



Rep. Ron Sandack

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1 AMENDMENT TO HOUSE BILL 397

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 397, AS AMENDED, by  
3 replacing everything after the enacting clause with the  
4 following:

5 "Section 5. The School Code is amended by changing Sections  
6 27A-7.5, 27A-8, 27A-9, and 27A-11.5 as follows:

7 (105 ILCS 5/27A-7.5)

8 Sec. 27A-7.5. State Charter School Commission.

9 (a) A State Charter School Commission is established as an  
10 independent commission with statewide chartering jurisdiction  
11 and authority. The Commission shall be under the State Board  
12 for administrative purposes only.

13 (a-5) The State Board shall provide administrative support  
14 to the Commission as needed.

15 (b) The Commission is responsible for authorizing  
16 high-quality charter schools throughout this State,

1 particularly schools designed to expand opportunities for  
2 at-risk students, consistent with the purposes of this Article.

3 (c) The Commission shall consist of 9 members, appointed by  
4 the State Board. The State Board shall make these appointments  
5 from a slate of candidates proposed by the Governor, within 60  
6 days after the effective date of this amendatory Act of the  
7 97th General Assembly with respect to the initial Commission  
8 members. In making the appointments, the State Board shall  
9 ensure statewide geographic diversity among Commission  
10 members. The Governor shall propose a slate of candidates to  
11 the State Board within 60 days after the effective date of this  
12 amendatory Act of the 97th General Assembly and 60 days prior  
13 to the expiration of the term of a member thereafter. If the  
14 Governor fails to timely propose a slate of candidates  
15 according to the provisions of this subsection (c), then the  
16 State Board may appoint the member or members of the  
17 Commission.

18 (d) Members appointed to the Commission shall collectively  
19 possess strong experience and expertise in public and nonprofit  
20 governance, management and finance, public school leadership,  
21 higher education, assessments, curriculum and instruction, and  
22 public education law. All members of the Commission shall have  
23 demonstrated understanding of and a commitment to public  
24 education, including without limitation charter schooling. At  
25 least 3 members must have past experience with urban charter  
26 schools.

1           (e) To establish staggered terms of office, the initial  
2 term of office for 3 Commission members shall be 4 years and  
3 thereafter shall be 4 years; the initial term of office for  
4 another 3 members shall be 3 years and thereafter shall be 4  
5 years; and the initial term of office for the remaining 3  
6 members shall be 2 years and thereafter shall be 4 years. The  
7 initial appointments must be made no later than October 1,  
8 2011.

9           (f) Whenever a vacancy on the Commission exists, the State  
10 Board shall appoint a member for the remaining portion of the  
11 term.

12           (g) Subject to the State Officials and Employees Ethics  
13 Act, the Commission is authorized to receive and expend gifts,  
14 grants, and donations of any kind from any public or private  
15 entity to carry out the purposes of this Article, subject to  
16 the terms and conditions under which they are given, provided  
17 that all such terms and conditions are permissible under law.  
18 Funds received under this subsection (g) must be deposited into  
19 the State Charter School Commission Fund.

20           The State Charter School Commission Fund is created as a  
21 special fund in the State treasury. All money in the Fund shall  
22 be used, subject to appropriation, by the State Board, acting  
23 on behalf and with the consent of the Commission, for  
24 operational and administrative costs of the Commission.

25           Subject to appropriation, any funds appropriated for use by  
26 the State Board, acting on behalf and with the consent of the

1 Commission, may be used for the following purposes, without  
2 limitation: personal services, contractual services, and other  
3 operational and administrative costs. The State Board is  
4 further authorized to make expenditures with respect to any  
5 other amounts deposited in accordance with law into the State  
6 Charter School Commission Fund.

7 (g-5) Funds or spending authority for the operation and  
8 administrative costs of the Commission shall be appropriated to  
9 the State Board in a separate line item. The State  
10 Superintendent of Education may not reduce or modify the budget  
11 of the Commission or use funds appropriated to the Commission  
12 without the approval of the Commission.

13 (h) The Commission shall operate with dedicated resources  
14 and staff qualified to execute the day-to-day responsibilities  
15 of charter school authorizing in accordance with this Article.  
16 The Commission may employ and fix the compensation of such  
17 employees and technical assistants as it deems necessary to  
18 carry out its powers and duties under this Article, without  
19 regard to the requirements of any civil service or personnel  
20 statute; and may establish and administer standards of  
21 classification of all such persons with respect to their  
22 compensation, duties, performance, and tenure and enter into  
23 contracts of employment with such persons for such periods and  
24 on such terms as the Commission deems desirable.

25 (i) Every 2 years, the Commission shall provide to the  
26 State Board and local school boards a report on best practices

1 in charter school authorizing, including without limitation  
2 evaluating applications, oversight of charters, and renewal of  
3 charter schools.

4 (j) The Commission may charge a charter school that it  
5 authorizes a fee, not to exceed 3% of the revenue provided to  
6 the school, to cover the cost of undertaking the ongoing  
7 administrative responsibilities of the eligible chartering  
8 authority with respect to the school. This fee must be  
9 deposited into the State Charter School Commission Fund.

10 (k) Any charter school authorized by the State Board prior  
11 to this amendatory Act of the 97th General Assembly shall have  
12 its authorization transferred to the Commission upon a vote of  
13 the State Board, which shall then become the school's  
14 authorizer for all purposes under this Article. However, in no  
15 case shall such transfer take place later than July 1, 2012. At  
16 this time, all of the powers, duties, assets, liabilities,  
17 contracts, property, records, and pending business of the State  
18 Board as the school's authorizer must be transferred to the  
19 Commission. Any charter school authorized by a local school  
20 board or boards may seek transfer of authorization to the  
21 Commission during its current term only with the approval of  
22 the local school board or boards. At the end of its charter  
23 term, a charter school authorized by a local school board or  
24 boards must reapply to the board or boards before it may apply  
25 for authorization to the Commission under the terms of this  
26 amendatory Act of the 97th General Assembly.

1           On the effective date of this amendatory Act of the 97th  
2 General Assembly, all rules of the State Board applicable to  
3 matters falling within the responsibility of the Commission  
4 shall be applicable to the actions of the Commission. The  
5 Commission shall thereafter have the authority to propose to  
6 the State Board modifications to all rules applicable to  
7 matters falling within the responsibility of the Commission.  
8 The State Board shall retain rulemaking authority for the  
9 Commission, but shall work jointly with the Commission on any  
10 proposed modifications. Upon recommendation of proposed rule  
11 modifications by the Commission and pursuant to the Illinois  
12 Administrative Procedure Act, the State Board shall consider  
13 such changes within the intent of this amendatory Act of the  
14 97th General Assembly and grant any and all changes consistent  
15 with that intent.

16           (1) (Blank). ~~The Commission shall have the responsibility~~  
17 ~~to consider appeals under this Article immediately upon~~  
18 ~~appointment of the initial members of the Commission under~~  
19 ~~subsection (c) of this Section. Appeals pending at the time of~~  
20 ~~initial appointment shall be determined by the Commission; the~~  
21 ~~Commission may extend the time for review as necessary for~~  
22 ~~thorough review, but in no case shall the extension exceed the~~  
23 ~~time that would have been available had the appeal been~~  
24 ~~submitted to the Commission on the date of appointment of its~~  
25 ~~initial members. In any appeal filed with the Commission under~~  
26 ~~this Article, both the applicant and the school district in~~

1 ~~which the charter school plans to locate shall have the right~~  
2 ~~to request a hearing before the Commission. If more than one~~  
3 ~~entity requests a hearing, then the Commission may hold only~~  
4 ~~one hearing, wherein the applicant and the school district~~  
5 ~~shall have an equal opportunity to present their respective~~  
6 ~~positions.~~

7 (Source: P.A. 97-152, eff. 7-20-11; 97-641, eff. 12-19-11;  
8 97-1156, eff. 1-25-13.)

9 (105 ILCS 5/27A-8)

10 Sec. 27A-8. Evaluation of charter proposals.

11 (a) This Section does not apply to a charter school  
12 established by referendum under Section 27A-6.5. In evaluating  
13 any charter school proposal submitted to it, the local school  
14 board and the Commission shall give preference to proposals  
15 that:

16 (1) demonstrate a high level of local pupil, parental,  
17 community, business, and school personnel support;

18 (2) set rigorous levels of expected pupil achievement  
19 and demonstrate feasible plans for attaining those levels  
20 of achievement; and

21 (3) are designed to enroll and serve a substantial  
22 proportion of at-risk children; provided that nothing in  
23 the Charter Schools Law shall be construed as intended to  
24 limit the establishment of charter schools to those that  
25 serve a substantial portion of at-risk children or to in

1 any manner restrict, limit, or discourage the  
2 establishment of charter schools that enroll and serve  
3 other pupil populations under a nonexclusive,  
4 nondiscriminatory admissions policy.

5 (b) In the case of a proposal to establish a charter school  
6 by converting an existing public school or attendance center to  
7 charter school status, evidence that the proposed formation of  
8 the charter school has received majority support from certified  
9 teachers and from parents and guardians in the school or  
10 attendance center affected by the proposed charter, and, if  
11 applicable, from a local school council, shall be demonstrated  
12 by a petition in support of the charter school signed by  
13 certified teachers and a petition in support of the charter  
14 school signed by parents and guardians and, if applicable, by a  
15 vote of the local school council held at a public meeting. In  
16 the case of all other proposals to establish a charter school,  
17 evidence of sufficient support to fill the number of pupil  
18 seats set forth in the proposal may be demonstrated by a  
19 petition in support of the charter school signed by parents and  
20 guardians of students eligible to attend the charter school. In  
21 all cases, the individuals, organizations, or entities who  
22 initiate the proposal to establish a charter school may elect,  
23 in lieu of including any petition referred to in this  
24 subsection as a part of the proposal submitted to the local  
25 school board or the Commission, to demonstrate that the charter  
26 school has received the support referred to in this subsection



1 by other evidence and information presented at the public  
2 meeting that the local school board is required to convene  
3 under this Section.

4 (c) A charter school applicant must determine whether he or  
5 she will apply to the local school board or to the Commission.

6 Within 45 days of receipt of a charter school proposal, the  
7 local school board shall convene a public meeting to obtain  
8 information to assist the board in its decision to grant or  
9 deny the charter school proposal. A local school board may  
10 develop its own process for receiving charter school proposals  
11 on an annual basis that follows the same timeframes as set  
12 forth in this Article. Final decisions of a local school board  
13 are subject to judicial review under the Administrative Review  
14 Law. ~~Only after the local school board process is followed may~~  
15 ~~a charter school applicant appeal to the Commission.~~

16 (d) Notice of the public meeting required by this Section  
17 shall be published in a community newspaper published in the  
18 school district in which the proposed charter is located and,  
19 if there is no such newspaper, then in a newspaper published in  
20 the county and having circulation in the school district. The  
21 notices shall be published not more than 10 days nor less than  
22 5 days before the meeting and shall state that information  
23 regarding a charter school proposal will be heard at the  
24 meeting. Copies of the notice shall also be posted at  
25 appropriate locations in the school or attendance center  
26 proposed to be established as a charter school, the public

1 schools in the school district, and the local school board  
2 office. If 45 days pass without the local school board holding  
3 a public meeting, then the charter applicant may submit the  
4 proposal to the Commission, where it must be addressed in  
5 accordance with the provisions set forth in subsection (g) of  
6 this Section.

7 (e) Within 30 days of the public meeting, the local school  
8 board shall vote, in a public meeting, to either grant or deny  
9 the charter school proposal. If the local school board has not  
10 voted in a public meeting within 30 days after the public  
11 meeting, then the charter applicant may submit the proposal to  
12 the Commission, where it must be addressed in accordance with  
13 the provisions set forth in subsection (g) of this Section.

14 (f) Within 7 days of the public meeting required under  
15 subsection (e) of this Section, the local school board shall  
16 file a report with the State Board granting or denying the  
17 proposal. If the local school board has approved the proposal,  
18 within 30 days of receipt of the local school board's report,  
19 the State Board shall determine whether the approved charter  
20 proposal is consistent with the provisions of this Article and,  
21 if the approved proposal complies, certify the proposal  
22 pursuant to Section 27A-6.

23 (g) (Blank). ~~If the local school board votes to deny the~~  
24 ~~proposal, then the charter school applicant has 30 days from~~  
25 ~~the date of that vote to submit an appeal to the Commission. In~~  
26 ~~such instances or in those instances referenced in subsections~~

1 ~~(d) and (e) of this Section, the Commission shall follow the~~  
2 ~~same process and be subject to the same timelines for review as~~  
3 ~~the local school board.~~

4 (h) If a charter school applicant's proposal is denied by  
5 either the local school board or the Commission, the charter  
6 applicant must wait a year from the date of the submission to  
7 reapply. The Commission may approve a charter school proposal  
8 submitted to it in accordance with subsection (d), (e), or (i)  
9 of this Section ~~The Commission may reverse a local school~~  
10 ~~board's decision to deny a charter school proposal if the~~  
11 Commission finds that the proposal (i) is in compliance with  
12 this Article and (ii) is in the best interests of the students  
13 the charter school is designed to serve. Final decisions of the  
14 Commission are subject to judicial review under the  
15 Administrative Review Law.

16 (i) In the case of a charter school proposed to be jointly  
17 authorized by 2 or more school districts, the local school  
18 boards may unanimously deny the charter school proposal with a  
19 statement that the local school boards are not opposed to the  
20 charter school, but that they yield to the Commission in light  
21 of the complexities of joint administration, in which case the  
22 charter applicant may submit the proposal to the Commission,  
23 where it must be addressed in accordance with the provisions  
24 set forth in subsection (g) of this Section.

25 (Source: P.A. 96-105, eff. 7-30-09; 96-734, eff. 8-25-09;  
26 96-1000, eff. 7-2-10; 97-152, eff. 7-20-11.)

1 (105 ILCS 5/27A-9)

2 Sec. 27A-9. Term of charter; renewal.

3 (a) A charter may be granted for a period not less than 5  
4 and not more than 10 school years. A charter may be renewed in  
5 incremental periods not to exceed 5 school years.

6 (b) A charter school renewal proposal submitted to the  
7 local school board or the Commission, as the chartering entity,  
8 shall contain:

9 (1) A report on the progress of the charter school in  
10 achieving the goals, objectives, pupil performance  
11 standards, content standards, and other terms of the  
12 initial approved charter proposal; and

13 (2) A financial statement that discloses the costs of  
14 administration, instruction, and other spending categories  
15 for the charter school that is understandable to the  
16 general public and that will allow comparison of those  
17 costs to other schools or other comparable organizations,  
18 in a format required by the State Board.

19 (c) A charter may be revoked or not renewed if the local  
20 school board or the Commission, as the chartering entity,  
21 clearly demonstrates that the charter school did any of the  
22 following, or otherwise failed to comply with the requirements  
23 of this law:

24 (1) Committed a material violation of any of the  
25 conditions, standards, or procedures set forth in the

1 charter.

2 (2) Failed to meet or make reasonable progress toward  
3 achievement of the content standards or pupil performance  
4 standards identified in the charter.

5 (3) Failed to meet generally accepted standards of  
6 fiscal management.

7 (4) Violated any provision of law from which the  
8 charter school was not exempted.

9 In the case of revocation, the local school board or the  
10 Commission, as the chartering entity, shall notify the charter  
11 school in writing of the reason why the charter is subject to  
12 revocation. The charter school shall submit a written plan to  
13 the local school board or the Commission, whichever is  
14 applicable, to rectify the problem. The plan shall include a  
15 timeline for implementation, which shall not exceed 2 years or  
16 the date of the charter's expiration, whichever is earlier. If  
17 the local school board or the Commission, as the chartering  
18 entity, finds that the charter school has failed to implement  
19 the plan of remediation and adhere to the timeline, then the  
20 chartering entity shall revoke the charter. Except in  
21 situations of an emergency where the health, safety, or  
22 education of the charter school's students is at risk, the  
23 revocation shall take place at the end of a school year.  
24 Nothing in this amendatory Act of the 96th General Assembly  
25 shall be construed to prohibit an implementation timetable that  
26 is less than 2 years in duration.

1 (d) (Blank).

2 (e) The Commission may approve an application for a charter  
3 submitted to it in accordance with this Article ~~Notice of a~~  
4 ~~local school board's decision to deny, revoke or not to renew a~~  
5 ~~charter shall be provided to the Commission and the State~~  
6 ~~Board. The Commission may reverse a local board's decision if~~  
7 the Commission finds that the charter school or charter school  
8 proposal (i) is in compliance with this Article, and (ii) is in  
9 the best interests of the students it is designed to serve. The  
10 Commission may condition approval of a charter school  
11 application ~~The Commission may condition the granting of an~~  
12 ~~appeal~~ on the acceptance by the charter school of funding in an  
13 amount less than that requested in the proposal submitted to  
14 the local school board. Final decisions of the Commission are  
15 ~~shall be~~ subject to judicial review under the Administrative  
16 Review Law.

17 (f) Notwithstanding other provisions of this Article, if  
18 the Commission approves an application for a charter submitted  
19 to it in accordance with this Article or ~~on appeal reverses a~~  
20 ~~local board's decision or~~ if a charter school is approved by  
21 referendum under Section 27A-6.5 of this Code, the Commission  
22 shall act as the authorized chartering entity for the charter  
23 school. The Commission shall execute a ~~approve the~~ charter  
24 agreement and shall perform all functions under this Article  
25 otherwise performed by the local school board. The State Board  
26 shall determine whether the charter proposal approved by the

1 Commission is consistent with the provisions of this Article  
2 and, if the approved proposal complies, certify the proposal  
3 pursuant to this Article. The State Board shall report the  
4 aggregate number of charter school pupils resident in a school  
5 district to that district and shall notify the district of the  
6 amount of funding to be paid by the State Board to the charter  
7 school enrolling such students. The Commission shall require  
8 the charter school to maintain accurate records of daily  
9 attendance that shall be deemed sufficient to file claims under  
10 Section 18-8.05 notwithstanding any other requirements of that  
11 Section regarding hours of instruction and teacher  
12 certification. The State Board shall withhold from funds  
13 otherwise due the district the funds authorized by this Article  
14 to be paid to the charter school and shall pay such amounts to  
15 the charter school.

16 (g) For charter schools authorized by the Commission, the  
17 Commission shall quarterly certify to the State Board the  
18 student enrollment for each of its charter schools.

19 (h) For charter schools authorized by the Commission, the  
20 State Board shall pay directly to a charter school any federal  
21 or State aid attributable to a student with a disability  
22 attending the school.

23 (i) The Commission has no authority under subsection (e) of  
24 this Section to approve a charter school proposal that has been  
25 denied by the local school board.

26 (Source: P.A. 97-152, eff. 7-20-11; 98-739, eff. 7-16-14.)

1 (105 ILCS 5/27A-11.5)

2 Sec. 27A-11.5. State financing. The State Board of  
3 Education shall make the following funds available to school  
4 districts and charter schools:

5 (1) From a separate appropriation made to the State  
6 Board for purposes of this subdivision (1), the State Board  
7 shall make transition impact aid available to school  
8 districts that approve a new charter school or that have  
9 funds withheld by the State Board to fund a new charter  
10 school that is chartered by the Commission. The amount of  
11 the aid shall equal 90% of the per capita funding paid to  
12 the charter school during the first year of its initial  
13 charter term, 65% of the per capita funding paid to the  
14 charter school during the second year of its initial term,  
15 and 35% of the per capita funding paid to the charter  
16 school during the third year of its initial term. This  
17 transition impact aid shall be paid to the local school  
18 board in equal quarterly installments, with the payment of  
19 the installment for the first quarter being made by August  
20 1st immediately preceding the first, second, and third  
21 years of the initial term. The district shall file an  
22 application for this aid with the State Board in a format  
23 designated by the State Board. If the appropriation is  
24 insufficient in any year to pay all approved claims, the  
25 impact aid shall be prorated. However, for fiscal year



1           2004, the State Board of Education shall pay approved  
2           claims only for charter schools with a valid charter  
3           granted prior to June 1, 2003. If any funds remain after  
4           these claims have been paid, then the State Board of  
5           Education may pay all other approved claims on a pro rata  
6           basis. Transition impact aid shall be paid beginning in the  
7           1999-2000 school year for charter schools that are in the  
8           first, second, or third year of their initial term.  
9           Transition impact aid shall not be paid for any charter  
10          school that is proposed and created by one or more boards  
11          of education, as authorized under the provisions of Public  
12          Act 91-405.

13           (2) From a separate appropriation made for the purpose  
14          of this subdivision (2), the State Board shall make grants  
15          to charter schools to pay their start-up costs of acquiring  
16          educational materials and supplies, textbooks, electronic  
17          textbooks and the technological equipment necessary to  
18          gain access to and use electronic textbooks, furniture, and  
19          other equipment needed during their initial term. The State  
20          Board shall annually establish the time and manner of  
21          application for these grants, which shall not exceed \$250  
22          per student enrolled in the charter school.

23           (3) The Charter Schools Revolving Loan Fund is created  
24          as a special fund in the State treasury. Federal funds,  
25          such other funds as may be made available for costs  
26          associated with the establishment of charter schools in

1 Illinois, and amounts repaid by charter schools that have  
2 received a loan from the Charter Schools Revolving Loan  
3 Fund shall be deposited into the Charter Schools Revolving  
4 Loan Fund, and the moneys in the Charter Schools Revolving  
5 Loan Fund shall be appropriated to the State Board and used  
6 to provide interest-free loans to charter schools. These  
7 funds shall be used to pay start-up costs of acquiring  
8 educational materials and supplies, textbooks, electronic  
9 textbooks and the technological equipment necessary to  
10 gain access to and use electronic textbooks, furniture, and  
11 other equipment needed in the initial term of the charter  
12 school and for acquiring and remodeling a suitable physical  
13 plant, within the initial term of the charter school. Loans  
14 shall be limited to one loan per charter school and shall  
15 not exceed \$250 per student enrolled in the charter school.  
16 A loan shall be repaid by the end of the initial term of  
17 the charter school. The State Board may deduct amounts  
18 necessary to repay the loan from funds due to the charter  
19 school or may require that the local school board that  
20 authorized the charter school deduct such amounts from  
21 funds due the charter school and remit these amounts to the  
22 State Board, provided that the local school board shall not  
23 be responsible for repayment of the loan. The State Board  
24 may use up to 3% of the appropriation to contract with a  
25 non-profit entity to administer the loan program.

26 (4) A charter school may apply for and receive, subject

1 to the same restrictions applicable to school districts,  
2 any grant administered by the State Board that is available  
3 for school districts.

4 (5) Commission-authorized charter schools shall be  
5 funded directly from general State aid payments in the  
6 amount of the number of pupils multiplied by the per capita  
7 tuition charge.

8 (Source: P.A. 98-739, eff. 7-16-14.)

9 Section 99. Effective date. This Act takes effect upon  
10 becoming law.".