

1 AN ACT regarding schools.

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
5 Sections 27A-4, 27A-11, and 27A-11.5 as follows:

6 (105 ILCS 5/27A-4)

7 Sec. 27A-4. General Provisions.

8 (a) The General Assembly does not intend to alter or
9 amend the provisions of any court-ordered desegregation plan
10 in effect for any school district. A charter school shall be
11 subject to all federal and State laws and constitutional
12 provisions prohibiting discrimination on the basis of
13 disability, race, creed, color, gender, national origin,
14 religion, ancestry, marital status, or need for special
15 education services.

16 ~~(b) The total number of charter schools operating under~~
17 ~~this Article at any one time shall not exceed 45. Not more~~
18 ~~than 15 charter schools shall operate at any one time in any~~
19 ~~city having a population exceeding 500,000; Not more than 15~~
20 charter schools shall operate at any one time in the counties
21 of DuPage, Kane, Lake, McHenry, Will, and that portion of
22 Cook County that is located outside a city having a
23 population exceeding 500,000, with not more than one charter
24 school that has been initiated by a board of education, or by
25 an intergovernmental agreement between or among boards of
26 education, operating at any one time in the school district
27 where the charter school is located; and not more than 15
28 charter schools shall operate at any one time in the
29 remainder of the State, with not more than one charter school
30 that has been initiated by a board of education, or by an
31 intergovernmental agreement between or among boards of

1 education, operating at any one time in the school district
2 where the charter school is located.

3 For purposes of implementing this Section, the State
4 Board shall assign a number to each charter submission it
5 receives under Section 27A-6 for its review and
6 certification, based on the chronological order in which the
7 submission is received by it. The State Board shall promptly
8 notify local school boards when the maximum numbers of
9 certified charter schools authorized to operate have been
10 reached.

11 (c) No charter shall be granted under this Article that
12 would convert any existing private, parochial, or non-public
13 school to a charter school.

14 (d) Enrollment in a charter school shall be open to any
15 pupil who resides within the geographic boundaries of the
16 area served by the local school board.

17 (e) Nothing in this Article shall prevent 2 or more
18 local school boards from jointly issuing a charter to a
19 single shared charter school, provided that all of the
20 provisions of this Article are met as to those local school
21 boards.

22 (f) No local school board shall require any employee of
23 the school district to be employed in a charter school.

24 (g) No local school board shall require any pupil
25 residing within the geographic boundary of its district to
26 enroll in a charter school.

27 (h) If there are more eligible applicants for enrollment
28 in a charter school than there are spaces available,
29 successful applicants shall be selected by lottery. However,
30 priority shall be given to siblings of pupils enrolled in the
31 charter school and to pupils who were enrolled in the charter
32 school the previous school year, unless expelled for cause.
33 Dual enrollment at both a charter school and a public school
34 or non-public school shall not be allowed. A pupil who is

1 suspended or expelled from a charter school shall be deemed
2 to be suspended or expelled from the public schools of the
3 school district in which the pupil resides.

4 (i) (Blank).

5 (Source: P.A. 91-357, eff. 7-29-99; 91-405, eff. 8-3-99;
6 91-407, eff. 8-3-99; revised 8-27-99.)

7 (105 ILCS 5/27A-11)

8 Sec. 27A-11. Local financing.

9 (a) For purposes of the School Code, pupils enrolled in
10 a charter school shall be included in the pupil enrollment of
11 the school district within which the pupil resides. Each
12 charter school (i) shall determine the school district in
13 which each pupil who is enrolled in the charter school
14 resides, (ii) shall report the aggregate number of pupils
15 resident of a school district who are enrolled in the charter
16 school to the school district in which those pupils reside,
17 and (iii) shall maintain accurate records of daily attendance
18 that shall be deemed sufficient to file claims under Section
19 18-8 notwithstanding any other requirements of that Section
20 regarding hours of instruction and teacher certification.

21 (b) Except for a charter school established by
22 referendum under Section 27A-6.5, as part of a charter school
23 contract, the charter school and the local school board shall
24 agree on funding and any services to be provided by the
25 school district to the charter school. Agreed funding that a
26 charter school is to receive from the local school board for
27 a school year shall be paid in equal quarterly installments
28 with the payment of the installment for the first quarter
29 being made not later than July 1, unless the charter
30 establishes a different payment schedule.

31 All services centrally or otherwise provided by the
32 school district including, but not limited to, rent, food
33 services, custodial services, maintenance, curriculum, media

1 services, libraries, transportation, and warehousing shall be
2 subject to negotiation between a charter school and the local
3 school board and paid for out of the revenues negotiated
4 pursuant to this subsection (b); provided that the local
5 school board shall not attempt, by negotiation or otherwise,
6 to obligate a charter school to provide pupil transportation
7 for pupils for whom a district is not required to provide
8 transportation under the criteria set forth in subsection
9 (a)(13) of Section 27A-7.

10 In no event shall the funding be less than 75% or more
11 than 125% of the school district's per capita student tuition
12 multiplied by the number of students residing in the district
13 who are enrolled in the charter school.

14 It is the intent of the General Assembly that funding and
15 service agreements under this subsection (b) shall be neither
16 a financial incentive nor a financial disincentive to the
17 establishment of a charter school.

18 The charter school may set and collect reasonable fees.
19 Fees collected from students enrolled at a charter school
20 shall be retained by the charter school.

21 (c) Notwithstanding subsection (b) of this Section, the
22 proportionate share of State and federal resources generated
23 by students with disabilities or staff serving them shall be
24 directed to charter schools enrolling those students by their
25 school districts or administrative units. The proportionate
26 share of moneys generated under other federal or State
27 categorical aid programs shall be directed to charter schools
28 serving students eligible for that aid.

29 (d) The governing body of a charter school is authorized
30 to accept gifts, donations, or grants of any kind made to the
31 charter school and to expend or use gifts, donations, or
32 grants in accordance with the conditions prescribed by the
33 donor; however, a gift, donation, or grant may not be
34 accepted by the governing body if it is subject to any

1 condition contrary to applicable law or contrary to the terms
 2 of the contract between the charter school and the local
 3 school board. Charter schools shall be encouraged to solicit
 4 and utilize community volunteer speakers and other
 5 instructional resources when providing instruction on the
 6 Holocaust and other historical events.

7 (e) (Blank).

8 (f) The State Board shall provide technical assistance,
 9 including information that clearly details the process,
 10 timelines, and criteria used to prepare and revise charter
 11 applications, to persons and groups preparing or revising
 12 charter applications. Other information, such as links to
 13 external resource organizations, may also be provided.

14 (g) At the non-renewal or revocation of its charter,
 15 each charter school shall refund to the local board of
 16 education all unspent funds.

17 (h) A charter school is authorized to incur temporary,
 18 short term debt to pay operating expenses in anticipation of
 19 receipt of funds from the local school board.

20 (Source: P.A. 90-548, eff. 1-1-98; 90-757, eff. 8-14-98;
 21 91-407, eff. 8-3-99.)

22 (105 ILCS 5/27A-11.5)

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

26 (1) From a separate appropriation made to the State
 27 Board for purposes of this subdivision (1), the State
 28 Board shall make transition impact aid available to
 29 school districts that approve a new charter school or
 30 that have funds withheld by the State Board to fund a new
 31 charter school that is chartered by the State Board. The
 32 amount of the aid shall equal 90% of the per capita
 33 funding paid to the charter school during the first year

1 of its initial charter term, 65% of the per capita
 2 funding paid to the charter school during the second year
 3 of its initial term, and 35% of the per capita funding
 4 paid to the charter school during the third year of its
 5 initial term. This transition impact aid shall be paid
 6 to the local school board in equal quarterly
 7 installments, with the payment of the installment for the
 8 first quarter being made by August 1st immediately
 9 preceding the first, second, and third years of the
 10 initial term. The district shall file an application for
 11 this aid with the State Board in a format designated by
 12 the State Board. If the appropriation is insufficient in
 13 any year to pay all approved claims, the impact aid shall
 14 be prorated. Transition impact aid shall be paid
 15 beginning in the 1999-2000 school year for charter
 16 schools that are in the first, second, or third year of
 17 their initial term. ~~If--House--Bill--230--of--the--91st~~
 18 ~~General--Assembly--becomes--law,~~ Transition impact aid shall
 19 not be paid for any charter school that is proposed and
 20 created by one or more boards of education, as authorized
 21 under the provisions of Public Act 91-405 ~~House-Bill-230~~
 22 ~~of-the-91st-General-Assembly.~~

23 (2) From a separate appropriation made for the
 24 purpose of this subdivision (2), the State Board shall
 25 make grants to charter schools to pay their start-up
 26 costs of acquiring educational materials and supplies,
 27 textbooks, furniture, and other equipment needed during
 28 their initial term. The State Board shall annually
 29 establish the time and manner of application for these
 30 grants, which shall not exceed \$500 ~~\$250~~ per student
 31 enrolled in the charter school.

32 (3) The Charter Schools Revolving Loan Fund is
 33 created as a special fund in the State treasury. Federal
 34 funds, such other funds as may be made available for

1 costs associated with the establishment of charter
2 schools in Illinois, and amounts repaid by charter
3 schools that have received a loan from the Charter
4 Schools Revolving Loan Fund shall be deposited into the
5 Charter Schools Revolving Loan Fund, and the moneys in
6 the Charter Schools Revolving Loan Fund shall be
7 appropriated to the State Board and used to provide
8 interest-free loans to charter schools. These funds
9 shall be used to pay start-up costs of acquiring
10 educational materials and supplies, textbooks, furniture,
11 and other equipment needed in the initial term of the
12 charter school and for acquiring and remodeling a
13 suitable physical plant, within the initial term of the
14 charter school. Loans shall be limited to one loan per
15 charter school and shall not exceed \$500 ~~\$250~~ per student
16 enrolled in the charter school. A loan shall be repaid
17 by the end of the initial term of the charter school.
18 The State Board may deduct amounts necessary to repay the
19 loan from funds due to the charter school or may require
20 that the local school board that authorized the charter
21 school deduct such amounts from funds due the charter
22 school and remit these amounts to the State Board,
23 provided that the local school board shall not be
24 responsible for repayment of the loan. The State Board
25 may use up to 3% of the appropriation to contract with a
26 non-profit entity to administer the loan program.

27 (4) A charter school may apply for and receive,
28 subject to the same restrictions applicable to school
29 districts, any grant administered by the State Board that
30 is available for school districts.

31 (Source: P.A. 91-407, eff. 8-3-99; revised 8-4-99.)