



## 102ND GENERAL ASSEMBLY

### State of Illinois

2021 and 2022

HB2795

Introduced 2/19/2021, by Rep. Sonya M. Harper

#### SYNOPSIS AS INTRODUCED:

105 ILCS 5/27A-5

Amends the Charter Schools Law of the School Code. With respect to a charter school's retention of an outside, independent contractor to audit the charter school's finances, provides that the contractor shall not be an employee of the charter school or affiliated with the charter school or its authorizer in any way, other than to audit the charter school's finances. Effective July 1, 2021.

LRB102 14178 CMG 19530 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-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.  
16 Beginning on April 16, 2003 (the effective date of Public Act  
17 93-3), in all new applications to establish a charter school  
18 in a city having a population exceeding 500,000, operation of  
19 the charter school shall be limited to one campus. The changes  
20 made to this Section by Public Act 93-3 do not apply to charter  
21 schools existing or approved on or before April 16, 2003 (the  
22 effective 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 (c) A charter school shall be administered and governed by  
15 its board of directors or other governing body in the manner  
16 provided in its charter. The governing body of a charter  
17 school shall be subject to the Freedom of Information Act and  
18 the Open Meetings Act. No later than January 1, 2021 (one year  
19 after the effective date of Public Act 101-291) ~~this~~  
20 ~~amendatory Act of the 101st General Assembly~~, a charter  
21 school's board of directors or other governing body must  
22 include at least one parent or guardian of a pupil currently  
23 enrolled in the charter school who may be selected through the  
24 charter school or a charter network election, appointment by  
25 the charter school's board of directors or other governing  
26 body, or by the charter school's Parent Teacher Organization

1 or its equivalent.

2 (c-5) No later than January 1, 2021 (one year after the  
3 effective date of Public Act 101-291) ~~this amendatory Act of~~  
4 ~~the 101st General Assembly~~ or within the first year of his or  
5 her first term, every voting member of a charter school's  
6 board of directors or other governing body shall complete a  
7 minimum of 4 hours of professional development leadership  
8 training to ensure that each member has sufficient familiarity  
9 with the board's or governing body's role and  
10 responsibilities, including financial oversight and  
11 accountability of the school, evaluating the principal's and  
12 school's performance, adherence to the Freedom of Information  
13 Act and the Open Meetings Act ~~Acts~~, and compliance with  
14 education and labor law. In each subsequent year of his or her  
15 term, a voting member of a charter school's board of directors  
16 or other governing body shall complete a minimum of 2 hours of  
17 professional development training in these same areas. The  
18 training under this subsection may be provided or certified by  
19 a statewide charter school membership association or may be  
20 provided or certified by other qualified providers approved by  
21 the State Board of Education.

22 (d) For purposes of this subsection (d), "non-curricular  
23 health and safety requirement" means any health and safety  
24 requirement created by statute or rule to provide, maintain,  
25 preserve, or safeguard safe or healthful conditions for  
26 students and school personnel or to eliminate, reduce, or

1 prevent threats to the health and safety of students and  
2 school personnel. "Non-curricular health and safety  
3 requirement" does not include any course of study or  
4 specialized instructional requirement for which the State  
5 Board has established goals and learning standards or which is  
6 designed primarily to impart knowledge and skills for students  
7 to master and apply as an outcome of their education.

8 A charter school shall comply with all non-curricular  
9 health and safety requirements applicable to public schools  
10 under the laws of the State of Illinois. On or before September  
11 1, 2015, the State Board shall promulgate and post on its  
12 Internet website a list of non-curricular health and safety  
13 requirements that a charter school must meet. The list shall  
14 be updated annually no later than September 1. Any charter  
15 contract between a charter school and its authorizer must  
16 contain a provision that requires the charter school to follow  
17 the list of all non-curricular health and safety requirements  
18 promulgated by the State Board and any non-curricular health  
19 and safety requirements added by the State Board to such list  
20 during the term of the charter. Nothing in this subsection (d)  
21 precludes an authorizer from including non-curricular health  
22 and safety requirements in a charter school contract that are  
23 not contained in the list promulgated by the State Board,  
24 including non-curricular health and safety requirements of the  
25 authorizing local school board.

26 (e) Except as otherwise provided in the School Code, a

1 charter school shall not charge tuition; provided that a  
2 charter school may charge reasonable fees for textbooks,  
3 instructional materials, and student activities.

4 (f) A charter school shall be responsible for the  
5 management and operation of its fiscal affairs, including, but  
6 not limited to, the preparation of its budget. An audit of each  
7 charter school's finances shall be conducted annually by an  
8 outside, independent contractor retained by the charter  
9 school. The contractor shall not be an employee of the charter  
10 school or affiliated with the charter school or its authorizer  
11 in any way, other than to audit the charter school's finances.

12 To ensure financial accountability for the use of public  
13 funds, on or before December 1 of every year of operation, each  
14 charter school shall submit to its authorizer and the State  
15 Board a copy of its audit and a copy of the Form 990 the  
16 charter school filed that year with the federal Internal  
17 Revenue Service. In addition, if deemed necessary for proper  
18 financial oversight of the charter school, an authorizer may  
19 require quarterly financial statements from each charter  
20 school.

21 (g) A charter school shall comply with all provisions of  
22 this Article, the Illinois Educational Labor Relations Act,  
23 all federal and State laws and rules applicable to public  
24 schools that pertain to special education and the instruction  
25 of English learners, and its charter. A charter school is  
26 exempt from all other State laws and regulations in this Code

1 governing public schools and local school board policies;  
2 however, a charter school is not exempt from the following:

3 (1) Sections 10-21.9 and 34-18.5 of this Code  
4 regarding criminal history records checks and checks of  
5 the Statewide Sex Offender Database and Statewide Murderer  
6 and Violent Offender Against Youth Database of applicants  
7 for employment;

8 (2) Sections 10-20.14, 10-22.6, 24-24, 34-19, and  
9 34-84a of this Code regarding discipline of students;

10 (3) the Local Governmental and Governmental Employees  
11 Tort Immunity Act;

12 (4) Section 108.75 of the General Not For Profit  
13 Corporation Act of 1986 regarding indemnification of  
14 officers, directors, employees, and agents;

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

16 (5.5) subsection (b) of Section 10-23.12 and  
17 subsection (b) of Section 34-18.6 of this Code;

18 (6) the Illinois School Student Records Act;

19 (7) Section 10-17a of this Code regarding school  
20 report cards;

21 (8) the P-20 Longitudinal Education Data System Act;

22 (9) Section 27-23.7 of this Code regarding bullying  
23 prevention;

24 (10) Section 2-3.162 of this Code regarding student  
25 discipline reporting;

26 (11) Sections 22-80 and 27-8.1 of this Code;

- 1 (12) Sections 10-20.60 and 34-18.53 of this Code;  
2 (13) Sections 10-20.63 and 34-18.56 of this Code;  
3 (14) Section 26-18 of this Code;  
4 (15) Section 22-30 of this Code; ~~and~~  
5 (16) Sections 24-12 and 34-85 of this Code; and-  
6 (17) the ~~(16) The~~ Seizure Smart School Act.

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

9 (h) A charter school may negotiate and contract with a  
10 school district, the governing body of a State college or  
11 university or public community college, or any other public or  
12 for-profit or nonprofit private entity for: (i) the use of a  
13 school building and grounds or any other real property or  
14 facilities that the charter school desires to use or convert  
15 for use as a charter school site, (ii) the operation and  
16 maintenance thereof, and (iii) the provision of any service,  
17 activity, or undertaking that the charter school is required  
18 to perform in order to carry out the terms of its charter.  
19 However, a charter school that is established on or after  
20 April 16, 2003 (the effective date of Public Act 93-3) and that  
21 operates in a city having a population exceeding 500,000 may  
22 not contract with a for-profit entity to manage or operate the  
23 school during the period that commences on April 16, 2003 (the  
24 effective date of Public Act 93-3) and concludes at the end of  
25 the 2004-2005 school year. Except as provided in subsection  
26 (i) of this Section, a school district may charge a charter



1 school reasonable rent for the use of the district's  
2 buildings, grounds, and facilities. Any services for which a  
3 charter school contracts with a school district shall be  
4 provided by the district at cost. Any services for which a  
5 charter school contracts with a local school board or with the  
6 governing body of a State college or university or public  
7 community college shall be provided by the public entity at  
8 cost.

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

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

20 (k) If the charter school is approved by the State Board or  
21 Commission, then the charter school is its own local education  
22 agency.

23 (Source: P.A. 100-29, eff. 1-1-18; 100-156, eff. 1-1-18;  
24 100-163, eff. 1-1-18; 100-413, eff. 1-1-18; 100-468, eff.  
25 6-1-18; 100-726, eff. 1-1-19; 100-863, eff. 8-14-18; 101-50,  
26 eff. 7-1-20; 101-81, eff. 7-12-19; 101-291, eff. 1-1-20;

1 101-531, eff. 8-23-19; 101-543, eff. 8-23-19; revised 8-4-20.)

2 Section 99. Effective date. This Act takes effect July 1,  
3 2021.