



Sen. Linda Holmes

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1 AMENDMENT TO SENATE BILL 1226

2 AMENDMENT NO. _____. Amend Senate Bill 1226 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The State Finance Act is amended by changing
5 Section 5.796 as follows:

6 (30 ILCS 105/5.796)

7 Sec. 5.796. The State Charter School Commission Fund. This
8 Section is repealed on July 31, 2020.

9 (Source: P.A. 97-152, eff. 7-20-11; 97-813, eff. 7-13-12.)

10 Section 10. The School Code is amended by changing Sections
11 27A-3, 27A-5, 27A-6.5, 27A-7.5, 27A-7.10, 27A-8, 27A-9,
12 27A-10.10, 27A-11, 27A-11.5, and 27A-12 as follows:

13 (105 ILCS 5/27A-3)

14 Sec. 27A-3. Definitions. For purposes of this Article:

1 "At-risk pupil" means a pupil who, because of physical,
2 emotional, socioeconomic, or cultural factors, is less likely
3 to succeed in a conventional educational environment.

4 "Authorizer" means an entity authorized under this Article
5 to review applications, decide whether to approve or reject
6 applications, enter into charter contracts with applicants,
7 oversee charter schools, and decide whether to renew, not
8 renew, or revoke a charter.

9 ~~"Commission" means the State Charter School Commission~~
10 ~~established under Section 27A-7.5 of this Code.~~

11 "Local school board" means the duly elected or appointed
12 school board or board of education of a public school district,
13 including special charter districts and school districts
14 located in cities having a population of more than 500,000,
15 organized under the laws of this State.

16 "State Board" means the State Board of Education.

17 (Source: P.A. 97-152, eff. 7-20-11.)

18 (105 ILCS 5/27A-5)

19 Sec. 27A-5. Charter school; legal entity; requirements.

20 (a) A charter school shall be a public, nonsectarian,
21 nonreligious, non-home based, and non-profit school. A charter
22 school shall be organized and operated as a nonprofit
23 corporation or other discrete, legal, nonprofit entity
24 authorized under the laws of the State of Illinois.

25 (b) A charter school may be established under this Article

1 by creating a new school or by converting an existing public
2 school or attendance center to charter school status. Beginning
3 on April 16, 2003 (the effective date of Public Act 93-3), in
4 all new applications to establish a charter school in a city
5 having a population exceeding 500,000, operation of the charter
6 school shall be limited to one campus. The changes made to this
7 Section by Public Act 93-3 do not apply to charter schools
8 existing or approved on or before April 16, 2003 (the effective
9 date of Public Act 93-3).

10 (b-5) In this subsection (b-5), "virtual-schooling" means
11 a cyber school where students engage in online curriculum and
12 instruction via the Internet and electronic communication with
13 their teachers at remote locations and with students
14 participating at different times.

15 From April 1, 2013 through December 31, 2016, there is a
16 moratorium on the establishment of charter schools with
17 virtual-schooling components in school districts other than a
18 school district organized under Article 34 of this Code. This
19 moratorium does not apply to a charter school with
20 virtual-schooling components existing or approved prior to
21 April 1, 2013 or to the renewal of the charter of a charter
22 school with virtual-schooling components already approved
23 prior to April 1, 2013.

24 ~~On or before March 1, 2014, the Commission shall submit to~~
25 ~~the General Assembly a report on the effect of~~
26 ~~virtual schooling, including without limitation the effect on~~

1 ~~student performance, the costs associated with~~
2 ~~virtual schooling, and issues with oversight. The report shall~~
3 ~~include policy recommendations for virtual schooling.~~

4 (c) A charter school shall be administered and governed by
5 its board of directors or other governing body in the manner
6 provided in its charter. The governing body of a charter school
7 shall be subject to the Freedom of Information Act and the Open
8 Meetings Act.

9 (d) For purposes of this subsection (d), "non-curricular
10 health and safety requirement" means any health and safety
11 requirement created by statute or rule to provide, maintain,
12 preserve, or safeguard safe or healthful conditions for
13 students and school personnel or to eliminate, reduce, or
14 prevent threats to the health and safety of students and school
15 personnel. "Non-curricular health and safety requirement" does
16 not include any course of study or specialized instructional
17 requirement for which the State Board has established goals and
18 learning standards or which is designed primarily to impart
19 knowledge and skills for students to master and apply as an
20 outcome of their education.

21 A charter school shall comply with all non-curricular
22 health and safety requirements applicable to public schools
23 under the laws of the State of Illinois. On or before September
24 1, 2015, the State Board shall promulgate and post on its
25 Internet website a list of non-curricular health and safety
26 requirements that a charter school must meet. The list shall be

1 updated annually no later than September 1. Any charter
2 contract between a charter school and its authorizer must
3 contain a provision that requires the charter school to follow
4 the list of all non-curricular health and safety requirements
5 promulgated by the State Board and any non-curricular health
6 and safety requirements added by the State Board to such list
7 during the term of the charter. Nothing in this subsection (d)
8 precludes an authorizer from including non-curricular health
9 and safety requirements in a charter school contract that are
10 not contained in the list promulgated by the State Board,
11 including non-curricular health and safety requirements of the
12 authorizing local school board.

13 (e) Except as otherwise provided in the School Code, a
14 charter school shall not charge tuition; provided that a
15 charter school may charge reasonable fees for textbooks,
16 instructional materials, and student activities.

17 (f) A charter school shall be responsible for the
18 management and operation of its fiscal affairs including, but
19 not limited to, the preparation of its budget. An audit of each
20 charter school's finances shall be conducted annually by an
21 outside, independent contractor retained by the charter
22 school. To ensure financial accountability for the use of
23 public funds, on or before December 1 of every year of
24 operation, each charter school shall submit to its authorizer
25 and the State Board a copy of its audit and a copy of the Form
26 990 the charter school filed that year with the federal

1 Internal Revenue Service. In addition, if deemed necessary for
2 proper financial oversight of the charter school, an authorizer
3 may require quarterly financial statements from each charter
4 school.

5 (g) A charter school shall comply with all provisions of
6 this Article, the Illinois Educational Labor Relations Act, all
7 federal and State laws and rules applicable to public schools
8 that pertain to special education and the instruction of
9 English learners, and its charter. A charter school is exempt
10 from all other State laws and regulations in this Code
11 governing public schools and local school board policies;
12 however, a charter school is not exempt from the following:

13 (1) Sections 10-21.9 and 34-18.5 of this Code regarding
14 criminal history records checks and checks of the Statewide
15 Sex Offender Database and Statewide Murderer and Violent
16 Offender Against Youth Database of applicants for
17 employment;

18 (2) Sections 10-20.14, 10-22.6, 24-24, 34-19, and
19 34-84a of this Code regarding discipline of students;

20 (3) the Local Governmental and Governmental Employees
21 Tort Immunity Act;

22 (4) Section 108.75 of the General Not For Profit
23 Corporation Act of 1986 regarding indemnification of
24 officers, directors, employees, and agents;

25 (5) the Abused and Neglected Child Reporting Act;

26 (5.5) subsection (b) of Section 10-23.12 and

1 subsection (b) of Section 34-18.6 of this Code;

2 (6) the Illinois School Student Records Act;

3 (7) Section 10-17a of this Code regarding school report
4 cards;

5 (8) the P-20 Longitudinal Education Data System Act;

6 (9) Section 27-23.7 of this Code regarding bullying
7 prevention;

8 (10) Section 2-3.162 of this Code regarding student
9 discipline reporting;

10 (11) Sections 22-80 and 27-8.1 of this Code;

11 (12) Sections 10-20.60 and 34-18.53 of this Code;

12 (13) Sections 10-20.63 and 34-18.56 of this Code; ~~and~~

13 (14) Section 26-18 of this Code; and

14 (15) Section 22-30 of this Code.

15 The change made by Public Act 96-104 to this subsection (g)
16 is declaratory of existing law.

17 (h) A charter school may negotiate and contract with a
18 school district, the governing body of a State college or
19 university or public community college, or any other public or
20 for-profit or nonprofit private entity for: (i) the use of a
21 school building and grounds or any other real property or
22 facilities that the charter school desires to use or convert
23 for use as a charter school site, (ii) the operation and
24 maintenance thereof, and (iii) the provision of any service,
25 activity, or undertaking that the charter school is required to
26 perform in order to carry out the terms of its charter.

1 However, a charter school that is established on or after April
2 16, 2003 (the effective date of Public Act 93-3) and that
3 operates in a city having a population exceeding 500,000 may
4 not contract with a for-profit entity to manage or operate the
5 school during the period that commences on April 16, 2003 (the
6 effective date of Public Act 93-3) and concludes at the end of
7 the 2004-2005 school year. Except as provided in subsection (i)
8 of this Section, a school district may charge a charter school
9 reasonable rent for the use of the district's buildings,
10 grounds, and facilities. Any services for which a charter
11 school contracts with a school district shall be provided by
12 the district at cost. Any services for which a charter school
13 contracts with a local school board or with the governing body
14 of a State college or university or public community college
15 shall be provided by the public entity at cost.

16 (i) In no event shall a charter school that is established
17 by converting an existing school or attendance center to
18 charter school status be required to pay rent for space that is
19 deemed available, as negotiated and provided in the charter
20 agreement, in school district facilities. However, all other
21 costs for the operation and maintenance of school district
22 facilities that are used by the charter school shall be subject
23 to negotiation between the charter school and the local school
24 board and shall be set forth in the charter.

25 (j) A charter school may limit student enrollment by age or
26 grade level.

1 (k) If the charter school is approved by the State Board
2 ~~Commission~~, then the State Board ~~Commission~~ charter school is
3 its own local education agency.

4 (Source: P.A. 99-30, eff. 7-10-15; 99-78, eff. 7-20-15; 99-245,
5 eff. 8-3-15; 99-325, eff. 8-10-15; 99-456, eff. 9-15-16;
6 99-642, eff. 7-28-16; 99-927, eff. 6-1-17; 100-29, eff. 1-1-18;
7 100-156, eff. 1-1-18; 100-163, eff. 1-1-18; 100-413, eff.
8 1-1-18; 100-468, eff. 6-1-18; 100-726, eff. 1-1-19; 100-863,
9 eff. 8-14-18; revised 10-5-18.)

10 (105 ILCS 5/27A-6.5)

11 Sec. 27A-6.5. Charter school referendum.

12 (a) No charter shall go into effect under this Section that
13 would convert any existing private, parochial, or non-public
14 school to a charter school or whose proposal has not been
15 certified by the State Board.

16 (b) A local school board shall, whenever petitioned to do
17 so by 5% or more of the voters of a school district or
18 districts identified in a charter school proposal, order
19 submitted to the voters thereof at a regularly scheduled
20 election the question of whether a new charter school shall be
21 established, which proposal has been found by the State Board
22 ~~Commission~~ to be in compliance with the provisions of this
23 Article, and the secretary shall certify the proposition to the
24 proper election authorities for submission in accordance with
25 the general election law. The proposition shall be in

1 substantially the following form:

2 "FOR the establishment of (name of proposed charter
3 school) under charter school proposal (charter school
4 proposal number).

5 AGAINST the establishment of (name of proposed charter
6 school) under charter school proposal (charter school
7 proposal number)".

8 (c) Before circulating a petition to submit the question of
9 whether to establish a charter school to the voters under
10 subsection (b) of this Section, the governing body of a
11 proposed charter school that desires to establish a new charter
12 school by referendum shall submit the charter school proposal
13 to the State Board ~~Commission~~ in the form of a proposed
14 contract to be entered into between the State Board ~~Commission~~
15 and the governing body of the proposed charter school, together
16 with written notice of the intent to have a new charter school
17 established by referendum. The contract shall comply with the
18 provisions of this Article.

19 If the State Board ~~Commission~~ finds that the proposed
20 contract complies with the provisions of this Article, it shall
21 immediately direct the local school board to notify the proper
22 election authorities that the question of whether to establish
23 a new charter school shall be submitted for referendum.

24 (d) If the State Board ~~Commission~~ finds that the proposal
25 fails to comply with the provisions of this Article, it shall
26 provide written explanation, detailing its reasons for

1 refusal, to the local school board and to the individuals or
2 organizations submitting the proposal. The State Board
3 ~~Commission~~ shall also notify the local school board and the
4 individuals or organizations submitting the proposal that the
5 proposal may be amended and resubmitted under the same
6 provisions required for an original submission.

7 (e) If a majority of the votes cast upon the proposition in
8 each school district designated in the charter school proposal
9 is in favor of establishing a charter school, the local school
10 board shall notify the State Board ~~and the Commission~~ of the
11 passage of the proposition in favor of establishing a charter
12 school and the State Board ~~Commission~~ shall approve the charter
13 within 7 days after the State Board of Elections has certified
14 that a majority of the votes cast upon the proposition is in
15 favor of establishing a charter school. The State Board
16 ~~Commission~~ shall be the chartering entity for charter schools
17 established by referendum under this Section.

18 (f) (Blank). ~~The State Board shall determine whether the~~
19 ~~charter proposal approved by the Commission is consistent with~~
20 ~~the provisions of this Article and, if the approved proposal~~
21 ~~complies, certify the proposal pursuant to this Article.~~

22 (Source: P.A. 98-739, eff. 7-16-14.)

23 (105 ILCS 5/27A-7.5)

24 Sec. 27A-7.5. State Charter School Commission abolished;
25 transfer to State Board.

1 (a) On July 1, 2020, the A State Charter School Commission
2 is abolished and the terms of all members end. On that date,
3 all of the powers, duties, assets, liabilities, contracts,
4 property, records, and pending business of the Commission are
5 transferred to the State Board. For purposes of the Successor
6 Agency Act and Section 9b of the State Finance Act, the State
7 Board is declared to be the successor agency of the Commission.
8 Beginning on July 1, 2020, references in statutes, rules,
9 forms, and other documents to the Commission shall, in
10 appropriate contexts, be deemed to refer to the State Board.
11 Standards and procedures of the Commission in effect on July 1,
12 2020 shall be deemed standards and procedures of the State
13 Board and shall remain in effect until amended or repealed by
14 the State Board. established as an independent commission with
15 statewide chartering jurisdiction and authority. The
16 Commission shall be under the State Board for administrative
17 purposes only.

18 ~~(a 5) The State Board shall provide administrative support~~
19 ~~to the Commission as needed.~~

20 ~~(b) The Commission is responsible for authorizing~~
21 ~~high-quality charter schools throughout this State,~~
22 ~~particularly schools designed to expand opportunities for~~
23 ~~at-risk students, consistent with the purposes of this Article.~~

24 ~~(c) The Commission shall consist of 9 members, appointed by~~
25 ~~the State Board. The State Board shall make these appointments~~
26 ~~from a slate of candidates proposed by the Governor, within 60~~

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

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

22 ~~(e) To establish staggered terms of office, the initial~~
23 ~~term of office for 3 Commission members shall be 4 years and~~
24 ~~thereafter shall be 4 years; the initial term of office for~~
25 ~~another 3 members shall be 3 years and thereafter shall be 4~~
26 ~~years; and the initial term of office for the remaining 3~~

1 ~~members shall be 2 years and thereafter shall be 4 years. The~~
2 ~~initial appointments must be made no later than October 1,~~
3 ~~2011.~~

4 ~~(f) Whenever a vacancy on the Commission exists, the State~~
5 ~~Board shall appoint a member for the remaining portion of the~~
6 ~~term.~~

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

15 (b) The State Charter School Commission Fund is created as
16 a special fund in the State treasury. All money in the Fund
17 shall be used, subject to appropriation, by the State Board,
18 acting on behalf and with the consent of the Commission, for
19 operational and administrative costs of the Commission. On July
20 1, 2020, the State Comptroller shall order transferred and the
21 State Treasurer shall transfer all money in the State Charter
22 School Commission Fund to the State Board of Education Special
23 Purpose Trust Fund.

24 ~~Subject to appropriation, any funds appropriated for use by~~
25 ~~the State Board, acting on behalf and with the consent of the~~
26 ~~Commission, may be used for the following purposes, without~~

1 ~~limitation: personal services, contractual services, and other~~
2 ~~operational and administrative costs. The State Board is~~
3 ~~further authorized to make expenditures with respect to any~~
4 ~~other amounts deposited in accordance with law into the State~~
5 ~~Charter School Commission Fund.~~

6 ~~(g 5) Funds or spending authority for the operation and~~
7 ~~administrative costs of the Commission shall be appropriated to~~
8 ~~the State Board in a separate line item. The State~~
9 ~~Superintendent of Education may not reduce or modify the budget~~
10 ~~of the Commission or use funds appropriated to the Commission~~
11 ~~without the approval of the Commission.~~

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

24 ~~(i) Every 2 years, the Commission shall provide to the~~
25 ~~State Board and local school boards a report on best practices~~
26 ~~in charter school authorizing, including without limitation~~

1 ~~evaluating applications, oversight of charters, and renewal of~~
2 ~~charter schools.~~

3 ~~(j) The Commission may charge a charter school that it~~
4 ~~authorizes a fee, not to exceed 3% of the revenue provided to~~
5 ~~the school, to cover the cost of undertaking the ongoing~~
6 ~~administrative responsibilities of the eligible chartering~~
7 ~~authority with respect to the school. This fee must be~~
8 ~~deposited into the State Charter School Commission Fund.~~

9 ~~(c) On July 1, 2020, any~~ ~~(k) Any~~ charter school authorized
10 by the State Charter School Commission ~~State Board~~ prior to
11 July 1, 2020 ~~this amendatory Act of the 97th General Assembly~~
12 shall have its authorization transferred to ~~the Commission upon~~
13 ~~a vote of the State Board, which shall then become the school's~~
14 ~~authorizer for all purposes under this Article. On July 1, 2020~~
15 ~~However, in no case shall such transfer take place later than~~
16 ~~July 1, 2012. At this time, all of the powers, duties, assets,~~
17 ~~liabilities, contracts, property, records, and pending~~
18 ~~business of the~~ State Charter School Commission ~~State Board~~ as
19 the school's authorizer must be transferred to the State Board
20 ~~Commission. Any charter school authorized by a local school~~
21 ~~board or boards may seek transfer of authorization to the~~
22 ~~Commission during its current term only with the approval of~~
23 ~~the local school board or boards. At the end of its charter~~
24 ~~term, a charter school~~ may ~~authorized by a local school board~~
25 ~~or boards must~~ reapply to the board or boards for authorization
26 ~~before it may apply for authorization to the Commission under~~

1 ~~the terms of this amendatory Act of the 97th General Assembly.~~

2 (d) On July 1, 2020 ~~the effective date of this amendatory~~
3 ~~Act of the 97th General Assembly,~~ all rules of the State Board
4 applicable to matters falling within the responsibility of the
5 State Charter School Commission shall be applicable to the
6 actions of the State Board Commission. ~~The Commission shall~~
7 ~~thereafter have the authority to propose to the State Board~~
8 ~~modifications to all rules applicable to matters falling within~~
9 ~~the responsibility of the Commission. The State Board shall~~
10 ~~retain rulemaking authority for the Commission, but shall work~~
11 ~~jointly with the Commission on any proposed modifications. Upon~~
12 ~~recommendation of proposed rule modifications by the~~
13 ~~Commission and pursuant to the Illinois Administrative~~
14 ~~Procedure Act, the State Board shall consider such changes~~
15 ~~within the intent of this amendatory Act of the 97th General~~
16 ~~Assembly and grant any and all changes consistent with that~~
17 ~~intent.~~

18 ~~(1) The Commission shall have the responsibility to~~
19 ~~consider appeals under this Article immediately upon~~
20 ~~appointment of the initial members of the Commission under~~
21 ~~subsection (c) of this Section. Appeals pending at the time of~~
22 ~~initial appointment shall be determined by the Commission; the~~
23 ~~Commission may extend the time for review as necessary for~~
24 ~~thorough review, but in no case shall the extension exceed the~~
25 ~~time that would have been available had the appeal been~~
26 ~~submitted to the Commission on the date of appointment of its~~

1 ~~initial members. In any appeal filed with the Commission under~~
2 ~~this Article, both the applicant and the school district in~~
3 ~~which the charter school plans to locate shall have the right~~
4 ~~to request a hearing before the Commission. If more than one~~
5 ~~entity requests a hearing, then the Commission may hold only~~
6 ~~one hearing, wherein the applicant and the school district~~
7 ~~shall have an equal opportunity to present their respective~~
8 ~~positions.~~

9 (Source: P.A. 97-152, eff. 7-20-11; 97-641, eff. 12-19-11;
10 97-1156, eff. 1-25-13.)

11 (105 ILCS 5/27A-7.10)

12 Sec. 27A-7.10. Authorizer powers and duties; immunity;
13 principles and standards.

14 (a) Authorizers are responsible for executing, in
15 accordance with this Article, all of the following powers and
16 duties:

17 (1) Soliciting and evaluating charter applications.

18 (2) Approving quality charter applications that meet
19 identified educational needs and promote a diversity of
20 educational choices.

21 (3) Declining to approve weak or inadequate charter
22 applications.

23 (4) Negotiating and executing sound charter contracts
24 with each approved charter school.

25 (5) Monitoring, in accordance with charter contract

1 terms, the performance and legal compliance of charter
2 schools.

3 (6) Determining whether each charter contract merits
4 renewal, nonrenewal, or revocation.

5 (b) An authorizing entity may delegate its duties to
6 officers, employees, and contractors.

7 (c) Regulation by authorizers is limited to the powers and
8 duties set forth in subsection (a) of this Section and must be
9 consistent with the spirit and intent of this Article.

10 (d) An authorizing entity, members of the local school
11 board, and ~~or~~ the State Board Commission, in their official
12 capacity, and employees of an authorizer are immune from civil
13 and criminal liability with respect to all activities related
14 to a charter school that they authorize, except for willful or
15 wanton misconduct.

16 (e) The State Board Commission and all local school boards
17 that have a charter school operating are required to develop
18 and maintain chartering policies and practices consistent with
19 recognized principles and standards for quality charter
20 authorizing in all major areas of authorizing responsibility,
21 including all of the following:

- 22 (1) Organizational capacity and infrastructure.
- 23 (2) Soliciting and evaluating charter applications.
- 24 (3) Performance contracting.
- 25 (4) Ongoing charter school oversight and evaluation.
- 26 (5) Charter renewal decision-making.

1 Authorizers shall carry out all their duties under this
2 Article in a manner consistent with nationally recognized
3 principles and standards and with the spirit and intent of this
4 Article.

5 (Source: P.A. 97-152, eff. 7-20-11.)

6 (105 ILCS 5/27A-8)

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

8 (a) This Section does not apply to a charter school
9 established by referendum under Section 27A-6.5. In evaluating
10 any charter school proposal submitted to it, the local school
11 board ~~and the Commission~~ shall give preference to proposals
12 that:

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

15 (2) set rigorous levels of expected pupil achievement
16 and demonstrate feasible plans for attaining those levels
17 of achievement; and

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

1 nondiscriminatory admissions policy.

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

1 (c) Within 45 days of receipt of a charter school proposal,
2 the local school board shall convene a public meeting to obtain
3 information to assist the board in its decision to grant or
4 deny the charter school proposal. A local school board may
5 develop its own process for receiving charter school proposals
6 on an annual basis that follows the same timeframes as set
7 forth in this Article. Final decisions of a local school board
8 are subject to judicial review under the Administrative Review
9 Law. Only after the local school board process is followed may
10 a charter school applicant appeal to the Commission.

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

1 ~~this Section.~~

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

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

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

25 (h) (Blank). ~~The Commission may reverse a local school~~
26 ~~board's decision to deny a charter school proposal if the~~

1 ~~Commission finds that the proposal (i) is in compliance with~~
2 ~~this Article and (ii) is in the best interests of the students~~
3 ~~the charter school is designed to serve. Final decisions of the~~
4 ~~Commission are subject to judicial review under the~~
5 ~~Administrative Review Law.~~

6 (i) (Blank). ~~In the case of a charter school proposed to be~~
7 ~~jointly authorized by 2 or more school districts, the local~~
8 ~~school boards may unanimously deny the charter school proposal~~
9 ~~with a statement that the local school boards are not opposed~~
10 ~~to the charter school, but that they yield to the Commission in~~
11 ~~light of the complexities of joint administration.~~

12 (Source: P.A. 96-105, eff. 7-30-09; 96-734, eff. 8-25-09;
13 96-1000, eff. 7-2-10; 97-152, eff. 7-20-11.)

14 (105 ILCS 5/27A-9)

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

16 (a) For charters granted before January 1, 2017 (the
17 effective date of Public Act 99-840), a charter may be granted
18 for a period not less than 5 and not more than 10 school years.
19 For charters granted on or after January 1, 2017 (the effective
20 date of Public Act 99-840), a charter shall be granted for a
21 period of 5 school years. For charters renewed before January
22 1, 2017 (the effective date of Public Act 99-840), a charter
23 may be renewed in incremental periods not to exceed 5 school
24 years. For charters renewed on or after January 1, 2017 (the
25 effective date of Public Act 99-840), a charter may be renewed

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

18 (b) A charter school renewal proposal submitted to the
19 local school board or the State Board ~~Commission~~, as the
20 chartering entity, shall contain:

21 (1) A report on the progress of the charter school in
22 achieving the goals, objectives, pupil performance
23 standards, content standards, and other terms of the
24 initial approved charter proposal; and

25 (2) A financial statement that discloses the costs of
26 administration, instruction, and other spending categories

1 for the charter school that is understandable to the
2 general public and that will allow comparison of those
3 costs to other schools or other comparable organizations,
4 in a format required by the State Board.

5 (c) A charter may be revoked or not renewed if the local
6 school board or the State Board Commission, as the chartering
7 entity, clearly demonstrates that the charter school did any of
8 the following, or otherwise failed to comply with the
9 requirements of this law:

10 (1) Committed a material violation of any of the
11 conditions, standards, or procedures set forth in the
12 charter.

13 (2) Failed to meet or make reasonable progress toward
14 achievement of the content standards or pupil performance
15 standards identified in the charter.

16 (3) Failed to meet generally accepted standards of
17 fiscal management.

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

20 In the case of revocation, the local school board or the
21 State Board Commission, as the chartering entity, shall notify
22 the charter school in writing of the reason why the charter is
23 subject to revocation. The charter school shall submit a
24 written plan to the local school board or the State Board
25 Commission, whichever is applicable, to rectify the problem.
26 The plan shall include a timeline for implementation, which

1 shall not exceed 2 years or the date of the charter's
2 expiration, whichever is earlier. If the local school board or
3 the State Board Commission, as the chartering entity, finds
4 that the charter school has failed to implement the plan of
5 remediation and adhere to the timeline, then the chartering
6 entity shall revoke the charter. Except in situations of an
7 emergency where the health, safety, or education of the charter
8 school's students is at risk, the revocation shall take place
9 at the end of a school year. Nothing in Public Act 96-105 shall
10 be construed to prohibit an implementation timetable that is
11 less than 2 years in duration. No local school board may
12 arbitrarily or capriciously revoke or not renew a charter.
13 Except for extenuating circumstances outlined in this Section,
14 if a local school board revokes or does not renew a charter, it
15 must ensure that all students currently enrolled in the charter
16 school are placed in schools that are higher performing than
17 that charter school, as defined in the State's federal Every
18 Student Succeeds Act accountability plan. In determining
19 whether extenuating circumstances exist, a local school board
20 must detail, by clear and convincing evidence, that factors
21 unrelated to the charter school's accountability designation
22 outweigh the charter school's academic performance.

23 (d) (Blank).

24 (e) Notice of a local school board's decision to deny,
25 revoke, or not renew a charter shall be provided to the
26 ~~Commission and the State Board. The Commission may reverse a~~

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

10 (f) Notwithstanding other provisions of this Article, ~~if~~
11 ~~the Commission on appeal reverses a local board's decision or~~
12 ~~if a charter school is approved by referendum, the State Board~~
13 ~~Commission shall act as the authorized chartering entity for~~
14 ~~the charter school. The State Board Commission shall approve~~
15 ~~the charter and shall perform all functions under this Article~~
16 ~~otherwise performed by the local school board. The State Board~~
17 ~~shall determine whether the charter proposal approved by the~~
18 ~~Commission is consistent with the provisions of this Article~~
19 ~~and, if the approved proposal complies, certify the proposal~~
20 ~~pursuant to this Article.~~ The State Board shall report the
21 aggregate number of charter school pupils resident in a school
22 district to that district and shall notify the district of the
23 amount of funding to be paid by the State Board to the charter
24 school enrolling such students. The State Board ~~Commission~~
25 shall require the charter school to maintain accurate records
26 of daily attendance that shall be deemed sufficient to file

1 claims under Section ~~18-8.05 or~~ 18-8.15 notwithstanding any
2 other requirements of that Section ~~regarding hours of~~
3 ~~instruction and teacher certification~~. The State Board shall
4 withhold from funds otherwise due the district the funds
5 authorized by this Article to be paid to the charter school and
6 shall pay such amounts to the charter school.

7 (g) (Blank). ~~For charter schools authorized by the~~
8 ~~Commission, the Commission shall quarterly certify to the State~~
9 ~~Board the student enrollment for each of its charter schools.~~

10 (h) For charter schools authorized by the State Board
11 ~~Commission~~, the State Board shall pay directly to a charter
12 school any federal or State aid attributable to a student with
13 a disability attending the school.

14 (Source: P.A. 99-840, eff. 1-1-17; 100-201, eff. 8-18-17;
15 100-465, eff. 8-31-17.)

16 (105 ILCS 5/27A-10.10)

17 Sec. 27A-10.10. Closure of charter school; unspent public
18 funds; procedures for the disposition of property and assets.

19 (a) Upon the closing of a charter school authorized by one
20 or more local school boards, the governing body of the charter
21 school or its designee shall refund to the chartering entity or
22 entities all unspent public funds. The charter school's other
23 property and assets shall be disposed of under the provisions
24 of the charter application and contract. If the application and
25 contract are silent or ambiguous as to the disposition of any

1 of the school's property or assets, any property or assets of
2 the charter school purchased with public funds shall be
3 returned to the school district or districts from which the
4 charter school draws enrollment, at no cost to the receiving
5 district or districts, subject to each district's acceptance of
6 the property or asset. Any unspent public funds or other
7 property or assets received by the charter school directly from
8 any State or federal agency shall be refunded to or revert back
9 to that State or federal agency, respectively.

10 (b) Upon the closing of a charter school authorized by the
11 State Board Commission, the governing body of the charter
12 school or its designee shall refund all unspent public funds to
13 the State Board ~~of Education~~. The charter school's other
14 property and assets shall be disposed of under the provisions
15 of the charter application and contract. If the application and
16 contract are silent or ambiguous as to the disposition of any
17 of the school's property or assets, any property or assets of
18 the charter school purchased with public funds shall be
19 returned to the school district or districts from which the
20 charter school draws its enrollment, at no cost to the
21 receiving district or districts, subject to each district's
22 acceptance of the property or asset. Any unspent public funds
23 or other property or assets provided by a State agency other
24 than the State Board of Education or by a federal agency shall
25 be refunded to or revert back to that State or federal agency,
26 respectively.

1 (c) If a determination is made to close a charter school
2 located within the boundaries of a school district organized
3 under Article 34 of this Code for at least one school year, the
4 charter school shall give at least 60 days' notice of the
5 closure to all affected students and parents or legal
6 guardians.

7 (Source: P.A. 100-179, eff. 8-18-17.)

8 (105 ILCS 5/27A-11)

9 Sec. 27A-11. Local financing.

10 (a) For purposes of this ~~the School~~ Code, pupils enrolled
11 in a charter school shall be included in the pupil enrollment
12 of the school district within which the pupil resides. Each
13 charter school (i) shall determine the school district in which
14 each pupil who is enrolled in the charter school resides, (ii)
15 shall report the aggregate number of pupils resident of a
16 school district who are enrolled in the charter school to the
17 school district in which those pupils reside, and (iii) shall
18 maintain accurate records of daily attendance that shall be
19 deemed sufficient to file claims under Section ~~18-8 or~~ 18-8.15
20 notwithstanding any other requirements of that Section
21 ~~regarding hours of instruction and teacher certification.~~

22 (b) Except for a charter school established by referendum
23 under Section 27A-6.5, as part of a charter school contract,
24 the charter school and the local school board shall agree on
25 funding and any services to be provided by the school district

1 to the charter school. Agreed funding that a charter school is
2 to receive from the local school board for a school year shall
3 be paid in equal quarterly installments with the payment of the
4 installment for the first quarter being made not later than
5 July 1, unless the charter establishes a different payment
6 schedule. However, if a charter school dismisses a pupil from
7 the charter school after receiving a quarterly payment, the
8 charter school shall return to the school district, on a
9 quarterly basis, the prorated portion of public funding
10 provided for the education of that pupil for the time the
11 student is not enrolled at the charter school. Likewise, if a
12 pupil transfers to a charter school between quarterly payments,
13 the school district shall provide, on a quarterly basis, a
14 prorated portion of the public funding to the charter school to
15 provide for the education of that pupil.

16 All services centrally or otherwise provided by the school
17 district including, but not limited to, rent, food services,
18 custodial services, maintenance, curriculum, media services,
19 libraries, transportation, and warehousing shall be subject to
20 negotiation between a charter school and the local school board
21 and paid for out of the revenues negotiated pursuant to this
22 subsection (b); provided that the local school board shall not
23 attempt, by negotiation or otherwise, to obligate a charter
24 school to provide pupil transportation for pupils for whom a
25 district is not required to provide transportation under the
26 criteria set forth in subsection (a) (13) of Section 27A-7.

1 In no event shall the funding be less than 97% or more than
2 103% of the school district's per capita student tuition
3 multiplied by the number of students residing in the district
4 who are enrolled in the charter school.

5 It is the intent of the General Assembly that funding and
6 service agreements under this subsection (b) shall be neither a
7 financial incentive nor a financial disincentive to the
8 establishment of a charter school.

9 The charter school may set and collect reasonable fees.
10 Fees collected from students enrolled at a charter school shall
11 be retained by the charter school.

12 (c) Notwithstanding subsection (b) of this Section, the
13 proportionate share of State and federal resources generated by
14 students with disabilities or staff serving them shall be
15 directed to charter schools enrolling those students by their
16 school districts or administrative units. The proportionate
17 share of moneys generated under other federal or State
18 categorical aid programs shall be directed to charter schools
19 serving students eligible for that aid.

20 (d) The governing body of a charter school is authorized to
21 accept gifts, donations, or grants of any kind made to the
22 charter school and to expend or use gifts, donations, or grants
23 in accordance with the conditions prescribed by the donor;
24 however, a gift, donation, or grant may not be accepted by the
25 governing body if it is subject to any condition contrary to
26 applicable law or contrary to the terms of the contract between

1 the charter school and the local school board. Charter schools
2 shall be encouraged to solicit and utilize community volunteer
3 speakers and other instructional resources when providing
4 instruction on the Holocaust and other historical events.

5 (e) (Blank).

6 (f) The State Board ~~Commission~~ shall provide technical
7 assistance to persons and groups preparing or revising charter
8 applications.

9 (g) At the non-renewal or revocation of its charter, each
10 charter school shall refund to the local board of education all
11 unspent funds.

12 (h) A charter school is authorized to incur temporary,
13 short term debt to pay operating expenses in anticipation of
14 receipt of funds from the local school board.

15 (Source: P.A. 99-78, eff. 7-20-15; 100-465, eff. 8-31-17.)

16 (105 ILCS 5/27A-11.5)

17 Sec. 27A-11.5. State financing. The State Board of
18 Education shall make the following funds available to school
19 districts and charter schools:

20 (1) From a separate appropriation made to the State
21 Board for purposes of this subdivision (1), the State Board
22 shall make transition impact aid available to school
23 districts that approve a new charter school or that have
24 funds withheld by the State Board to fund a new charter
25 school that is chartered by the State Board ~~Commission~~. The

1 amount of the aid shall equal 90% of the per capita funding
2 paid to the charter school during the first year of its
3 initial charter term, 65% of the per capita funding paid to
4 the charter school during the second year of its initial
5 term, and 35% of the per capita funding paid to the charter
6 school during the third year of its initial term. This
7 transition impact aid shall be paid to the local school
8 board in equal quarterly installments, with the payment of
9 the installment for the first quarter being made by August
10 1st immediately preceding the first, second, and third
11 years of the initial term. The district shall file an
12 application for this aid with the State Board in a format
13 designated by the State Board. If the appropriation is
14 insufficient in any year to pay all approved claims, the
15 impact aid shall be prorated. However, for fiscal year
16 2004, the State Board of Education shall pay approved
17 claims only for charter schools with a valid charter
18 granted prior to June 1, 2003. If any funds remain after
19 these claims have been paid, then the State Board of
20 Education may pay all other approved claims on a pro rata
21 basis. Transition impact aid shall be paid beginning in the
22 1999-2000 school year for charter schools that are in the
23 first, second, or third year of their initial term.
24 Transition impact aid shall not be paid for any charter
25 school that is proposed and created by one or more boards
26 of education, as authorized under the provisions of Public

1 Act 91-405.

2 (2) From a separate appropriation made for the purpose
3 of this subdivision (2), the State Board shall make grants
4 to charter schools to pay their start-up costs of acquiring
5 educational materials and supplies, textbooks, electronic
6 textbooks and the technological equipment necessary to
7 gain access to and use electronic textbooks, furniture, and
8 other equipment or materials needed during their initial
9 term. The State Board shall annually establish the time and
10 manner of application for these grants, which shall not
11 exceed \$250 per student enrolled in the charter school.

12 (3) The Charter Schools Revolving Loan Fund is created
13 as a special fund in the State treasury. Federal funds,
14 such other funds as may be made available for costs
15 associated with the establishment of charter schools in
16 Illinois, and amounts repaid by charter schools that have
17 received a loan from the Charter Schools Revolving Loan
18 Fund shall be deposited into the Charter Schools Revolving
19 Loan Fund, and the moneys in the Charter Schools Revolving
20 Loan Fund shall be appropriated to the State Board and used
21 to provide interest-free loans to charter schools. These
22 funds shall be used to pay start-up costs of acquiring
23 educational materials and supplies, textbooks, electronic
24 textbooks and the technological equipment necessary to
25 gain access to and use electronic textbooks, furniture, and
26 other equipment or materials needed in the initial term of

1 the charter school and for acquiring and remodeling a
2 suitable physical plant, within the initial term of the
3 charter school. Loans shall be limited to one loan per
4 charter school and shall not exceed \$750 per student
5 enrolled in the charter school. A loan shall be repaid by
6 the end of the initial term of the charter school. The
7 State Board may deduct amounts necessary to repay the loan
8 from funds due to the charter school or may require that
9 the local school board that authorized the charter school
10 deduct such amounts from funds due the charter school and
11 remit these amounts to the State Board, provided that the
12 local school board shall not be responsible for repayment
13 of the loan. The State Board may use up to 3% of the
14 appropriation to contract with a non-profit entity to
15 administer the loan program.

16 (4) A charter school may apply for and receive, subject
17 to the same restrictions applicable to school districts,
18 any grant administered by the State Board that is available
19 for school districts.

20 (Source: P.A. 98-739, eff. 7-16-14; 99-840, eff. 1-1-17.)

21 (105 ILCS 5/27A-12)

22 Sec. 27A-12. Evaluation; report. On or before September 30
23 of every odd-numbered year, all local school boards with at
24 least one charter school, ~~as well as the Commission,~~ shall
25 submit to the State Board any information required by the State

1 Board pursuant to applicable rule. On or before the second
2 Wednesday in January of every even-numbered year, the State
3 Board shall issue a report to the General Assembly and the
4 Governor on its findings for the previous 2 school years. The
5 State Board's report shall summarize all of the following:

6 (1) The authorizer's strategic vision for chartering
7 and progress toward achieving that vision.

8 (2) The academic and financial performance of all
9 operating charter schools overseen by the authorizer,
10 according to the performance expectations for charter
11 schools set forth in this Article.

12 (3) The status of the authorizer's charter school
13 portfolio, identifying all charter schools in each of the
14 following categories: approved (but not yet open),
15 operating, renewed, transferred, revoked, not renewed,
16 voluntarily closed, or never opened.

17 (4) The authorizing functions provided by the
18 authorizer to the charter schools under its purview,
19 including the authorizer's operating costs and expenses
20 detailed in annual audited financial statements, which
21 must conform with generally accepted accounting
22 principles.

23 Further, in the report required by this Section, the State
24 Board (i) shall compare the performance of charter school
25 pupils with the performance of ethnically and economically
26 comparable groups of pupils in other public schools who are

1 enrolled in academically comparable courses, (ii) shall review
2 information regarding the regulations and policies from which
3 charter schools were released to determine if the exemptions
4 assisted or impeded the charter schools in meeting their stated
5 goals and objectives, and (iii) shall include suggested changes
6 in State law necessary to strengthen charter schools.

7 In addition, the State Board shall undertake and report on
8 periodic evaluations of charter schools that include
9 evaluations of student academic achievement, the extent to
10 which charter schools are accomplishing their missions and
11 goals, the sufficiency of funding for charter schools, and the
12 need for changes in the approval process for charter schools.

13 Based on the information that the State Board receives from
14 authorizers and the State Board's ongoing monitoring of both
15 charter schools and authorizers, the State Board has the power
16 to remove the power to authorize from any authorizer in this
17 State if the authorizer does not demonstrate a commitment to
18 high-quality authorization practices and, if necessary, revoke
19 the chronically low-performing charters authorized by the
20 authorizer at the time of the removal. The State Board shall
21 adopt rules as needed to carry out this power, including
22 provisions to determine the status of schools authorized by an
23 authorizer whose authorizing power is revoked.

24 (Source: P.A. 96-105, eff. 7-30-09; 97-152, eff. 7-20-11.)".