

1 AN ACT concerning education.

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

4 Section 5. The School Code is amended by changing Sections
5 27A-7.5 and 27A-9 as follows:

6 (105 ILCS 5/27A-7.5)

7 Sec. 27A-7.5. Fee; State Charter School Commission~~r~~
8 abolition and transfer to State Board; local charter
9 authorization pilot program; appeal hearing fee.

10 (a) (Blank).

11 (a-5) (Blank).

12 (b) (Blank).

13 (c) (Blank).

14 (d) (Blank).

15 (e) (Blank).

16 (f) (Blank).

17 (g) (Blank).

18 (g-5) (Blank).

19 (h) (Blank).

20 (i) (Blank).

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

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

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

1 Commission in effect on July 1, 2020 shall be deemed standards
2 and procedures of the State Board and shall remain in effect
3 until amended or repealed by the State Board.

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

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

16 (k-5) On July 1, 2027, there is established a local
17 charter authorization pilot program under which authorization
18 of some State-authorized charter schools shall be returned to
19 the local school board or boards, in accordance with
20 subsection (a-5) of Section 27A-9.

21 (l) In any appeal filed with the State Board under this
22 Article, both the applicant and the authorizing school
23 district of the charter school shall have the right to request
24 a hearing before the State Board. If more than one entity
25 requests a hearing, then the State Board may hold only one
26 hearing, wherein the applicant and the school district shall

1 have an equal opportunity to present their respective
2 positions.

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

4 (105 ILCS 5/27A-9)

5 Sec. 27A-9. Term of charter; transfer of authorization;
6 renewal.

7 (a) An initial charter shall be granted for a period of 5
8 school years. A charter may be renewed in incremental periods
9 not to exceed 10 school years. Authorizers shall ensure that
10 every charter granted on or after January 1, 2017 includes
11 standards and goals for academic, organizational, and
12 financial performance. A charter must meet all standards and
13 goals for academic, organizational, and financial performance
14 set forth by the authorizer in order to be renewed for a term
15 in excess of 5 years but not more than 10 years. If an
16 authorizer fails to establish standards and goals, a charter
17 shall not be renewed for a term in excess of 5 years. Nothing
18 contained in this Section shall require an authorizer to grant
19 a full 10-year renewal term to any particular charter school,
20 but an authorizer may award a full 10-year renewal term to
21 charter schools that have a demonstrated track record of
22 improving student performance.

23 (a-5) On July 1, 2027, any charter school (i) that is
24 authorized by the State Board, (ii) that is located outside of
25 the geographic area of a school district organized under

1 Article 34, and (iii) whose authorization allows for the
2 charter school to enroll students who reside within the
3 geographic boundaries of more than one school district or to
4 enroll students who reside within the geographic boundaries of
5 a school district that has a student enrollment of at least
6 29,000 students shall have the charter school's authorization
7 transferred to the local school board or boards of the
8 districts from which the charter school draws enrollment. On
9 July 1, 2027, all authorizer powers, duties, contracts, and
10 pending business of the State Board as the charter school's
11 authorizer must be transferred to the local school board or
12 boards. All charter contract terms shall remain in full force
13 and effect unless amended by mutual agreement of the parties,
14 except that the term of the contract shall be 7 years starting
15 July 1, 2027. All references in the charter contract to the
16 State Board shall, in the appropriate context, be deemed to
17 refer to the local school board or boards of the districts from
18 which the charter school draws enrollment. Renewal or
19 nonrenewal decisions of the local school board or boards at
20 the end of the initial 7-year term shall be determined as
21 provided in this Section.

22 If a State-authorized charter school that is subject to
23 transfer under this subsection is authorized to enroll
24 students from more than one school district, the local school
25 boards of the districts from which the charter school draws
26 enrollment must establish a joint charter management team that

1 consists of, at minimum, one administrator from each school
2 district. The joint charter management team must develop and
3 execute a charter oversight plan that is submitted to the
4 State Board as part of the charter certification process. The
5 plan must detail the respective roles and responsibilities of
6 each of the local school boards that is a party to the
7 agreement, including with respect to those authorizer powers
8 and duties under Section 27A-7.10. A multi-district charter
9 school may be held accountable only to one set of goals,
10 objectives, pupil performance standards, and content
11 standards.

12 Nothing in this subsection may be construed as making a
13 school district liable for any preexisting debt or obligation
14 that a charter school may have undertaken prior to the
15 transfer of authorization as described in this subsection.

16 The State Board may adopt any rules that may be necessary
17 to implement this subsection.

18 (b) A charter school renewal proposal submitted to the
19 local school board or the State Board, as the chartering
20 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, as the chartering entity,
7 clearly demonstrates that the charter school did any of the
8 following, or otherwise failed to comply with the requirements
9 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, as the chartering entity, shall notify the
22 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 whichever is applicable, to rectify the problem. The plan
26 shall include a timeline for implementation, which shall not

1 exceed 2 years or the date of the charter's expiration,
2 whichever is earlier. If the local school board or the State
3 Board, as the chartering entity, finds that the charter school
4 has failed to implement the plan of remediation and adhere to
5 the timeline, then the chartering entity shall revoke the
6 charter. Except in situations of an emergency where the
7 health, safety, or education of the charter school's students
8 is at risk, the revocation shall take place at the end of a
9 school year. Nothing in this Section shall be construed to
10 prohibit an implementation timetable that is less than 2 years
11 in duration. No local school board may arbitrarily or
12 capriciously revoke or not renew a charter. Except for
13 extenuating circumstances outlined in this Section, if a local
14 school board revokes or does not renew a charter, it must
15 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 State
26 Board.

1 The State Board may reverse a local board's decision to
2 revoke or not renew a charter if the State Board finds that the
3 charter school or charter school proposal (i) is in compliance
4 with this Article and (ii) is in the best interests of the
5 students it is designed to serve. The State Board may
6 condition the granting of an appeal on the acceptance by the
7 charter school of funding in an amount less than that
8 requested in the proposal submitted to the local school board.
9 The State Board must appoint and utilize a hearing officer for
10 any appeals conducted under this subsection. Final decisions
11 of the State Board are subject to judicial review under the
12 Administrative Review Law.

13 (f) Notwithstanding other provisions of this Article, if
14 the State Board on appeal reverses a local board's decision or
15 if a charter school is approved by referendum, the State Board
16 shall act as the authorized chartering entity for the charter
17 school and shall perform all functions under this Article
18 otherwise performed by the local school board. The State Board
19 shall report the aggregate number of charter school pupils
20 resident in a school district to that district and shall
21 notify the district of the amount of funding to be paid by the
22 State Board to the charter school enrolling such students. The
23 charter school shall maintain accurate records of daily
24 attendance and student enrollment and shall enter data on the
25 students served, their characteristics, their particular
26 needs, the programs in which they participate, and their

1 academic achievement into the statewide student information
2 system established by the State Board. The State Board shall
3 withhold from funds otherwise due the district the funds
4 authorized by this Article to be paid to the charter school and
5 shall pay such amounts to the charter school in quarterly
6 installments, calculated as follows:

7 (1) The amount of the first quarterly payment shall be
8 based on the projected number of students who will be
9 enrolled in the charter school in the upcoming school
10 year, multiplied by one-fourth of the resident district's
11 per capita tuition amount. Each charter school shall
12 submit its projected enrollment by no later than August 1
13 of each year on a form provided by the State Board for this
14 purpose.

15 (2) The amount of the second quarterly payment shall
16 be calculated such that the aggregate amount of the first
17 and second quarterly installments is equal to the number
18 of students reported as enrolled at the charter school on
19 October 1 in the State Board's student information system,
20 multiplied by one-half of the resident district's per
21 capita tuition amount.

22 (3) The amount of the third quarterly payment shall be
23 based on the number of students enrolled in the charter
24 school on January 1, multiplied by one-fourth of the
25 resident district's per capita tuition amount. Each
26 charter school shall submit its January 1 enrollment by no

1 later than January 5 of each year on a form provided by the
2 State Board for this purpose.

3 (4) The amount of the fourth quarterly payment shall
4 be calculated such that the aggregate amount of the third
5 and fourth installments is equal to the number of students
6 reported as enrolled at the charter school on March 1 in
7 the State Board's student information system, multiplied
8 by one-half of the resident district's per capita tuition
9 amount.

10 (g) (Blank).

11 (h) The State Board shall pay directly to a charter school
12 it authorizes any federal or State funding attributable to a
13 student with a disability attending the school.

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