HB0768 Engrossed

1 AN ACT concerning education.

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

Section 5. The School Code is amended by changing Sections
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 support13 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 HB0768 Engrossed - 2 - LRB100 08423 NHT 18539 b

geographic diversity among Commission 1 statewide ensure 2 members. The Governor shall propose a slate of candidates to 3 the State Board within 60 days after the effective date of this amendatory Act of the 97th General Assembly and 60 days prior 4 5 to the expiration of the term of a member thereafter. If the Governor fails to timely propose a slate of candidates 6 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 public education law. All members of the Commission shall have 14 demonstrated understanding of and a commitment to public 15 16 education, including without limitation charter schooling. At 17 least 3 members must have past experience with urban charter schools. 18

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

HB0768 Engrossed - 3 - LRB100 08423 NHT 18539 b

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.

(q) Subject to the State Officials and Employees Ethics 4 5 Act, the Commission is authorized to receive and expend gifts, grants, and donations of any kind from any public or private 6 7 entity to carry out the purposes of this Article, subject to the terms and conditions under which they are given, provided 8 9 that all such terms and conditions are permissible under law. 10 Funds received under this subsection (q) 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 the State Board, acting on behalf and with the consent of the 18 19 Commission, may be used for the following purposes, without 20 limitation: personal services, contractual services, and other operational and administrative costs. The State Board is 21 22 further authorized to make expenditures with respect to any 23 other amounts deposited in accordance with law into the State Charter School Commission Fund. 24

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

HB0768 Engrossed - 4 - LRB100 08423 NHT 18539 b

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 without the approval of the Commission. 4

5 (h) The Commission shall operate with dedicated resources and staff qualified to execute the day-to-day responsibilities 6 of charter school authorizing in accordance with this Article. 7 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.

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

(j) The Commission may charge a charter school that it authorizes a fee, not to exceed 3% of the revenue provided to the school, to cover the cost of undertaking the ongoing administrative responsibilities of the eligible chartering authority with respect to the school. This fee must be HB0768 Engrossed - 5 - LRB100 08423 NHT 18539 b

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deposited into the State Charter School Commission Fund.

(k) Any charter school authorized by the State Board prior 2 to this amendatory Act of the 97th General Assembly shall have 3 its authorization transferred to the Commission upon a vote of 4 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 Commission during its current term only with the approval of 13 the local school board or boards. At the end of its charter 14 term, a charter school authorized by a local school board or 15 16 boards must reapply to the board or boards before it may apply 17 for authorization to the Commission under the terms of this amendatory Act of the 97th General Assembly. 18

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

HB0768 Engrossed - 6 - LRB100 08423 NHT 18539 b

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 Commission may extend the time for review as necessary 13 for thorough review, but in no case shall the extension exceed the 14 time that would have been available had the appeal been 15 16 submitted to the Commission on the date of appointment of its 17 initial members. In any appeal filed with the Commission under this Article, both the applicant and the school district in 18 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.)

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(105 ILCS 5/27A-8)

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

(3) are designed to enroll and serve a substantial 13 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 serve a substantial portion of at-risk children or to in 17 discourage 18 manner restrict, limit, any or the establishment of charter schools that enroll and serve 19 20 other pupil populations under nonexclusive, а 21 nondiscriminatory admissions policy.

(b) In the case of a proposal to establish a charter school by converting an existing public school or attendance center to charter school status, evidence that the proposed formation of the charter school has received majority support from certified HB0768 Engrossed - 8 - LRB100 08423 NHT 18539 b

teachers and from parents and quardians in the school or 1 2 attendance center affected by the proposed charter, and, if applicable, from a local school council, shall be demonstrated 3 by a petition in support of the charter school signed by 4 5 certified teachers and a petition in support of the charter school signed by parents and quardians and, if applicable, by a 6 vote of the local school council held at a public meeting. In 7 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, in lieu of including any petition referred to in this 15 16 subsection as a part of the proposal submitted to the local 17 school board, to demonstrate that the charter school has received the support referred to in this subsection by other 18 19 evidence and information presented at the public meeting that 20 the local school board is required to convene under this Section. 21

(c) Within 45 days of receipt of a charter school proposal, the local school board shall convene a public meeting to obtain information to assist the board in its decision to grant or deny the charter school proposal. A local school board may develop its own process for receiving charter school proposals HB0768 Engrossed - 9 - LRB100 08423 NHT 18539 b

on an annual basis that follows the same timeframes as set 1 2 forth in this Article. Final decisions of a local school board 3 are subject to judicial review under the Administrative Review Law. If a charter school applicant submits a proposal to a 4 5 local school board outside of the process adopted by that local school board for receiving charter school proposals on an 6 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 school district in which the proposed charter is located and, 14 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 5 days before the meeting and shall state that information 18 19 regarding a charter school proposal will be heard at the meeting. Copies of the notice shall also be posted at 20 appropriate locations in the school or attendance center 21 22 proposed to be established as a charter school, the public 23 schools in the school district, and the local school board office. If 45 days pass without the local school board holding 24 25 a public meeting, then the charter applicant may submit the proposal to the Commission, where it must be addressed in 26

HB0768 Engrossed - 10 - LRB100 08423 NHT 18539 b

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

(e) Within 30 days of the public meeting, the local school board shall vote, in a public meeting, to either grant or deny the charter school proposal. If the local school board has not voted in a public meeting within 30 days after the public meeting, then the charter applicant may submit the proposal to the Commission, where it must be addressed in accordance with 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 proposal. If the local school board has approved the proposal, 13 within 30 days of receipt of the local school board's report, 14 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 pursuant to Section 27A-6. 18

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 Commission. In such instances or in those instances referenced 23 in subsections (d), and (e), and (i) of this Section, the 24 25 Commission shall follow the same process and be subject to the same timelines for review as the local school board. 26

HB0768 Engrossed - 11 - LRB100 08423 NHT 18539 b

(h) The Commission may approve a charter school proposal 1 2 submitted to it in accordance with subsection (d), (e), or (i) 3 of this Section The Commission may reverse a local school board's decision to deny a charter school proposal if the 4 Commission finds that the proposal (i) is in compliance with 5 this Article and (ii) is in the best interests of the students 6 the charter school is designed to serve. Final decisions of the 7 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 authorized by 2 or more school districts, the local school 11 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 set forth in subsection (g) of this Section. 18

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.

(a) For charters granted before <u>January 1, 2017 (the</u>
 effective date of <u>Public Act 99-840</u>) this amendatory Act of the
 99th General Assembly, a charter may be granted for a period

HB0768 Engrossed - 12 - LRB100 08423 NHT 18539 b

not less than 5 and not more than 10 school years. For charters 1 2 granted on or after January 1, 2017 (the effective date of Public Act 99-840) this amendatory Act of the 99th General 3 Assembly, a charter shall be granted for a period of 5 school 4 5 years. For charters renewed before January 1, 2017 (the effective date of Public Act 99-840) this amendatory Act of the 6 99th General Assembly, a charter may be renewed in incremental 7 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 in incremental periods not to exceed 5 years. Authorizers shall 13 14 ensure that every charter granted on or after January 1, 2017 (the effective date of Public Act 99-840) this amendatory Act 15 16 of the 99th General Assembly includes standards and goals for 17 academic, organizational, and financial performance. A charter must meet all standards and goals for academic, organizational, 18 and financial performance set forth by the authorizer in order 19 20 to be renewed for a term in excess of 5 years but not more than 10 years. If an authorizer fails to establish standards and 21 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 а

HB0768 Engrossed - 13 - LRB100 08423 NHT 18539 b

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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:

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

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

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(3) Failed to meet generally accepted standards of

HB0768 Engrossed - 14 - LRB100 08423 NHT 18539 b

1 fiscal management.

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

In the case of revocation, the local school board or the 4 5 Commission, as the chartering entity, shall notify the charter school in writing of the reason why the charter is subject to 6 7 revocation. The charter school shall submit a written plan to the local school board or the Commission, whichever is 8 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 entity, finds that the charter school has failed to implement 13 the plan of remediation and adhere to the timeline, then the 14 15 chartering entity shall revoke the charter. Except in 16 situations of an emergency where the health, safety, or education of the charter school's students is at risk, the 17 revocation shall take place at the end of a school year. 18 19 Nothing in Public Act 96-105 this amendatory Act of the 96th 20 prohibit General Assembly shall be construed to an 21 implementation timetable that is less than 2 years in duration. (d) (Blank).

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23 (e) The Commission may approve an application for a charter submitted to it in accordance with this Article Notice of a 24 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 HB0768 Engrossed - 15 - LRB100 08423 NHT 18539 b

Board. The Commission may reverse a local board's decision if 1 2 the Commission finds that the charter school or charter school 3 proposal (i) is in compliance with this $Article_{\tau}$ and (ii) is in the best interests of the students it is designed to serve. The 4 5 Commission may condition approval of a charter school application The Commission may condition the granting of an 6 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 reverses a local board's decision or if a charter school is 15 16 approved by referendum under Section 27A-6.5 of this Code, the 17 Commission shall act as the authorized chartering entity for the charter school. The Commission shall execute a approve the 18 charter agreement and shall perform all functions under this 19 20 Article otherwise performed by the local school board. The State Board shall determine whether the charter proposal 21 22 approved by the Commission is consistent with the provisions of 23 this Article and, if the approved proposal complies, certify the proposal pursuant to this Article. The State Board shall 24 25 report the aggregate number of charter school pupils resident 26 in a school district to that district and shall notify the

HB0768 Engrossed - 16 - LRB100 08423 NHT 18539 b

district of the amount of funding to be paid by the State Board 1 2 to the charter school enrolling such students. The Commission shall require the charter school to maintain accurate records 3 of daily attendance that shall be deemed sufficient to file 4 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.

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

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

(i) The Commission has no authority under subsection (e) of
 this Section to approve a charter school proposal that has been
 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.)

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

	HB0768 Engrossed	- 17 -	LRB100 08423 NHT 18539 b
1		INDEX	
2	Statutes amende	d in order	of appearance
3	105 ILCS 5/27A-7.5		
4	105 ILCS 5/27A-8		
5	105 ILCS 5/27A-9		