

1 AN ACT in relation to charter schools.

2 Be it enacted by the People of the State of Illinois,
3 represented in the General Assembly:

4 (105 ILCS 5/27A-11.5)

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

8 (1) From a separate appropriation made to the State
9 Board for purposes of this subdivision (1), the State
10 Board shall make transition impact aid available to
11 school districts that approve a new charter school or
12 that have funds withheld by the State Board to fund a new
13 charter school that is chartered by the State Board. The
14 amount of the aid shall equal 90% of the per capita
15 funding paid to the charter school during the first year
16 of its initial charter term, 65% of the per capita
17 funding paid to the charter school during the second year
18 of its initial term, and 35% of the per capita funding
19 paid to the charter school during the third year of its
20 initial term. This transition impact aid shall be paid
21 to the local school board in equal quarterly
22 installments, with the payment of the installment for the
23 first quarter being made by August 1st immediately
24 preceding the first, second, and third years of the
25 initial term. The district shall file an application for
26 this aid with the State Board in a format designated by
27 the State Board. If the appropriation is insufficient in
28 any year to pay all approved claims, the impact aid shall
29 be prorated. Transition impact aid shall be paid
30 beginning in the 1999-2000 school year for charter
31 schools that are in the first, second, or third year of

1 their initial term. ~~If--House--Bill--230--of--the--91st~~
2 ~~General-Assembly-becomes-law,~~ Transition impact aid shall
3 not be paid for any charter school that is proposed and
4 created by one or more boards of education, as authorized
5 under the provisions of Public Act 91-405 ~~House-Bill--230~~
6 ~~of-the-91st-General-Assembly.~~

7 (2) From a separate appropriation made to the State
8 Board for the purpose of this subdivision (2), the State
9 Board shall make grants to charter schools to pay their
10 start-up costs of acquiring educational materials and
11 supplies, textbooks, furniture, and other equipment
12 needed during their initial term. The State Board shall
13 annually establish the time and manner of application for
14 these grants, which shall not exceed \$250 per student
15 enrolled in the charter school.

16 (3) The Charter Schools Revolving Loan Fund is
17 created as a special fund in the State treasury. Federal
18 funds, such other funds as may be made available for
19 costs associated with the establishment of charter
20 schools in Illinois, and amounts repaid by charter
21 schools that have received a loan from the Charter
22 Schools Revolving Loan Fund shall be deposited into the
23 Charter Schools Revolving Loan Fund, and the moneys in
24 the Charter Schools Revolving Loan Fund shall be
25 appropriated to the State Board and used to provide
26 interest-free loans to charter schools. These funds
27 shall be used to pay start-up costs of acquiring
28 educational materials and supplies, textbooks, furniture,
29 and other equipment needed in the initial term of the
30 charter school and for acquiring and remodeling a
31 suitable physical plant, within the initial term of the
32 charter school. Loans shall be limited to one loan per
33 charter school and shall not exceed \$250 per student
34 enrolled in the charter school. A loan shall be repaid

1 by the end of the initial term of the charter school.
2 The State Board may deduct amounts necessary to repay the
3 loan from funds due to the charter school or may require
4 that the local school board that authorized the charter
5 school deduct such amounts from funds due the charter
6 school and remit these amounts to the State Board,
7 provided that the local school board shall not be
8 responsible for repayment of the loan. The State Board
9 may use up to 3% of the appropriation to contract with a
10 non-profit entity to administer the loan program.

11 (4) A charter school may apply for and receive,
12 subject to the same restrictions applicable to school
13 districts, any grant administered by the State Board that
14 is available for school districts.

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