



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB5999

by Rep. Will Guzzardi

SYNOPSIS AS INTRODUCED:

105 ILCS 5/27A-5

Amends the School Code. Provides that there is a moratorium on the establishment of new charter schools in financially distressed school districts, including new campuses of existing charter schools, for such a time as the school district meets the definition of a financially distressed school district.

LRB100 24208 AXK 43425 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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-5 as follows:

6 (105 ILCS 5/27A-5)

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

8 (a) A charter school shall be a public, nonsectarian,
9 nonreligious, non-home based, and non-profit school. A charter
10 school shall be organized and operated as a nonprofit
11 corporation or other discrete, legal, nonprofit entity
12 authorized under the laws of the State of Illinois.

13 (b) A charter school may be established under this Article
14 by creating a new school or by converting an existing public
15 school or attendance center to charter school status. Beginning
16 on April 16, 2003 (the effective date of Public Act 93-3), in
17 all new applications to establish a charter school in a city
18 having a population exceeding 500,000, operation of the charter
19 school shall be limited to one campus. The changes made to this
20 Section by Public Act 93-3 do not apply to charter schools
21 existing or approved on or before April 16, 2003 (the effective
22 date of Public Act 93-3).

23 (b-5) In this subsection (b-5), "virtual-schooling" means

1 a cyber school where students engage in online curriculum and
2 instruction via the Internet and electronic communication with
3 their teachers at remote locations and with students
4 participating at different times.

5 From April 1, 2013 through December 31, 2016, there is a
6 moratorium on the establishment of charter schools with
7 virtual-schooling components in school districts other than a
8 school district organized under Article 34 of this Code. This
9 moratorium does not apply to a charter school with
10 virtual-schooling components existing or approved prior to
11 April 1, 2013 or to the renewal of the charter of a charter
12 school with virtual-schooling components already approved
13 prior to April 1, 2013.

14 On or before March 1, 2014, the Commission shall submit to
15 the General Assembly a report on the effect of
16 virtual-schooling, including without limitation the effect on
17 student performance, the costs associated with
18 virtual-schooling, and issues with oversight. The report shall
19 include policy recommendations for virtual-schooling.

20 (b-10) In this subsection (b-10), "financially distressed
21 school district" means a school district identified by the
22 State Board of Education as a Tier 1 or Tier 2 Organizational
23 Unit under Section 18-8.15 of this Code.

24 There is a moratorium on the establishment of new charter
25 schools in financially distressed school districts, including
26 new campuses of existing charter schools, for such a time as

1 the school district meets the definition of a financially
2 distressed school district.

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

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

20 A charter school shall comply with all non-curricular
21 health and safety requirements applicable to public schools
22 under the laws of the State of Illinois. On or before September
23 1, 2015, the State Board shall promulgate and post on its
24 Internet website a list of non-curricular health and safety
25 requirements that a charter school must meet. The list shall be
26 updated annually no later than September 1. Any charter

1 contract between a charter school and its authorizer must
2 contain a provision that requires the charter school to follow
3 the list of all non-curricular health and safety requirements
4 promulgated by the State Board and any non-curricular health
5 and safety requirements added by the State Board to such list
6 during the term of the charter. Nothing in this subsection (d)
7 precludes an authorizer from including non-curricular health
8 and safety requirements in a charter school contract that are
9 not contained in the list promulgated by the State Board,
10 including non-curricular health and safety requirements of the
11 authorizing local school board.

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

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

1 proper financial oversight of the charter school, an authorizer
2 may require quarterly financial statements from each charter
3 school.

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

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

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

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

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

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

25 (5.5) subsection (b) of Section 10-23.12 and
26 subsection (b) of Section 34-18.6 of this Code;

- 1 (6) the Illinois School Student Records Act;
- 2 (7) Section 10-17a of this Code regarding school report
- 3 cards;
- 4 (8) the P-20 Longitudinal Education Data System Act;
- 5 (9) Section 27-23.7 of this Code regarding bullying
- 6 prevention;
- 7 (10) Section 2-3.162 of this Code regarding student
- 8 discipline reporting;
- 9 (11) Sections 22-80 and 27-8.1 of this Code;
- 10 (12) Sections 10-20.60 and 34-18.53 of this Code;
- 11 (13) Sections 10-20.63 and 34-18.56 of this Code; ~~and~~
- 12 (14) Section 26-18 of this Code; and
- 13 (15) Section 22-30 of this Code.

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

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

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

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

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

26 (k) If the charter school is approved by the Commission,

1 then the Commission charter school is its own local education
2 agency.

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