

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-9 and 27A-11.5 as follows:

6 (105 ILCS 5/27A-9)

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

8 (a) For charters granted before the effective date of this
9 amendatory Act of the 99th General Assembly, a ~~A~~ charter may be
10 granted for a period not less than 5 and not more than 10
11 school years. For charters granted on or after the effective
12 date of this amendatory Act of the 99th General Assembly, a
13 charter shall be granted for a period of 5 school years. For
14 charters renewed before the effective date of this amendatory
15 Act of the 99th General Assembly, a ~~A~~ charter may be renewed in
16 incremental periods not to exceed 5 school years. For charters
17 renewed on or after the effective date of this amendatory Act
18 of the 99th General Assembly, a charter may be renewed in
19 incremental periods not to exceed 10 school years; however, the
20 Commission may renew a charter only in incremental periods not
21 to exceed 5 years. Authorizers shall ensure that every charter
22 granted on or after the effective date of this amendatory Act
23 of the 99th General Assembly includes standards and goals for

1 academic, organizational, and financial performance. A charter
2 must meet all standards and goals for academic, organizational,
3 and financial performance set forth by the authorizer in order
4 to be renewed for a term in excess of 5 years but not more than
5 10 years. If an authorizer fails to establish standards and
6 goals, a charter shall not be renewed for a term in excess of 5
7 years. Nothing contained in this Section shall require an
8 authorizer to grant a full 10-year renewal term to any
9 particular charter school, but an authorizer may award a full
10 10-year renewal term to charter schools that have a
11 demonstrated track record of improving student performance.

12 (b) A charter school renewal proposal submitted to the
13 local school board or the Commission, as the chartering entity,
14 shall contain:

15 (1) A report on the progress of the charter school in
16 achieving the goals, objectives, pupil performance
17 standards, content standards, and other terms of the
18 initial approved charter proposal; and

19 (2) A financial statement that discloses the costs of
20 administration, instruction, and other spending categories
21 for the charter school that is understandable to the
22 general public and that will allow comparison of those
23 costs to other schools or other comparable organizations,
24 in a format required by the State Board.

25 (c) A charter may be revoked or not renewed if the local
26 school board or the Commission, as the chartering entity,

1 clearly demonstrates that the charter school did any of the
2 following, or otherwise failed to comply with the requirements
3 of this law:

4 (1) Committed a material violation of any of the
5 conditions, standards, or procedures set forth in the
6 charter.

7 (2) Failed to meet or make reasonable progress toward
8 achievement of the content standards or pupil performance
9 standards identified in the charter.

10 (3) Failed to meet generally accepted standards of
11 fiscal management.

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

14 In the case of revocation, the local school board or the
15 Commission, as the chartering entity, shall notify the charter
16 school in writing of the reason why the charter is subject to
17 revocation. The charter school shall submit a written plan to
18 the local school board or the Commission, whichever is
19 applicable, to rectify the problem. The plan shall include a
20 timeline for implementation, which shall not exceed 2 years or
21 the date of the charter's expiration, whichever is earlier. If
22 the local school board or the Commission, as the chartering
23 entity, finds that the charter school has failed to implement
24 the plan of remediation and adhere to the timeline, then the
25 chartering entity shall revoke the charter. Except in
26 situations of an emergency where the health, safety, or

1 education of the charter school's students is at risk, the
2 revocation shall take place at the end of a school year.
3 Nothing in this amendatory Act of the 96th General Assembly
4 shall be construed to prohibit an implementation timetable that
5 is less than 2 years in duration.

6 (d) (Blank).

7 (e) Notice of a local school board's decision to deny,
8 revoke or not to renew a charter shall be provided to the
9 Commission and the State Board. The Commission may reverse a
10 local board's decision if the Commission finds that the charter
11 school or charter school proposal (i) is in compliance with
12 this Article, and (ii) is in the best interests of the students
13 it is designed to serve. The Commission may condition the
14 granting of an appeal on the acceptance by the charter school
15 of funding in an amount less than that requested in the
16 proposal submitted to the local school board. Final decisions
17 of the Commission shall be subject to judicial review under the
18 Administrative Review Law.

19 (f) Notwithstanding other provisions of this Article, if
20 the Commission on appeal reverses a local board's decision or
21 if a charter school is approved by referendum, the Commission
22 shall act as the authorized chartering entity for the charter
23 school. The Commission shall approve the charter and shall
24 perform all functions under this Article otherwise performed by
25 the local school board. The State Board shall determine whether
26 the charter proposal approved by the Commission is consistent

1 with the provisions of this Article and, if the approved
2 proposal complies, certify the proposal pursuant to this
3 Article. The State Board shall report the aggregate number of
4 charter school pupils resident in a school district to that
5 district and shall notify the district of the amount of funding
6 to be paid by the State Board to the charter school enrolling
7 such students. The Commission shall require the charter school
8 to maintain accurate records of daily attendance that shall be
9 deemed sufficient to file claims under Section 18-8.05
10 notwithstanding any other requirements of that Section
11 regarding hours of instruction and teacher certification. The
12 State Board shall withhold from funds otherwise due the
13 district the funds authorized by this Article to be paid to the
14 charter school and shall pay such amounts to the charter
15 school.

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

19 (h) For charter schools authorized by the Commission, the
20 State Board shall pay directly to a charter school any federal
21 or State aid attributable to a student with a disability
22 attending the school.

23 (Source: P.A. 97-152, eff. 7-20-11; 98-739, eff. 7-16-14.)

24 (105 ILCS 5/27A-11.5)

25 Sec. 27A-11.5. State financing. The State Board of

1 Education shall make the following funds available to school
2 districts and charter schools:

3 (1) From a separate appropriation made to the State
4 Board for purposes of this subdivision (1), the State Board
5 shall make transition impact aid available to school
6 districts that approve a new charter school or that have
7 funds withheld by the State Board to fund a new charter
8 school that is chartered by the Commission. The amount of
9 the aid shall equal 90% of the per capita funding paid to
10 the charter school during the first year of its initial
11 charter term, 65% of the per capita funding paid to the
12 charter school during the second year of its initial term,
13 and 35% of the per capita funding paid to the charter
14 school during the third year of its initial term. This
15 transition impact aid shall be paid to the local school
16 board in equal quarterly installments, with the payment of
17 the installment for the first quarter being made by August
18 1st immediately preceding the first, second, and third
19 years of the initial term. The district shall file an
20 application for this aid with the State Board in a format
21 designated by the State Board. If the appropriation is
22 insufficient in any year to pay all approved claims, the
23 impact aid shall be prorated. However, for fiscal year
24 2004, the State Board of Education shall pay approved
25 claims only for charter schools with a valid charter
26 granted prior to June 1, 2003. If any funds remain after

1 these claims have been paid, then the State Board of
2 Education may pay all other approved claims on a pro rata
3 basis. Transition impact aid shall be paid beginning in the
4 1999-2000 school year for charter schools that are in the
5 first, second, or third year of their initial term.
6 Transition impact aid shall not be paid for any charter
7 school that is proposed and created by one or more boards
8 of education, as authorized under the provisions of Public
9 Act 91-405.

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

20 (3) The Charter Schools Revolving Loan Fund is created
21 as a special fund in the State treasury. Federal funds,
22 such other funds as may be made available for costs
23 associated with the establishment of charter schools in
24 Illinois, and amounts repaid by charter schools that have
25 received a loan from the Charter Schools Revolving Loan
26 Fund shall be deposited into the Charter Schools Revolving

1 Loan Fund, and the moneys in the Charter Schools Revolving
2 Loan Fund shall be appropriated to the State Board and used
3 to provide interest-free loans to charter schools. These
4 funds shall be used to pay 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 in the initial term of
9 the charter school and for acquiring and remodeling a
10 suitable physical plant, within the initial term of the
11 charter school. Loans shall be limited to one loan per
12 charter school and shall not exceed \$750 ~~\$250~~ per student
13 enrolled in the charter school. A loan shall be repaid by
14 the end of the initial term of the charter school. The
15 State Board may deduct amounts necessary to repay the loan
16 from funds due to the charter school or may require that
17 the local school board that authorized the charter school
18 deduct such amounts from funds due the charter school and
19 remit these amounts to the State Board, provided that the
20 local school board shall not be responsible for repayment
21 of the loan. The State Board may use up to 3% of the
22 appropriation to contract with a non-profit entity to
23 administer the loan program.

24 (4) A charter school may apply for and receive, subject
25 to the same restrictions applicable to school districts,
26 any grant administered by the State Board that is available

1 for school districts.

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