



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB2971

Introduced 2/6/2025, by Rep. Angelica Guerrero-Cuellar

SYNOPSIS AS INTRODUCED:

105 ILCS 5/27A-7.5

Amends the Charter Schools Article of the School Code. Provides that that for charter schools authorized by a local school district, administrative fees withheld from a charter school for the purpose of conducting administrative duties related to the administration of charter school contracts, oversight, and authorizing services shall be capped at 3% or less of the total annual public dollars allocated to the charter school. Provides that the 3% total administrative fee collected from a charter school shall include a 2% or less administrative fee collected by a local school district for the purpose of conducting administrative duties related to the administration of charter school contracts, oversight, and authorizing services and 1% to a statewide charter school membership association for the purpose of administering state mandated board governance training. Allows the State Board of Education to withhold up to a 3% administrative fee as the sole statewide charter school authorizer for the purpose of conducting administrative duties related to the administration of charter school contracts, oversight, and authorizing services. Requires that principal metric a district shall consider for a charter school renewal to be academic achievement. Provides that a local school district authorizer shall grant renewal terms of no fewer than 5 years upon renewal of a charter agreement if the charter's average annual summative designation over the term of the contract is in the top 3 summative designations on the State Report Card.

LRB104 09788 LNS 19854 b

1 AN ACT concerning education.

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

4 Section 5. The School Code is amended by changing Section
5 27A-7.5 as follows:

6 (105 ILCS 5/27A-7.5)

7 Sec. 27A-7.5. State Charter School Commission; abolition
8 and transfer to State Board; fee.

9 (a) (Blank).

10 (a-5) (Blank).

11 (b) (Blank).

12 (c) (Blank).

13 (d) (Blank).

14 (e) (Blank).

15 (f) (Blank).

16 (g) (Blank).

17 (g-5) (Blank).

18 (h) (Blank).

19 (i) (Blank).

20 (j) The State Board may charge a charter school that it
21 authorizes a fee not to exceed 3% of the revenue provided to
22 the school to be used exclusively for covering the cost of
23 authorizing activities. Authorizing activities may include,

1 but are not limited to: (i) soliciting, reviewing, and taking
2 action on charter school proposals; (ii) hiring, training, and
3 supervising staff engaged in authorizing activities; (iii)
4 developing and conducting oversight, including regular
5 monitoring, of authorized charter schools; (iv) reporting on
6 best practices and performances of charter schools; (v)
7 applying for, managing, and distributing grants and funds
8 appropriated for charter schools and authorizing activities;
9 (vi) training members of the State Board on their authorizing
10 roles; and (vii) training other employees of the State Board
11 on how to work with charter schools as their own local
12 education agencies.

13 For charter schools authorized by a local school district,
14 administrative fees withheld from a charter school for the
15 purpose of conducting administrative duties related to the
16 administration of charter school contracts, oversight, and
17 authorizing services shall be capped at 3% or less of the total
18 annual public dollars allocated to the charter school. The 3%
19 total administrative fee collected from a charter school shall
20 include a 2% or less administrative fee collected by a local
21 school district for the purpose of conducting administrative
22 duties related to the administration of charter school
23 contracts, oversight, and authorizing services and 1% to a
24 statewide charter school membership association for the
25 purpose of administering state mandated board governance
26 training. The State Board of Education may withhold up to a 3%

1 administrative fee as the sole statewide charter school
2 authorizer for the purpose of conducting administrative duties
3 related to the administration of charter school contracts,
4 oversight, and authorizing services.

5 The principal metric a district shall consider for a
6 charter school renewal must be academic achievement. A local
7 school district authorizer shall grant renewal terms of no
8 fewer than 5 years upon renewal of a charter agreement if the
9 charter's average annual summative designation over the term
10 of the contract is in the top 3 summative designations on the
11 State Report Card, as defined by the State Board of
12 Education's school accountability system.

13 (k) On July 1, 2020, the State Charter School Commission
14 or "Commission" (established by Public Act 97-152 as an
15 independent State agency with statewide chartering
16 jurisdiction and authority) is abolished and the terms of all
17 members end. On that date, all of the powers, duties, assets,
18 liabilities, contracts, property, records, and pending
19 business of the Commission are transferred to the State Board.
20 For purposes of the Successor Agency Act and Section 9b of the
21 State Finance Act, the State Board is declared to be the
22 successor agency of the Commission. Beginning on July 1, 2020,
23 references in statutes, rules, forms, and other documents to
24 the Commission shall, in appropriate contexts, be deemed to
25 refer to the State Board. Standards and procedures of the
26 Commission in effect on July 1, 2020 shall be deemed standards

1 and procedures of the State Board and shall remain in effect
2 until amended or repealed by the State Board.

3 On July 1, 2020, any charter school authorized by the
4 Commission prior to July 1, 2020 shall have its authorization
5 transferred to the State Board, which shall then become the
6 school's authorizer for all purposes under this Article. On
7 July 1, 2020, all of the powers, duties, assets, liabilities,
8 contracts, property, records, and pending business of the
9 Commission as the school's authorizer must be transferred to
10 the State Board. At the end of its charter term, a charter
11 school may reapply to the board or boards for authorization.

12 On July 1, 2020, all rules of the State Board applicable to
13 matters falling within the responsibility of the Commission
14 shall be applicable to the actions of the State Board.

15 (1) In any appeal filed with the State Board under this
16 Article, both the applicant and the authorizing school
17 district of the charter school shall have the right to request
18 a hearing before the State Board. If more than one entity
19 requests a hearing, then the State Board may hold only one
20 hearing, wherein the applicant and the school district shall
21 have an equal opportunity to present their respective
22 positions.

23 (Source: P.A. 103-175, eff. 6-30-23.)