Charter School Commission.

8 (a) A State Charter School Commission is established as an  
9 independent commission with statewide chartering jurisdiction  
10 and authority. The Commission shall be under the State Board  
11 for administrative purposes only.

12 (a-5) The State Board shall provide administrative support  
13 to the Commission as needed.

14 (b) The Commission is responsible for authorizing  
15 high-quality charter schools throughout this State,  
16 particularly schools designed to expand opportunities for  
17 at-risk students, consistent with the purposes of this Article.

18 (c) The Commission shall consist of 9 members, appointed by  
19 the State Board. The State Board shall make these appointments  
20 from a slate of candidates proposed by the Governor, within 60  
21 days after the effective date of this amendatory Act of the  
22 97th General Assembly with respect to the initial Commission  
23 members. In making the appointments, the State Board shall

1 ensure statewide geographic diversity among Commission  
2 members. The Governor shall propose a slate of candidates to  
3 the State Board within 60 days after the effective date of this  
4 amendatory Act of the 97th General Assembly and 60 days prior  
5 to the expiration of the term of a member thereafter. If the  
6 Governor fails to timely propose a slate of candidates  
7 according to the provisions of this subsection (c), then the  
8 State Board may appoint the member or members of the  
9 Commission.

10 (d) Members appointed to the Commission shall collectively  
11 possess strong experience and expertise in public and nonprofit  
12 governance, management and finance, public school leadership,  
13 higher education, assessments, curriculum and instruction, and  
14 public education law. All members of the Commission shall have  
15 demonstrated understanding of and a commitment to public  
16 education, including without limitation charter schooling. At  
17 least 3 members must have past experience with urban charter  
18 schools.

19 (e) To establish staggered terms of office, the initial  
20 term of office for 3 Commission members shall be 4 years and  
21 thereafter shall be 4 years; the initial term of office for  
22 another 3 members shall be 3 years and thereafter shall be 4  
23 years; and the initial term of office for the remaining 3  
24 members shall be 2 years and thereafter shall be 4 years. The  
25 initial appointments must be made no later than October 1,  
26 2011.

1 (f) Whenever a vacancy on the Commission exists, the State  
2 Board shall appoint a member for the remaining portion of the  
3 term.

4 (g) Subject to the State Officials and Employees Ethics  
5 Act, the Commission is authorized to receive and expend gifts,  
6 grants, and donations of any kind from any public or private  
7 entity to carry out the purposes of this Article, subject to  
8 the terms and conditions under which they are given, provided  
9 that all such terms and conditions are permissible under law.  
10 Funds received under this subsection (g) must be deposited into  
11 the State Charter School Commission Fund.

12 The State Charter School Commission Fund is created as a  
13 special fund in the State treasury. All money in the Fund shall  
14 be used, subject to appropriation, by the State Board, acting  
15 on behalf and with the consent of the Commission, for  
16 operational and administrative costs of the Commission.

17 Subject to appropriation, any funds appropriated for use by  
18 the State Board, acting on behalf and with the consent of the  
19 Commission, may be used for the following purposes, without  
20 limitation: personal services, contractual services, and other  
21 operational and administrative costs. The State Board is  
22 further authorized to make expenditures with respect to any  
23 other amounts deposited in accordance with law into the State  
24 Charter School Commission Fund.

25 (g-5) Funds or spending authority for the operation and  
26 administrative costs of the Commission shall be appropriated to

1 the State Board in a separate line item. The State  
2 Superintendent of Education may not reduce or modify the budget  
3 of the Commission or use funds appropriated to the Commission  
4 without the approval of the Commission.

5 (h) The Commission shall operate with dedicated resources  
6 and staff qualified to execute the day-to-day responsibilities  
7 of charter school authorizing in accordance with this Article.  
8 The Commission may employ and fix the compensation of such  
9 employees and technical assistants as it deems necessary to  
10 carry out its powers and duties under this Article, without  
11 regard to the requirements of any civil service or personnel  
12 statute; and may establish and administer standards of  
13 classification of all such persons with respect to their  
14 compensation, duties, performance, and tenure and enter into  
15 contracts of employment with such persons for such periods and  
16 on such terms as the Commission deems desirable.

17 (i) Every 2 years, the Commission shall provide to the  
18 State Board and local school boards a report on best practices  
19 in charter school authorizing, including without limitation  
20 evaluating applications, oversight of charters, and renewal of  
21 charter schools.

22 (j) The Commission may charge a charter school that it  
23 authorizes a fee, not to exceed 3% of the revenue provided to  
24 the school, to cover the cost of undertaking the ongoing  
25 administrative responsibilities of the eligible chartering  
26 authority with respect to the school. This fee must be

1 deposited into the State Charter School Commission Fund.

2 (k) Any charter school authorized by the State Board prior  
3 to this amendatory Act of the 97th General Assembly shall have  
4 its authorization transferred to the Commission upon a vote of  
5 the State Board, which shall then become the school's  
6 authorizer for all purposes under this Article. However, in no  
7 case shall such transfer take place later than July 1, 2012. At  
8 this time, all of the powers, duties, assets, liabilities,  
9 contracts, property, records, and pending business of the State  
10 Board as the school's authorizer must be transferred to the  
11 Commission. Any charter school authorized by a local school  
12 board or boards may seek transfer of authorization to the  
13 Commission during its current term only with the approval of  
14 the local school board or boards. At the end of its charter  
15 term, a charter school authorized by a local school board or  
16 boards must reapply to the board or boards before it may apply  
17 for authorization to the Commission under the terms of this  
18 amendatory Act of the 97th General Assembly.

19 On the effective date of this amendatory Act of the 97th  
20 General Assembly, all rules of the State Board applicable to  
21 matters falling within the responsibility of the Commission  
22 shall be applicable to the actions of the Commission. The  
23 Commission shall thereafter have the authority to propose to  
24 the State Board modifications to all rules applicable to  
25 matters falling within the responsibility of the Commission.  
26 The State Board shall retain rulemaking authority for the

1 Commission, but shall work jointly with the Commission on any  
2 proposed modifications. Upon recommendation of proposed rule  
3 modifications by the Commission and pursuant to the Illinois  
4 Administrative Procedure Act, the State Board shall consider  
5 such changes within the intent of this amendatory Act of the  
6 97th General Assembly and grant any and all changes consistent  
7 with that intent.

8 (1) (Blank). ~~The Commission shall have the responsibility~~  
9 ~~to consider appeals under this Article immediately upon~~  
10 ~~appointment of the initial members of the Commission under~~  
11 ~~subsection (c) of this Section. Appeals pending at the time of~~  
12 ~~initial appointment shall be determined by the Commission; the~~  
13 ~~Commission may extend the time for review as necessary for~~  
14 ~~thorough review, but in no case shall the extension exceed the~~  
15 ~~time that would have been available had the appeal been~~  
16 ~~submitted to the Commission on the date of appointment of its~~  
17 ~~initial members. In any appeal filed with the Commission under~~  
18 ~~this Article, both the applicant and the school district in~~  
19 ~~which the charter school plans to locate shall have the right~~  
20 ~~to request a hearing before the Commission. If more than one~~  
21 ~~entity requests a hearing, then the Commission may hold only~~  
22 ~~one hearing, wherein the applicant and the school district~~  
23 ~~shall have an equal opportunity to present their respective~~  
24 ~~positions.~~

25 (Source: P.A. 97-152, eff. 7-20-11; 97-641, eff. 12-19-11;  
26 97-1156, eff. 1-25-13.)

1 (105 ILCS 5/27A-8)

2 Sec. 27A-8. Evaluation of charter proposals.

3 (a) This Section does not apply to a charter school  
4 established by referendum under Section 27A-6.5. In evaluating  
5 any charter school proposal submitted to it, the local school  
6 board and the Commission shall give preference to proposals  
7 that:

8 (1) demonstrate a high level of local pupil, parental,  
9 community, business, and school personnel support;

10 (2) set rigorous levels of expected pupil achievement  
11 and demonstrate feasible plans for attaining those levels  
12 of achievement; and

13 (3) are designed to enroll and serve a substantial  
14 proportion of at-risk children; provided that nothing in  
15 the Charter Schools Law shall be construed as intended to  
16 limit the establishment of charter schools to those that  
17 serve a substantial portion of at-risk children or to in  
18 any manner restrict, limit, or discourage the  
19 establishment of charter schools that enroll and serve  
20 other pupil populations under a nonexclusive,  
21 nondiscriminatory admissions policy.

22 (b) In the case of a proposal to establish a charter school  
23 by converting an existing public school or attendance center to  
24 charter school status, evidence that the proposed formation of  
25 the charter school has received majority support from certified



1 teachers and from parents and guardians in the school or  
2 attendance center affected by the proposed charter, and, if  
3 applicable, from a local school council, shall be demonstrated  
4 by a petition in support of the charter school signed by  
5 certified teachers and a petition in support of the charter  
6 school signed by parents and guardians and, if applicable, by a  
7 vote of the local school council held at a public meeting. In  
8 the case of all other proposals to establish a charter school,  
9 evidence of sufficient support to fill the number of pupil  
10 seats set forth in the proposal may be demonstrated by a  
11 petition in support of the charter school signed by parents and  
12 guardians of students eligible to attend the charter school. In  
13 all cases, the individuals, organizations, or entities who  
14 initiate the proposal to establish a charter school may elect,  
15 in lieu of including any petition referred to in this  
16 subsection as a part of the proposal submitted to the local  
17 school board, to demonstrate that the charter school has  
18 received the support referred to in this subsection by other  
19 evidence and information presented at the public meeting that  
20 the local school board is required to convene under this  
21 Section.

22 (c) Within 45 days of receipt of a charter school proposal,  
23 the local school board shall convene a public meeting to obtain  
24 information to assist the board in its decision to grant or  
25 deny the charter school proposal. A local school board may  
26 develop its own process for receiving charter school proposals

1 on an annual basis that follows the same timeframes as set  
2 forth in this Article. Final decisions of a local school board  
3 are subject to judicial review under the Administrative Review  
4 Law. If a charter school applicant submits a proposal to a  
5 local school board outside of the process adopted by that local  
6 school board for receiving charter school proposals on an  
7 annual basis, the applicant shall not have any right to submit  
8 its proposal to the Commission as otherwise authorized in  
9 subsections (d) and (e) of this Section. Only after the local  
10 school board process is followed may a charter school applicant  
11 appeal to the Commission.

12 (d) Notice of the public meeting required by this Section  
13 shall be published in a community newspaper published in the  
14 school district in which the proposed charter is located and,  
15 if there is no such newspaper, then in a newspaper published in  
16 the county and having circulation in the school district. The  
17 notices shall be published not more than 10 days nor less than  
18 5 days before the meeting and shall state that information  
19 regarding a charter school proposal will be heard at the  
20 meeting. Copies of the notice shall also be posted at  
21 appropriate locations in the school or attendance center  
22 proposed to be established as a charter school, the public  
23 schools in the school district, and the local school board  
24 office. If 45 days pass without the local school board holding  
25 a public meeting, then the charter applicant may submit the  
26 proposal to the Commission, where it must be addressed in

1 accordance with the provisions set forth in subsection (g) of  
2 this Section.

3 (e) Within 30 days of the public meeting, the local school  
4 board shall vote, in a public meeting, to either grant or deny  
5 the charter school proposal. If the local school board has not  
6 voted in a public meeting within 30 days after the public  
7 meeting, then the charter applicant may submit the proposal to  
8 the Commission, where it must be addressed in accordance with  
9 the provisions set forth in subsection (g) of this Section.

10 (f) Within 7 days of the public meeting required under  
11 subsection (e) of this Section, the local school board shall  
12 file a report with the State Board granting or denying the  
13 proposal. If the local school board has approved the proposal,  
14 within 30 days of receipt of the local school board's report,  
15 the State Board shall determine whether the approved charter  
16 proposal is consistent with the provisions of this Article and,  
17 if the approved proposal complies, certify the proposal  
18 pursuant to Section 27A-6.

19 (g) If the charter applicant submits the proposal to the  
20 Commission as authorized ~~the local school board votes to deny~~  
21 ~~the proposal, then the charter school applicant has 30 days~~  
22 ~~from the date of that vote to submit an appeal to the~~  
23 ~~Commission. In such instances or in those instances referenced~~  
24 in subsections (d), ~~and~~ (e), and (i) of this Section, the  
25 Commission shall follow the same process and be subject to the  
26 same timelines for review as the local school board.

1           (h) The Commission may approve a charter school proposal  
2 submitted to it in accordance with subsection (d), (e), or (i)  
3 of this Section ~~The Commission may reverse a local school~~  
4 ~~board's decision to deny a charter school proposal~~ if the  
5 Commission finds that the proposal (i) is in compliance with  
6 this Article and (ii) is in the best interests of the students  
7 the charter school is designed to serve. Final decisions of the  
8 Commission are subject to judicial review under the  
9 Administrative Review Law.

10           (i) In the case of a charter school proposed to be jointly  
11 authorized by 2 or more school districts, the local school  
12 boards may unanimously deny the charter school proposal with a  
13 statement that the local school boards are not opposed to the  
14 charter school, but that they yield to the Commission in light  
15 of the complexities of joint administration, in which case the  
16 charter applicant may submit the proposal to the Commission,  
17 where it must be addressed in accordance with the provisions  
18 set forth in subsection (g) of this Section.

19           (Source: P.A. 96-105, eff. 7-30-09; 96-734, eff. 8-25-09;  
20 96-1000, eff. 7-2-10; 97-152, eff. 7-20-11.)

21           (105 ILCS 5/27A-9)

22           Sec. 27A-9. Term of charter; renewal.

23           (a) For charters granted before January 1, 2017 (the  
24 effective date of Public Act 99-840) ~~this amendatory Act of the~~  
25 ~~99th General Assembly~~, a charter may be granted for a period

1 not less than 5 and not more than 10 school years. For charters  
2 granted on or after January 1, 2017 (the effective date of  
3 Public Act 99-840) ~~this amendatory Act of the 99th General~~  
4 ~~Assembly~~, a charter shall be granted for a period of 5 school  
5 years. For charters renewed before January 1, 2017 (the  
6 effective date of Public Act 99-840) ~~this amendatory Act of the~~  
7 ~~99th General Assembly~~, a charter may be renewed in incremental  
8 periods not to exceed 5 school years. For charters renewed on  
9 or after January 1, 2017 (the effective date of Public Act  
10 99-840) ~~this amendatory Act of the 99th General Assembly~~, a  
11 charter may be renewed in incremental periods not to exceed 10  
12 school years; however, the Commission may renew a charter only  
13 in incremental periods not to exceed 5 years. Authorizers shall  
14 ensure that every charter granted on or after January 1, 2017  
15 (the effective date of Public Act 99-840) ~~this amendatory Act~~  
16 ~~of the 99th General Assembly~~ includes standards and goals for  
17 academic, organizational, and financial performance. A charter  
18 must meet all standards and goals for academic, organizational,  
19 and financial performance set forth by the authorizer in order  
20 to be renewed for a term in excess of 5 years but not more than  
21 10 years. If an authorizer fails to establish standards and  
22 goals, a charter shall not be renewed for a term in excess of 5  
23 years. Nothing contained in this Section shall require an  
24 authorizer to grant a full 10-year renewal term to any  
25 particular charter school, but an authorizer may award a full  
26 10-year renewal term to charter schools that have a

1 demonstrated track record of improving student performance.

2 (b) A charter school renewal proposal submitted to the  
3 local school board or the Commission, as the chartering entity,  
4 shall contain:

5 (1) A report on the progress of the charter school in  
6 achieving the goals, objectives, pupil performance  
7 standards, content standards, and other terms of the  
8 initial approved charter proposal; and

9 (2) A financial statement that discloses the costs of  
10 administration, instruction, and other spending categories  
11 for the charter school that is understandable to the  
12 general public and that will allow comparison of those  
13 costs to other schools or other comparable organizations,  
14 in a format required by the State Board.

15 (c) A charter may be revoked or not renewed if the local  
16 school board or the Commission, as the chartering entity,  
17 clearly demonstrates that the charter school did any of the  
18 following, or otherwise failed to comply with the requirements  
19 of this law:

20 (1) Committed a material violation of any of the  
21 conditions, standards, or procedures set forth in the  
22 charter.

23 (2) Failed to meet or make reasonable progress toward  
24 achievement of the content standards or pupil performance  
25 standards identified in the charter.

26 (3) Failed to meet generally accepted standards of

1 fiscal management.

2 (4) Violated any provision of law from which the  
3 charter school was not exempted.

4 In the case of revocation, the local school board or the  
5 Commission, as the chartering entity, shall notify the charter  
6 school in writing of the reason why the charter is subject to  
7 revocation. The charter school shall submit a written plan to  
8 the local school board or the Commission, whichever is  
9 applicable, to rectify the problem. The plan shall include a  
10 timeline for implementation, which shall not exceed 2 years or  
11 the date of the charter's expiration, whichever is earlier. If  
12 the local school board or the Commission, as the chartering  
13 entity, finds that the charter school has failed to implement  
14 the plan of remediation and adhere to the timeline, then the  
15 chartering entity shall revoke the charter. Except in  
16 situations of an emergency where the health, safety, or  
17 education of the charter school's students is at risk, the  
18 revocation shall take place at the end of a school year.  
19 Nothing in Public Act 96-105 ~~this amendatory Act of the 96th~~  
20 ~~General Assembly~~ shall be construed to prohibit an  
21 implementation timetable that is less than 2 years in duration.

22 (d) (Blank).

23 (e) The Commission may approve an application for a charter  
24 submitted to it in accordance with this Article ~~Notice of a~~  
25 ~~local school board's decision to deny, revoke or not to renew a~~  
26 ~~charter shall be provided to the Commission and the State~~

1 ~~Board. The Commission may reverse a local board's decision~~ if  
2 the Commission finds that the charter school or charter school  
3 proposal (i) is in compliance with this Article~~7~~, and (ii) is in  
4 the best interests of the students it is designed to serve. The  
5 Commission may condition approval of a charter school  
6 application ~~The Commission may condition the granting of an~~  
7 ~~appeal~~ on the acceptance by the charter school of funding in an  
8 amount less than that requested in the proposal submitted to  
9 the local school board. Final decisions of the Commission are  
10 ~~shall be~~ subject to judicial review under the Administrative  
11 Review Law.

12 (f) Notwithstanding other provisions of this Article, if  
13 the Commission approves an application for a charter school  
14 submitted to it in accordance with this Article or ~~on appeal~~  
15 ~~reverses a local board's decision or~~ if a charter school is  
16 approved by referendum under Section 27A-6.5 of this Code, the  
17 Commission shall act as the authorized chartering entity for  
18 the charter school. The Commission shall execute a ~~approve the~~  
19 charter agreement and shall perform all functions under this  
20 Article otherwise performed by the local school board. The  
21 State Board shall determine whether the charter proposal  
22 approved by the Commission is consistent with the provisions of  
23 this Article and, if the approved proposal complies, certify  
24 the proposal pursuant to this Article. The State Board shall  
25 report the aggregate number of charter school pupils resident  
26 in a school district to that district and shall notify the



1 district of the amount of funding to be paid by the State Board  
2 to the charter school enrolling such students. The Commission  
3 shall require the charter school to maintain accurate records  
4 of daily attendance that shall be deemed sufficient to file  
5 claims under Section 18-8.05 notwithstanding any other  
6 requirements of that Section regarding hours of instruction and  
7 teacher certification. The State Board shall withhold from  
8 funds otherwise due the district the funds authorized by this  
9 Article to be paid to the charter school and shall pay such  
10 amounts to the charter school.

11 (g) For charter schools authorized by the Commission, the  
12 Commission shall quarterly certify to the State Board the  
13 student enrollment for each of its charter schools.

14 (h) For charter schools authorized by the Commission, the  
15 State Board shall pay directly to a charter school any federal  
16 or State aid attributable to a student with a disability  
17 attending the school.

18 (i) The Commission has no authority under subsection (e) of  
19 this Section to approve a charter school proposal that has been  
20 denied by the local school board.

21 (Source: P.A. 98-739, eff. 7-16-14; 99-840, eff. 1-1-17;  
22 revised 10-27-16.)

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

1 INDEX

2 Statutes amended in order of appearance

3 105 ILCS 5/27A-7.5

4 105 ILCS 5/27A-8

5 105 ILCS 5/27A-9