



**94TH GENERAL ASSEMBLY**  
**State of Illinois**  
**2005 and 2006**  
**HB5222**

Introduced 01/24/06, by Rep. Michael P. McAuliffe - Angelo Saviano

**SYNOPSIS AS INTRODUCED:**

105 ILCS 5/27A-5

Amends the Charter Schools Law of the School Code. Provides that beginning on the effective date of the amendatory Act, a charter school may not enter into or renew a contract with a for-profit entity to manage or operate the school.

LRB094 16217 NHT 51461 b

FISCAL NOTE ACT  
MAY APPLY

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 the effective date of this amendatory Act of the 93rd  
17 General Assembly, in all new applications submitted to the  
18 State Board or a local school board to establish a charter  
19 school in a city having a population exceeding 500,000,  
20 operation of the charter school shall be limited to one campus.  
21 The changes made to this Section by this amendatory Act of the  
22 93rd General Assembly do not apply to charter schools existing  
23 or approved on or before the effective date of this amendatory  
24 Act.

25 (c) A charter school shall be administered and governed by  
26 its board of directors or other governing body in the manner  
27 provided in its charter. The governing body of a charter school  
28 shall be subject to the Freedom of Information Act and the Open  
29 Meetings Act.

30 (d) A charter school shall comply with all applicable  
31 health and safety requirements applicable to public schools  
32 under the laws of the State of Illinois.

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

5 (f) A charter school shall be responsible for the  
6 management and operation of its fiscal affairs including, but  
7 not limited to, the preparation of its budget. An audit of each  
8 charter school's finances shall be conducted annually by an  
9 outside, independent contractor retained by the charter  
10 school.

11 (g) A charter school shall comply with all provisions of  
12 this Article and its charter. A charter school is exempt from  
13 all other State laws and regulations in the School Code  
14 governing public schools and local school board policies,  
15 except the following:

16 (1) Sections 10-21.9 and 34-18.5 of the School Code  
17 regarding criminal history records checks and checks of the  
18 Statewide Sex Offender Database of applicants for  
19 employment;

20 (2) Sections 24-24 and 34-84A of the School Code  
21 regarding discipline of students;

22 (3) The Local Governmental and Governmental Employees  
23 Tort Immunity Act;

24 (4) Section 108.75 of the General Not For Profit  
25 Corporation Act of 1986 regarding indemnification of  
26 officers, directors, employees, and agents;

27 (5) The Abused and Neglected Child Reporting Act;

28 (6) The Illinois School Student Records Act; and

29 (7) Section 10-17a of the School Code regarding school  
30 report cards.

31 (h) A charter school may negotiate and contract with a  
32 school district, the governing body of a State college or  
33 university or public community college, or any other public or  
34 for-profit or nonprofit private entity for: (i) the use of a  
35 school building and grounds or any other real property or  
36 facilities that the charter school desires to use or convert

1 for use as a charter school site, (ii) the operation and  
2 maintenance thereof, and (iii) the provision of any service,  
3 activity, or undertaking that the charter school is required to  
4 perform in order to carry out the terms of its charter.  
5 However, beginning on the effective date of this amendatory Act  
6 of the 94th General Assembly, a charter school may not enter  
7 into or renew a contract ~~that is established on or after the~~  
8 ~~effective date of this amendatory Act of the 93rd General~~  
9 ~~Assembly and that operates in a city having a population~~  
10 ~~exceeding 500,000 may not contract~~ with a for-profit entity to  
11 manage or operate the school ~~during the period that commences~~  
12 ~~on the effective date of this amendatory Act of the 93rd~~  
13 ~~General Assembly and concludes at the end of the 2004-2005~~  
14 ~~school year.~~ Except as provided in subsection (i) of this  
15 Section, a school district may charge a charter school  
16 reasonable rent for the use of the district's buildings,  
17 grounds, and facilities. Any services for which a charter  
18 school contracts with a school district shall be provided by  
19 the district at cost. Any services for which a charter school  
20 contracts with a local school board or with the governing body  
21 of a State college or university or public community college  
22 shall be provided by the public entity at cost.

23 (i) In no event shall a charter school that is established  
24 by converting an existing school or attendance center to  
25 charter school status be required to pay rent for space that is  
26 deemed available, as negotiated and provided in the charter  
27 agreement, in school district facilities. However, all other  
28 costs for the operation and maintenance of school district  
29 facilities that are used by the charter school shall be subject  
30 to negotiation between the charter school and the local school  
31 board and shall be set forth in the charter.

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

34 (Source: P.A. 93-3, eff. 4-16-03; 93-909, eff. 8-12-04; 94-219,  
35 eff. 7-14-05.)