

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 3. The Board of Higher Education Act is amended by
5 changing Section 8 as follows:

6 (110 ILCS 205/8) (from Ch. 144, par. 188)

7 Sec. 8. The Board of Trustees of the University of
8 Illinois, the Board of Trustees of Southern Illinois
9 University, the Board of Trustees of Chicago State University,
10 the Board of Trustees of Eastern Illinois University, the Board
11 of Trustees of Governors State University, the Board of
12 Trustees of Illinois State University, the Board of Trustees of
13 Northeastern Illinois University, the Board of Trustees of
14 Northern Illinois University, the Board of Trustees of Western
15 Illinois University, and the Illinois Community College Board
16 shall submit to the Board not later than the 15th day of
17 November of each year its budget proposals for the operation
18 and capital needs of the institutions under its governance or
19 supervision for the ensuing fiscal year. Each budget proposal
20 shall conform to the procedures developed by the Board in the
21 design of an information system for State universities and
22 colleges.

23 In order to maintain a cohesive system of higher education,

1 the Board and its staff shall communicate on a regular basis
2 with all public university presidents. They shall meet at least
3 semiannually to achieve economies of scale where possible and
4 provide the most innovative and efficient programs and
5 services.

6 The Board, in the analysis of formulating the annual budget
7 request, shall consider rates of tuition and fees and
8 undergraduate tuition and fee waiver programs at the state
9 universities and colleges. The Board shall also consider the
10 current and projected utilization of the total physical plant
11 of each campus of a university or college in approving the
12 capital budget for any new building or facility.

13 The Board of Higher Education shall submit to the Governor,
14 to the General Assembly, and to the appropriate budget agencies
15 of the Governor and General Assembly its analysis and
16 recommendations on such budget proposals.

17 Each state supported institution within the application of
18 this Act must submit its plan for capital improvements of
19 non-instructional facilities to the Board for approval before
20 final commitments are made. Non-instructional uses shall
21 include but not be limited to dormitories, union buildings,
22 field houses, stadium, other recreational facilities and
23 parking lots. The Board shall determine whether or not any
24 project submitted for approval is consistent with the master
25 plan for higher education and with instructional buildings that
26 are provided for therein. If the project is found by a majority

1 of the Board not to be consistent, such capital improvement
2 shall not be constructed.

3 (Source: P.A. 89-4, eff. 1-1-96.)

4 Section 5. The Eastern Illinois University Law is amended
5 by adding Section 10-92 as follows:

6 (110 ILCS 665/10-92 new)

7 (Section scheduled to be repealed on July 1, 2019)

8 Sec. 10-92. Tuition waiver limitation pilot program.

9 (a) The General Assembly makes all of the following
10 findings:

11 (1) Both access and affordability are important points
12 in the Illinois Public Agenda for College and Career
13 Success.

14 (2) This State is in the top quartile with respect to
15 the percentage of family income needed to pay for college.

16 (3) Research suggests that as loan amounts increase,
17 versus grants-in-aid, the probability of college
18 attendance decreases.

19 (4) There is further research indicating socioeconomic
20 status may affect the willingness of students to use loans
21 to attend college.

22 (5) Strategic use of tuition waivers will decrease the
23 amount of loans that students must use to pay for tuition.

24 (6) A modest, individually tailored tuition waiver can

1 make the difference in choosing to attend college and would
2 enhance college access for low (up to 150% of the federal
3 poverty level) and middle income (151% to 300% of the
4 federal poverty level) families.

5 (7) Even if the federally calculated financial need for
6 college attendance is met, the federally determined
7 Expected Family Contribution can still be a daunting
8 amount.

9 (8) This State is the second largest exporter of
10 students in the country.

11 (9) Illinois students need to be kept in this State.
12 State universities in other states have adopted pricing and
13 incentives that make college expenses for residents of this
14 State less than in this State.

15 (10) A mechanism is needed to stop the outflow of
16 Illinois students to institutions in other states,
17 assisting in State efforts to maintain and educate a highly
18 trained workforce.

19 (11) By being competitive on costs of attendance, this
20 State can bring out-of-state students to this State.

21 (12) The pilot program established under this Section
22 will allow Eastern Illinois University to compete for
23 highly qualified students who may reside in other states by
24 mitigating the effect of cost differences.

25 (13) Modest tuition waivers, individually targeted and
26 tailored, result in enhanced revenue for university

1 programs.

2 (14) By increasing Eastern Illinois University's
3 capacity to strategically use tuition waivers, the
4 University will be capable of creating enhanced tuition
5 revenue by increasing enrollment yields.

6 (15) The Board of Higher Education's current
7 institutional tuition waiver limitation is 3% of total
8 available undergraduate tuition revenue.

9 (b) The Board shall establish a pilot program to increase
10 the Board of Higher Education's institutional tuition waiver
11 limitation for the university over a 4-year period to increase
12 access to college and make college more affordable for
13 undergraduate students. Under the pilot program, the
14 institutional tuition waiver limitation shall be increased by 2
15 percentage points in the 2012-2013 academic year, 2 percentage
16 points in the 2013-2014 academic year, 2 percentage points in
17 the 2014-2015 academic year, and one percentage point in the
18 2015-2016 academic year, resulting in an institutional tuition
19 waiver limitation of 10% in the fourth year of the pilot
20 program.

21 (c) The pilot program shall require that students who
22 receive a tuition waiver under the pilot program be accepted to
23 the university through normal admissions standards and
24 processes. Individual tuition waivers granted under the pilot
25 program must not exceed \$2,500 per academic year. The pilot
26 program shall provide a maximum of one waiver per academic year

1 for a maximum of 4 years to each student in the pilot program
2 who maintains satisfactory academic progress. The pilot
3 program shall be terminated after the 2015-2016 academic year,
4 with no new students receiving waivers. However,
5 notwithstanding the Board of Higher Education's institutional
6 tuition waiver limitation, existing students receiving waivers
7 under the pilot program are eligible to maintain those waivers,
8 with satisfactory academic progress, under the 4-year
9 limitation, after the 2015-2016 academic year due to
10 maintenance of effort within their 4-year window. Sunset dates
11 for waiver support shall be based upon the first academic year
12 in which a student receives a waiver. The sunset dates are as
13 follows for each annual cohort of pilot program participants:

14 (1) Cohort 1: the beginning year is 2012-2013 and the
15 terminal year is 2015-2016.

16 (2) Cohort 2: the beginning year is 2013-2014 and the
17 terminal year is 2016-2017.

18 (3) Cohort 3: the beginning year is 2014-2015 and the
19 terminal year is 2017-2018.

20 (4) Cohort 4: the beginning year is 2015-2016 and the
21 terminal year is 2018-2019.

22 (d) The Board shall annually report to the Board of Higher
23 Education on the pilot program's impact on tuition revenue,
24 enrollment goals, and increasing access and affordability on
25 such dates as the Board of Higher Education shall determine.

26 (e) The Board of Higher Education may adopt any rules that

1 are necessary to implement this Section.

2 (f) This Section is repealed on July 1, 2019.

3 Section 99. Effective date. This Act takes effect July 1,
4 2011.