



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB5464

Introduced 1/31/2022, by Rep. Katie Stuart

SYNOPSIS AS INTRODUCED:

See Index

Amends the P-20 Longitudinal Education Data System Act by changing the definition of "institution of higher learning" and removing provisions related to the collection of data, data sharing, and analysis. Amends the Private Business and Vocational Schools Act of 2012 to require schools operating under the Act to be issued 5-year permits of approval by the Board of Higher Education; makes other changes. Amends the Board of Higher Education Act. Makes changes to provisions concerning the terms or vacancies of members of the Board of Higher Education. Adds provisions concerning the implementation of equity plans and practices in regard to the underrepresentation of certain groups in higher education; and sets forth certain requirements that must be included in an equity plan. Changes provisions concerning the closing of an institution of higher education and the retention of student records. Amends the Higher Education Cooperation Act by changing the term "Illinois master plan" to "Illinois strategic plan". Amends the Academic Degree Act. Makes changes to provisions concerning the approval of notices, amendments, applications, or proposed degree programs submitted to the Board of Higher Education; amends provisions concerning the inspection of records. Adds a provision requiring any certified institution to make certain disclosures if the United States Department of Education places the institution on heightened cash monitoring or reimbursement payment methods. Allows the Board of Higher Education to issue an order to cease and desist to any educational entity operating without authorization issued by the Board of Higher Education. Makes related and other changes to the Private College Act. Changes a reporting date to February 15, 2023 (rather than January 1, 2023) in the Developmental Education Reform Act; makes a related change. Effective immediately.

LRB102 26054 NLB 35506 b

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 P-20 Longitudinal Education Data System Act
5 is amended by changing Sections 10 and 20 as follows:

6 (105 ILCS 13/10)

7 Sec. 10. Definitions. In this Act:

8 "Community College Board" means the Illinois Community
9 College Board.

10 "Community colleges" has the meaning ascribed to that term
11 in Section 1-2 of the Public Community College Act.

12 "Early learning" means any publicly funded education and
13 care program supporting young children not yet enrolled in
14 kindergarten.

15 "Elementary" means kindergarten through eighth grade.

16 "Institution of higher learning" means a public or
17 non-public entity that meets one or more of the following: ~~has~~
18 ~~the meaning ascribed to that term in Section 10 of the Higher~~
19 ~~Education Student Assistance Act.~~

20 (1) is a public institution of higher education as
21 defined in the Board of Higher Education Act, other than a
22 public community college;

23 (2) is a public institution of higher education funded

1 by a State other than Illinois and approved by the Board of
2 Higher Education to operate in this State;

3 (3) is a non-public educational institution approved
4 by the Board of Higher Education to operate in this State
5 pursuant to the Private Business and Vocational Schools
6 Act of 2012;

7 (4) is a non-public institution authorized or approved
8 by the Board of Higher Education to operate in this State
9 pursuant to the Private College Act, the Academic Degree
10 Act, or the Dual Credit Quality Act; or

11 (5) is a non-public institution operating in this
12 State that is exempt from authorization or approval by the
13 Board of Higher Education pursuant to provisions of the
14 Private College Act or Academic Degree Act, including such
15 institutions authorized or approved by the Board of Higher
16 Education pursuant to the Dual Credit Quality Act.

17 "Longitudinal data system" means a student unit record
18 data system that links student records from early learning
19 through the postsecondary level, which may consist of separate
20 student unit record systems integrated through agreement and
21 data transfer mechanisms.

22 "Privacy protection laws" means the federal Family
23 Educational Rights and Privacy Act of 1974 (20 U.S.C. 1232g),
24 the Illinois School Student Records Act, the Personal
25 Information Protection Act, and any other State or federal law
26 relating to the confidentiality and protection of personally

1 identifiable information.

2 "Research organization" means a governmental entity,
3 institution of higher learning, public policy or advocacy
4 organization, or other person or entity conducting educational
5 research that (i) is qualified to perform educational research
6 and protect the privacy of student data, (ii) is seeking to
7 perform research for a non-commercial purpose authorized by
8 privacy protection laws, and (iii) agrees to perform the
9 research pursuant to a written agreement meeting the
10 requirements of privacy protection laws and this Act.

11 "School" means any elementary or secondary educational
12 institution, charter school, vocational school, special
13 education facility, or any other elementary or secondary
14 educational agency or institution, but does not include a
15 non-public school.

16 "Secondary" means ninth through twelfth grade.

17 "State Board" means the State Board of Education.

18 "State Education Authorities" means the State Board,
19 Community College Board, and Board of Higher Education.

20 (Source: P.A. 96-107, eff. 7-30-09.)

21 (105 ILCS 13/20)

22 Sec. 20. Collection and maintenance of data.

23 (a) The State Board is authorized to collect and maintain
24 data from school districts, schools, and early learning
25 programs and disclose this data to the longitudinal data

1 system for the purposes set forth in this Act. The State Board
2 shall collect data from charter schools with more than one
3 campus in a manner that can be disaggregated by campus site.
4 The State Board may also disclose data to the longitudinal
5 data system that the State Board is otherwise authorized by
6 law to collect and maintain.

7 On or before July 1, 2010, the State Board shall establish
8 procedures through which State-recognized, non-public schools
9 may elect to participate in the longitudinal data system by
10 disclosing data to the State Board for one or more of the
11 purposes set forth in this Act.

12 Subject to the availability of funding through
13 appropriations made specifically for the purposes of this Act,
14 the State Board shall establish or contract for the
15 establishment of a technical support and training system to
16 assist school districts, schools, and early learning programs
17 with data submission, use, and analysis.

18 (b) The Community College Board is authorized to collect
19 and maintain data from community college districts and
20 disclose this data to the longitudinal data system for the
21 purposes set forth in this Act. The Community College Board
22 may also disclose data to the longitudinal data system that
23 the Community College Board is otherwise authorized by law to
24 collect and maintain.

25 Subject to the availability of funding through
26 appropriations made specifically for the purposes of this Act,

1 the Community College Board shall establish or contract for
2 the establishment of a technical support and training system
3 to assist community colleges with data submission, use, and
4 analysis.

5 (c) The Board of Higher Education is authorized to collect
6 and maintain data from any ~~public~~ institution of higher
7 learning, other than community colleges, and disclose this
8 data to the longitudinal data system for the purposes set
9 forth in this Act. The Board of Higher Education may also
10 disclose data to the longitudinal data system that the Board
11 of Higher Education is otherwise authorized by law to collect
12 and maintain.

13 ~~The Beginning on July 1, 2012, the~~ Board of Higher
14 Education is authorized to collect and maintain data from any
15 non-public institution of higher learning enrolling one or
16 more students in this State. The Board of Higher Education is
17 authorized to ~~receiving Monetary Award Program grants and any~~
18 ~~non public institution of higher learning that confers~~
19 ~~graduate and professional degrees, pursuant to Section 35 of~~
20 ~~the Higher Education Student Assistance Act, and~~ disclose this
21 data to the longitudinal data system for the purposes set
22 forth in this Act. ~~Prior to July 1, 2012, any non public~~
23 ~~institution of higher learning may elect to participate in the~~
24 ~~longitudinal data system by disclosing data for one or more of~~
25 ~~the purposes set forth in this Act to the Board of Higher~~
26 ~~Education or to a consortium that has contracted with the~~

1 ~~Board of Higher Education pursuant to this subsection (c).~~

2 ~~The Board of Higher Education may contract with one or~~
3 ~~more voluntary consortiums of non-public institutions of~~
4 ~~higher learning established for the purpose of data sharing,~~
5 ~~research, and analysis. The contract may allow the consortium~~
6 ~~to collect data from participating institutions on behalf of~~
7 ~~the Board of Higher Education. The contract may provide for~~
8 ~~consultation with a representative committee of participating~~
9 ~~institutions and a representative of one or more organizations~~
10 ~~representing the participating institutions prior to the use~~
11 ~~of data from the consortium for a data sharing arrangement~~
12 ~~entered into with any party other than a State Education~~
13 ~~Authority pursuant to Section 25 of this Act. The contract may~~
14 ~~further provide that individual institutions of higher~~
15 ~~learning shall have the right to opt out of specific uses of~~
16 ~~their data or portions thereof for reasons specified in the~~
17 ~~contract. Student level data submitted by each institution of~~
18 ~~higher learning participating in a consortium that has~~
19 ~~contracted with the Board of Higher Education pursuant to this~~
20 ~~paragraph shall remain the property of that institution. Upon~~
21 ~~notice to the consortium and the Board of Higher Education,~~
22 ~~any non-public institution of higher learning shall have the~~
23 ~~right to remove its data from the consortium if the~~
24 ~~institution has reasonable cause to believe that there is a~~
25 ~~threat to the security of its data or its data is used in a~~
26 ~~manner that violates the terms of the contract between the~~

1 ~~consortium and the Board of Higher Education. In the event~~
2 ~~data is removed from a consortium pursuant to the preceding~~
3 ~~sentence, the data must be returned by the institution to the~~
4 ~~consortium after the basis for removal has been corrected. The~~
5 ~~data submitted from the consortium to the Board of Higher~~
6 ~~Education must be used only for agreed upon purposes, as~~
7 ~~stated in the terms of the contract between the consortium and~~
8 ~~the Board of Higher Education. Non public institutions of~~
9 ~~higher learning submitting student level data to a consortium~~
10 ~~that has contracted with the Board of Higher Education~~
11 ~~pursuant to this paragraph shall not be required to submit~~
12 ~~student level data to the Board of Higher Education.~~

13 Subject to the availability of funding through
14 appropriations made specifically for the purposes of this Act,
15 the Board of Higher Education shall establish or contract for
16 the establishment of a technical support and training system
17 to assist institutions of higher learning, other than
18 community colleges, with data submission, use, and analysis.
19 ~~The Board of Higher Education shall seek and may make~~
20 ~~available grant funding to a consortium including non public~~
21 ~~institutions of higher learning to provide assistance in the~~
22 ~~development of a data collection system.~~ The Board of Higher
23 Education shall engage in a cooperative planning process with
24 public and non-public institutions of higher learning and
25 statewide higher education associations in connection with all
26 of the activities authorized by this subsection (c).

1 (d) The State Education Authorities shall establish
2 procedures and requirements relating to the submission of data
3 authorized to be collected pursuant to this Section, including
4 requirements for data specifications, quality, security, and
5 timeliness. All early learning programs, schools, school
6 districts, and institutions of higher learning subject to the
7 data collection authority of a State Education Authority
8 pursuant to this Section shall comply with the State Education
9 Authority's procedures and requirements for data submissions.
10 A State Education Authority may require that staff responsible
11 for collecting, validating, and submitting data participate in
12 training and technical assistance offered by this State if
13 data is not submitted in accordance with applicable procedures
14 and requirements.

15 (Source: P.A. 96-107, eff. 7-30-09; 96-1249, eff. 7-23-10.)

16 Section 10. The Private Business and Vocational Schools
17 Act of 2012 is amended by changing Sections 20, 30, 35, 37, 50,
18 55, 70, and 75 and by adding Section 75.5 as follows:

19 (105 ILCS 426/20)

20 Sec. 20. Permit of approval. No person or group of persons
21 subject to this Act may establish and operate or be permitted
22 to become incorporated for the purpose of (1) operating a
23 private business and vocational school or (2) creating or
24 developing a course of instruction, non-degree program of

1 study, or program of study curriculum in order to sell such
2 courses of instruction or curriculum to a private business and
3 vocational school, without obtaining from the Board a permit
4 of approval, provided that a permit of approval is not
5 required for a program that is devoted entirely to religion or
6 theology or a program offered by an institution operating
7 under the authority of the Private College Act, the Academic
8 Degree Act, or the Board of Higher Education Act. Application
9 for a permit must be made to the Board upon forms furnished by
10 it. The Board may not approve any application for a permit of
11 approval that has been plagiarized, in part or in whole.
12 Additionally, the Board may not approve any application for a
13 permit of approval that has not been completed in its
14 entirety. Permits of approval are not transferable. Whenever a
15 change of ownership of a school occurs, an application for a
16 permit of approval for the school under the changed ownership
17 must immediately be filed with the Board. Whenever an owner,
18 partnership, or corporation operates a school at different
19 locations, an application for a permit of approval must be
20 filed for each location. A school must have approval prior to
21 operating at a location and must make application to the Board
22 for any change of location and for a classroom extension at a
23 new or changed location. Each application required to be filed
24 in accordance with the provisions of this Section must be
25 accompanied by the required fee under the provisions of
26 Sections 75 and 85 of this Act, and all such applications must

1 be made on forms prepared and furnished by the Board. The
2 permit of approval must be prominently displayed at some place
3 on the premises of the school at each school location open to
4 the inspection of all interested persons. The Board shall
5 maintain, open to public inspection, a list of schools, their
6 classroom extensions, and their courses of instruction
7 approved under this Act and may annually publish such a list.
8 Issuance of the permit of approval by the Board does not denote
9 that the school or any program offered by the school is
10 recommended, guaranteed, or endorsed by the Board or that the
11 Board is responsible for the quality of the school or its
12 programs, and no school may communicate this to be the case. No
13 guarantee of employability of school graduates is made by the
14 Board in its approval of programs or schools, and no school may
15 communicate such information.

16 (Source: P.A. 97-650, eff. 2-1-12.)

17 (105 ILCS 426/30)

18 Sec. 30. Exemptions. For purposes of this Act, the
19 following shall not be considered to be a private business and
20 vocational school:

21 (1) Any institution devoted entirely to the teaching
22 of religion or theology.

23 (2) Any in-service program of study and subject
24 offered by an employer, provided that no tuition is
25 charged and the instruction is offered only to employees

1 of the employer.

2 (3) Any educational institution that (A) enrolls a
3 majority of its students in degree programs and has
4 maintained an accredited status with a regional
5 accrediting agency that is recognized by the U.S.
6 Department of Education or (B) enrolls students in one or
7 more bachelor-level programs, enrolls a majority of its
8 students in degree programs, and is accredited by a
9 national or regional accrediting agency that is recognized
10 by the U.S. Department of Education or that (i) is
11 regulated by the Board under the Private College Act or
12 the Academic Degree Act or is exempt from such regulation
13 under either the Private College Act or the Academic
14 Degree Act solely for the reason that the educational
15 institution was in operation on the effective date of
16 either the Private College Act or the Academic Degree Act
17 or (ii) is regulated by the State Board of Education.

18 (4) Any institution and the franchisees of that
19 institution that exclusively offer a program of study in
20 income tax theory or return preparation at a total
21 contract price of no more than \$400, provided that the
22 total annual enrollment of the institution for all such
23 courses of instruction exceeds 500 students and further
24 provided that the total contract price for all instruction
25 offered to a student in any one calendar year does not
26 exceed \$3,000.

1 (5) Any person or organization selling mediated
2 instruction products through a media, such as tapes,
3 compact discs, digital video discs, or similar media, so
4 long as the instruction is not intended to result in the
5 acquisition of training for a specific employment field,
6 is not intended to meet a qualification for licensure or
7 certification in an employment field, or is not intended
8 to provide credit that can be applied toward a certificate
9 or degree program.

10 (6) Schools with no physical presence in this State.
11 Schools offering instruction or programs of study, but
12 that have no physical presence in this State, are not
13 required to receive Board approval. Such an institution
14 must not be considered not to have a physical presence in
15 this State unless it has received a written finding from
16 the Board that it has no ~~a limited~~ physical presence. In
17 determining whether an institution has no physical
18 presence, the Board shall require all of the following:

19 (A) Evidence of authorization to operate in at
20 least one other state and that the school is in good
21 standing with that state's authorizing agency.

22 (B) Evidence that the school has a means of
23 receiving and addressing student complaints in
24 compliance with any federal or state requirements.

25 (C) Evidence that the institution is providing no
26 instruction in this State.

1 (D) Evidence that the institution is not providing
2 core academic support services, including, but not
3 limited to, admissions, evaluation, assessment,
4 registration, financial aid, academic scheduling, and
5 faculty hiring and support in this State.

6 (7) A school or program within a school that
7 exclusively provides yoga instruction, yoga teacher
8 training, or both.

9 (Source: P.A. 99-705, eff. 1-1-17.)

10 (105 ILCS 426/35)

11 Sec. 35. Institution and program approval criteria. Each
12 entity seeking a permit of approval is required to demonstrate
13 that it satisfies institution-approval criteria and that each
14 program of study offered meets the program-approval criteria
15 in this Act and any applicable rules. The following standard
16 criteria are intended to measure the appropriateness of the
17 stated educational objectives of the educational programs of a
18 given institution and the extent to which suitable and proper
19 processes have been developed for meeting those objectives.
20 Information related to the satisfaction of the approval
21 criteria outlined in this Section must be supplied to the
22 Board by institutions on forms provided by the Board.
23 Additional information may be requested by the Board to
24 determine the institution's ability to satisfy the criteria.
25 The following must be considered as part of, but not

1 necessarily all of, the criteria for approval of institutions
2 and the programs offered under this Act:

3 (1) Qualifications of governing board members, owners,
4 and senior administrators. At a minimum, these individuals
5 must be of good moral character and have no felony
6 criminal record.

7 (2) Qualifications of faculty and staff.

8 (3) Demonstration of student learning and quality of
9 program delivery.

10 (4) Sufficiency of institutional finances. The
11 institution must demonstrate that it has the financial
12 resources sufficient to meet its financial obligations,
13 including, but not limited to, refunding tuition pursuant
14 to the institution's stated policies. The school must
15 tender financial records, including, but not limited to,
16 financial statements, income statements, and cash flow
17 statements.

18 (5) Accuracy, clarity, and appropriateness of program
19 descriptions. Institutional promotional, advertising, and
20 recruiting materials must be clear, appropriate, and
21 accurate.

22 (6) Sufficiency of facilities and equipment. At a
23 minimum, these must be appropriate and must meet
24 applicable safety code requirements and ordinances.

25 (7) Fair and equitable refund policies. At a minimum,
26 these must be fair and equitable, must satisfy any related

1 State or federal rules, and must abide by the standards
2 established in Section 60 of this Act and the rules
3 adopted for the implementation of this Act.

4 (8) Appropriate and ethical admissions and recruitment
5 practices. At a minimum, recruiting practices must be
6 ethical and abide by any State or federal rules.

7 (9) Recognized accreditation status. Accreditation
8 with an accrediting body approved by the U.S. Department
9 of Education may be counted as significant evidence of the
10 institution's ability to meet curricular approval
11 criteria.

12 (10) Meeting employment requirements in the field of
13 study. The institution must clearly demonstrate how a
14 student's completion of the program of study satisfies
15 employment requirements in the occupational field. Such
16 information must be clearly and accurately provided to
17 students. If licensure, certification, or their equivalent
18 is required of program graduates to enter the field of
19 employment, the institution must clearly demonstrate that
20 completion of the program will allow students to achieve
21 this status.

22 (11) Enrollment agreements that, at a minimum, meet
23 the requirements outlined in Section 40 of this Act.

24 (12) Clearly communicated tuition and fee charges.
25 Tuition and fees and any other expense charged by the
26 school must be appropriate to the expected income that

1 will be earned by graduates. No school may have a tuition
2 policy or enrollment agreement that requires that a
3 student register for more than a single semester, quarter,
4 term, or other such period of enrollment as a condition of
5 the enrollment nor shall any school charge a student for
6 multiple periods of enrollment prior to completion of the
7 single semester, quarter, term, or other such period of
8 enrollment.

9 (13) Legal action against the institution, its parent
10 company, its owners, its governing board, or its board
11 members. Any such legal action must be provided to the
12 Board and may be considered as a reason for denial or
13 revocation of the permit of approval.

14 (Source: P.A. 97-650, eff. 2-1-12.)

15 (105 ILCS 426/37)

16 Sec. 37. Disclosures. All schools shall make, at a
17 minimum, the disclosures required under this Section clearly
18 and conspicuously on their Internet websites. The disclosure
19 shall consist of a statement containing the following
20 information for the most recent 12-month reporting period of
21 July 1 through June 30:

22 (1) The number of students who were admitted in the
23 course of instruction as of July 1 of that reporting
24 period.

25 (2) Additions during the year due to:

- 1 (A) new starts;
- 2 (B) re-enrollments; and
- 3 (C) transfers into the course of instruction from
- 4 other courses of instruction at the school.

5 (3) The total number of students admitted during the

6 reporting period (the number of students reported under

7 paragraph (1) of this Section plus the additions reported

8 under subparagraphs (A), (B), and (C) of paragraph (2) of

9 this Section.

10 (4) Of the total course of instruction enrollment, the

11 number of students who:

- 12 (A) transferred out of the course of instruction
- 13 to another course of instruction;
- 14 (B) completed or graduated from a course of
- 15 instruction;
- 16 (C) withdrew from the school;
- 17 (D) are still enrolled.

18 (5) The number of students listed in paragraph (4) of

19 this Section who:

- 20 (A) were placed in their field of study;
- 21 (B) were placed in a related field;
- 22 (C) placed out of the field;
- 23 (D) were not available for placement due to
- 24 personal reasons;
- 25 (E) were not employed.

26 (6) The number of students who took a State licensing

1 examination or professional certification examination, if
2 any, during the reporting period, as well as the number
3 who passed.

4 (7) The number of graduates who obtained employment in
5 the field who did not use the school's placement
6 assistance during the reporting period; such information
7 may be compiled by reasonable efforts of the school to
8 contact graduates by written correspondence.

9 (8) The average starting salary for all school
10 graduates employed during the reporting period; such
11 information may be compiled by reasonable efforts of the
12 school to contact graduates by written correspondence.

13 (9) The following clear and conspicuous caption, set
14 forth with the address and telephone number of the Board's
15 office:

16 "COMPLAINTS AGAINST THIS SCHOOL MAY BE REGISTERED
17 WITH THE BOARD OF HIGHER EDUCATION."

18 (10) If the United States Department of Education
19 places the school on either the Heightened Cash Monitoring
20 2 payment method or the reimbursement payment method, as
21 authorized under 34 CFR 668.162, a clear and conspicuous
22 disclosure that the United States Department of Education
23 has heightened monitoring of the school's finances and the
24 reason for such monitoring. Such disclosure shall be made
25 within 14 days of the action of the United States
26 Department of Education both on the school's website and

1 to all students and prospective students on a form
2 prescribed by the Board.

3 An alphabetical list of names, addresses, and dates of
4 admission by course or course of instruction and a sample copy
5 of the enrollment agreement employed to enroll the students
6 listed shall be filed with the Board's Executive Director on
7 an annual basis. The list shall be signed and verified by the
8 school's chief managing employee.

9 (Source: P.A. 97-650, eff. 2-1-12.)

10 (105 ILCS 426/50)

11 Sec. 50. Requirements for approved institutions.

12 (a) Each school and each of the non-degree programs of
13 study offered by the school shall be issued a permit of
14 approval ~~approved~~ for one year. The permit shall be renewed
15 annually and every fifth year pursuant to Section 75 of this
16 Act ~~5 years~~, subject to the terms and conditions of approval,
17 including without limitation the submission of required
18 reporting and the payment of required charges and fees under
19 the provisions of Section 75 of this Act, and compliance with
20 any other requirements in this Act or supporting rules.
21 Failure to so comply at any time ~~during the 5 years~~ is grounds
22 for immediate revocation of the permit of approval.
23 Information requested by the Board must be submitted annually
24 or, in special circumstances, at the request of the Board.
25 Failure to do so is grounds for immediate revocation of the

1 permit of approval. Each non-degree program of study must be
2 approved by the Board as well. Regardless of when the program
3 was approved, all programs of study must be approved again
4 with the institutional approval every 5 years ~~at the end of the~~
5 ~~5-year approval period~~ or in conjunction with an earlier
6 review if so required under this Act or the administrative
7 rules adopted in support of this Act. ~~The Board's Executive~~
8 ~~Director has the authority to order any school subject to this~~
9 ~~Act to cease and desist operations if the school is found to~~
10 ~~have acted contrary to the standards set forth in this Act or~~
11 ~~the supporting administrative rules.~~

12 (b) Any school that is institutionally accredited by an
13 accrediting agency that is recognized by the U.S. Department
14 of Education or the Council for Higher Education Accreditation
15 shall be issued a permit of approval valid for 5 years for each
16 non-degree program of study offered by the school. The permit
17 shall be subject to (i) the terms and conditions of approval,
18 including, without limitation, the submission of required
19 reporting, (ii) the payment of required charges and fees under
20 the provisions of Section 75 of this Act, and (iii) compliance
21 with any other requirements under this Act or administrative
22 rule. The failure of a school to comply at any time during the
23 5-year term of the permit of approval shall be grounds for the
24 immediate revocation of the permit of approval. Information
25 requested by the Board must be submitted annually or, in
26 certain circumstances, at the request of the Board. The

1 failure of the school to submit the requested information
2 shall be grounds for the immediate revocation of the permit of
3 approval. Each non-degree program of study must be approved by
4 the Board. Regardless of the date a school received initial
5 approval of a program of study, all programs of study must be
6 reapproved for a permit of approval at the end of each 5-year
7 approval period or in conjunction with an earlier review if
8 otherwise required by this Act or administrative rule.

9 (c) The Board may order any school subject to this Act to
10 cease and desist operations if the school is found to have
11 acted contrary to the standards set forth in this Act or
12 administrative rule.

13 (Source: P.A. 97-650, eff. 2-1-12.)

14 (105 ILCS 426/55)

15 Sec. 55. Maintenance of approval. Institutions covered
16 under this Act must meet the following requirements to receive
17 and maintain approval:

18 (1) Provide a surety bond. A continuous surety company
19 bond, written by a company authorized to do business in
20 this State, for the protection of contractual rights,
21 including faithful performance of all contracts and
22 agreements for students and their parents, guardians, or
23 sponsors. The Board shall establish the bond amount by
24 rule. The amount of the bond must be sufficient to provide
25 for the repayment of full tuition to all students enrolled

1 at the institution in the event of closure of the
2 institution. Evidence of the continuation of the bond must
3 be filed annually with the Board. The surety bond must be a
4 written agreement that provides for monetary compensation
5 in the event that the school fails to fulfill its
6 obligations to its students and their parents, guardians,
7 or sponsors. The surety bonding company shall guarantee
8 the return to students and their parents, guardians, or
9 sponsors of all prepaid, unearned tuition in the event of
10 school closure. A condition of the bond shall be that the
11 bond agent shall notify the Board in the event the bond is
12 no longer in effect.

13 (2) Provide to the Board and each student the school's
14 policy for addressing student complaints. Included in this
15 process, the school must provide in its promotional
16 materials and on its Internet website the Board's address
17 and Internet website for reporting complaints.

18 (3) Provide on the institution's Internet website and
19 in promotional materials and enrollment agreements the
20 Internet website, address, and phone number of the Board
21 for students to report complaints.

22 (4) Provide evidence of liability insurance, in such
23 form and amount as the Board shall from time to time
24 prescribe pursuant to rules adopted under this Act, to
25 protect students and employees at the school's places of
26 business and at all classroom extensions, including any

1 work-experience locations.

2 (5) Provide data as requested by the Board to support
3 the satisfaction of the requirements of this Act or to
4 provide vocational and technical educational data for the
5 longitudinal data system created under the P-20
6 Longitudinal Education Data System Act.

7 (6) Pay required fees as described under the
8 provisions of Section 75 of this Act by prescribed
9 deadlines.

10 (7) With respect to advertising programs of study, all
11 of the following apply:

12 (A) A school may state that it is approved to offer
13 a program of study or authorized to award a
14 certificate in this State only after that approval has
15 been officially granted and received in writing from
16 the Board.

17 (B) A school shall not advertise or state in any
18 manner that it is accredited by the Board to award
19 degrees or certificates.

20 (C) No school may publish or otherwise communicate
21 to prospective students, faculty, staff, or the public
22 misleading or erroneous information about the
23 certificate or degree-granting status of a given
24 institution.

25 (D) All advertisements or solicitations by
26 approved schools shall only reference the Board's

1 approval by stating that the school is approved by the
2 "Division of Private Business and Vocational Schools".

3 (E) All advertisements or solicitations by
4 approved schools shall contain the school's official
5 Internet website address.

6 (8) Permit the Board's Executive Director or his or
7 her designees to inspect the school or classes thereof
8 from time to time with or without notice and to make
9 available to the Board's Executive Director or his or her
10 designees, at any time when required to do so,
11 information, including financial information, pertaining
12 to the operation and ~~to~~ the activities of the school
13 required for the administration of this Act and the
14 standards and rules adopted under this Act.

15 (9) Maintain satisfactory student retention and
16 graduation rates and State licensing examination or
17 professional certification examination passage rates.
18 Student retention and graduation rates must be maintained
19 that are appropriate to standards in the field. A State
20 licensing examination or professional certification
21 examination passage rate of at least 50% of the average
22 passage rate for schools within the industry for any State
23 licensing examination or professional certification
24 examination must be maintained. In the event that the
25 school fails to do so, then that school shall be placed on
26 probation for one year. If that school's passage rate in

1 its next reporting period does not exceed 50% of the
2 average passage rate of that class of school as a whole,
3 then the Board shall revoke the school's approval for that
4 program to operate in this State. In addition, this shall
5 be grounds for reviewing the institution's approval to
6 operate. The Board shall develop, by rule, a procedure to
7 ensure the veracity of the information required under this
8 Section.

9 (10) Not enter into an enrollment agreement wherein
10 the student waives the right to assert against the school
11 or any assignee any claim or defense he or she may have
12 against the school arising under the agreement. Any
13 provisions in an enrollment agreement wherein the student
14 agrees to such a waiver shall be rendered void.

15 (11) Not have a tuition policy or enrollment agreement
16 that requires that a student register for more than a
17 single semester, quarter, term, or other such period of
18 enrollment as a condition of the enrollment nor charge a
19 student for multiple periods of enrollment prior to
20 completion of a single semester, quarter, term, or other
21 such period of enrollment.

22 (12) Provide the Board with a copy of any notice of
23 warning or suspension or revocation received from an
24 accrediting agency or State or federal oversight body
25 within 15 days after receipt of the notice. The school
26 shall, at the same time, inform the Board, in writing, on

1 actions being taken to correct all deficiencies cited.

2 (13) Maintain a fair and equitable refund policy and
3 abide by it. Such a policy shall abide by any State or
4 federal rules as appropriate. The same policy shall apply
5 to all students equally.

6 (14) Act in an ethical manner.

7 (Source: P.A. 97-650, eff. 2-1-12.)

8 (105 ILCS 426/70)

9 Sec. 70. Closing of a school.

10 (a) In the event a school proposes to discontinue its
11 operations, the chief administrative officer of the school
12 shall cause to be filed with the Board the original or legible
13 true copies of all such academic records of the institution as
14 may be specified by the Board.

15 (b) These records shall include, at a minimum, the
16 academic records of each former student that is traditionally
17 provided on an academic transcript, such as, but not limited
18 to, courses taken, terms, grades, and other such information.

19 (c) In the event it appears to the Board that any such
20 records of an institution discontinuing its operations is in
21 danger of being lost, hidden, destroyed, or otherwise made
22 unavailable to the Board, the Board may seize and take
23 possession of the records, on its own motion and without order
24 of court.

25 (d) The Board shall maintain or cause to be maintained a

1 permanent file of such records coming into its possession.

2 (e) As an alternative to the deposit of such records with
3 the Board, the institution may propose to the Board a plan for
4 permanent retention of the records. The plan must be put into
5 effect only with the approval of the Board.

6 (f) When a postsecondary educational institution now or
7 hereafter operating in this State proposes to discontinue its
8 operation, such institution shall cause to be created a
9 teach-out plan acceptable to the Board, which shall fulfill
10 the school's educational obligations to its students. Should
11 the school fail to deliver or act on the teach-out plan, the
12 Board is in no way responsible for providing the teach-out.

13 (g-5) The school shall release any institutional holds
14 placed on any students record, regardless of the type of hold
15 placed on the student record.

16 (g) The school and its designated surety bonding company
17 are responsible for the return to students of all prepaid,
18 unearned tuition. As identified in Section 55 of this Act, the
19 surety bond must be a written agreement that provides for
20 monetary compensation in the event that the school fails to
21 fulfill its obligations. The surety bonding company shall
22 guarantee the return to the school's students and their
23 parents, guardians, or sponsors of all prepaid, unearned
24 tuition in the event of school closure. Should the school or
25 its surety bonding company fail to deliver or act to fulfill
26 the obligation, the Board is in no way responsible for the

1 repayment or any related damages or claims.

2 (Source: P.A. 97-650, eff. 2-1-12.)

3 (105 ILCS 426/75)

4 Sec. 75. Application and renewal fees. The Board may not
5 approve any application for a permit of approval or program of
6 study that has been plagiarized in part or whole and may return
7 any such application for a permit of approval or program of
8 study. Additionally, the Board may not approve any application
9 for a permit of approval or program of study that has not been
10 completed in its entirety. Fees for application and renewal
11 may be set by the Board by rule. Fees shall be collected for
12 all of the following:

13 (1) An original school application for a permit
14 ~~certificate~~ of approval.

15 (2) An initial school application for a permit
16 ~~certificate~~ of approval upon occurrence of a change of
17 ownership.

18 (3) An annual school application for renewal of a
19 certificate of approval.

20 (4) A school application for a change of location.

21 (5) A school application for a classroom extension.

22 (6) If an applicant school that has not remedied all
23 deficiencies cited by the Board within 12 months after the
24 date of its original application for a permit ~~certificate~~
25 of approval, an additional original application fee for

1 the continued cost of investigation of its application.

2 (7) Transcript processing.

3 (Source: P.A. 97-650, eff. 2-1-12.)

4 (105 ILCS 426/75.5 new)

5 Sec. 75.5. Cease and desist order. The Board may issue a
6 cease and desist order to any school operating without the
7 required permit of approval and may assess a penalty fee. The
8 penalty fee may not exceed \$10,000 per violation. Each
9 violation per day of any provision of this Act shall
10 constitute a separate offense. The cease and desist order
11 shall be issued to the school, shall contain the school's name
12 and address and a brief factual statement, shall identify the
13 Act and the statutory citations of the Act allegedly violated
14 and the penalty fee, if any, imposed. The cease and desist
15 order must clearly state that the school may choose to request
16 a hearing. If the school does not request a hearing with the
17 Board within 30 days after the cease and desist order is
18 served, then the cease and desist order shall become final and
19 not subject to appeal. The penalty shall be a fee or other
20 conditions as established by rule.

21 Section 15. The Developmental Education Reform Act is
22 amended by changing Section 100-30 as follows:

23 (110 ILCS 175/100-30)

1 Sec. 100-30. Institutional plans; report.

2 (a) On or before May 1, 2022, each university shall submit
3 to the Board of Higher Education and each community college
4 shall submit to the Illinois Community College Board its
5 institutional plan for scaling evidence-based developmental
6 education reforms to maximize the probability that a student
7 will be placed in and successfully complete introductory
8 college-level English language or mathematics coursework
9 within 2 semesters at the institution. At a minimum, a plan
10 submitted by an institution shall include all of the
11 following:

12 (1) A description of the current developmental
13 education models offered by the institution. If the
14 institution does not currently offer developmental
15 education coursework, it must provide details regarding
16 its decision not to offer developmental education
17 coursework and the pathways that are available to students
18 deemed to be insufficiently prepared for introductory
19 college-level English language or mathematics coursework.

20 (2) A description of the developmental education
21 models that will be implemented and scaled and the basis
22 of the evidence and associated data that the institution
23 considered in making the decision to scale each model.

24 (3) Baseline data and benchmarks for progress,
25 including, but not limited to, (i) enrollment in
26 credit-bearing English language or mathematics courses,

1 (ii) rates of successful completion of introductory
2 college-level English language or mathematics courses, and
3 (iii) college-credit accumulation.

4 (4) Detailed plans for scaling reforms and improving
5 outcomes for all students placed in traditional
6 developmental education models or models with comparable
7 introductory college-level course completion rates. The
8 plan shall provide details about the expected improvements
9 in educational outcomes for Black students as result of
10 the proposed reforms.

11 (b) On or before February 15 ~~January 1~~, 2023 and every 2
12 years thereafter, the Board of Higher Education and Illinois
13 Community College Board shall collect data and report to the
14 General Assembly and the public the status of developmental
15 education reforms at institutions. The report must include
16 data on the progress of the developmental education reforms,
17 including, but not limited to, (i) enrollment in
18 credit-bearing English language or mathematics courses, (ii)
19 rates of successful completion of introductory college-level
20 English language or mathematics courses, and (iii)
21 college-credit accumulation. The data should be disaggregated
22 by gender, race and ethnicity, federal Pell Grant status, and
23 other variables of interest to the Board of Higher Education
24 and the Illinois Community College Board.

25 (c) On or before February 15 ~~January 1~~, 2024 and every 2
26 years thereafter, the Board of Higher Education and Illinois

1 Community College Board, in consultation with institutions of
2 higher education and other stakeholders, shall consider
3 additional data reporting requirements to facilitate the
4 rigorous and continuous evaluation of each institution's
5 implementation plan and its impact on improving outcomes for
6 students in developmental education, particularly for Black
7 students.

8 (Source: P.A. 101-654, eff. 3-8-21.)

9 Section 20. The Board of Higher Education Act is amended
10 by changing Sections 1, 3, 6, 7, 8, 9.16, 11, and 16 as
11 follows:

12 (110 ILCS 205/1) (from Ch. 144, par. 181)

13 Sec. 1. The following terms shall have the meanings
14 respectively prescribed for them, except when the context
15 otherwise requires:

16 "Public institutions of higher education": The University
17 of Illinois; Southern Illinois University; Chicago State
18 University; Eastern Illinois University; Governors State
19 University; Illinois State University; Northeastern Illinois
20 University; Northern Illinois University; Western Illinois
21 University; the public community colleges of the State and any
22 other public universities, colleges and community colleges now
23 or hereafter established or authorized by the General
24 Assembly.

1 "Board": The Board of Higher Education created by this
2 Act.

3 "Private institution of higher education": Any institution
4 of higher education that is subject to the Private College Act
5 or the Academic Degree Act.

6 (Source: P.A. 100-167, eff. 1-1-18.)

7 (110 ILCS 205/3) (from Ch. 144, par. 183)

8 Sec. 3. Terms; vacancies.

9 (a) The members of the Board whose appointments are
10 subject to confirmation by the Senate shall be selected for
11 6-year terms expiring on January 31 of odd numbered years.

12 (b) The members of the Board shall continue to serve after
13 the expiration of their terms until their successors have been
14 appointed.

15 (c) Vacancies on the Board in offices appointed by the
16 Governor shall be filled by appointment by the Governor for
17 the unexpired term. If the appointment is subject to Senate
18 confirmation and the Senate is not in session or is in recess
19 when the appointment is made, the appointee shall serve
20 subject to subsequent Senate approval of the appointment.

21 (d) Each student member shall serve a term of one year
22 beginning on July 1 of each year and until a successor is
23 appointed and qualified.

24 (e) The member of the Board representing public university
25 governing boards and the member of the Board representing

1 private college and university boards of trustees, who are
2 appointed by the Governor but not subject to confirmation by
3 the Senate, shall serve terms of one year beginning on July 1.

4 (Source: P.A. 100-167, eff. 1-1-18.)

5 (110 ILCS 205/6) (from Ch. 144, par. 186)

6 Sec. 6. The Board, in cooperation with the Illinois
7 Community College Board, shall analyze the present and future
8 aims, needs and requirements of higher education in the State
9 of Illinois and prepare a strategic ~~master~~ plan for the
10 development, expansion, integration, coordination and
11 efficient utilization of the facilities, curricula and
12 standards of higher education for public institutions of
13 higher education in the areas of teaching, research and public
14 service. The strategic ~~master~~ plan shall also include higher
15 education affordability and accessibility measures. The Board,
16 in cooperation with the Illinois Community College Board,
17 shall formulate the strategic ~~master~~ plan and prepare and
18 submit to the General Assembly and the Governor drafts of
19 proposed legislation to effectuate the plan. The Board, in
20 cooperation with the Illinois Community College Board, shall
21 engage in a continuing study, an analysis, and an evaluation
22 of the strategic ~~master~~ plan so developed, and it shall be its
23 responsibility to recommend, from time to time as it
24 determines, amendments and modifications of any strategic
25 ~~master~~ plan enacted by the General Assembly.

1 (Source: P.A. 99-655, eff. 7-28-16.)

2 (110 ILCS 205/7) (from Ch. 144, par. 187)

3 Sec. 7. The Board of Trustees of the University of
4 Illinois, the Board of Trustees of Southern Illinois
5 University, the Board of Trustees of Chicago State University,
6 the Board of Trustees of Eastern Illinois University, the
7 Board of Trustees of Governors State University, the Board of
8 Trustees of Illinois State University, the Board of Trustees
9 of Northeastern Illinois University, the Board of Trustees of
10 Northern Illinois University, the Board of Trustees of Western
11 Illinois University, the Illinois Community College Board and
12 the campuses under their governance or supervision shall not
13 hereafter undertake the establishment of any new unit of
14 instruction, research, or public service without the approval
15 of the Board. The term "new unit of instruction, research, or
16 public service" includes the establishment of a college,
17 school, division, institute, department, or other unit in any
18 field of instruction, research, or public service not
19 theretofore included in the program of the institution, and
20 includes the establishment of any new branch or campus. The
21 term does not include reasonable and moderate extensions of
22 existing curricula, research, or public service programs which
23 have a direct relationship to existing programs; and the Board
24 may, under its rulemaking power, define the character of such
25 reasonable and moderate extensions.

1 Such governing boards shall submit to the Board all
2 proposals for a new unit of instruction, research, or public
3 service. The Board may approve or disapprove the proposal in
4 whole or in part or approve modifications thereof whenever in
5 its judgment such action is consistent with the objectives of
6 an existing or proposed strategic ~~master~~ plan of higher
7 education.

8 The Board of Higher Education is authorized to review
9 periodically all existing programs of instruction, research,
10 and public service at the State universities and colleges and
11 to advise the appropriate board of control if the contribution
12 of each program is not educationally and economically
13 justified. Each State university shall report annually to the
14 Board on programs of instruction, research, or public service
15 that have been terminated, dissolved, reduced, or consolidated
16 by the university. Each State university shall also report to
17 the Board all programs of instruction, research, and public
18 service that exhibit a trend of low performance in
19 enrollments, degree completions, and high expense per degree.
20 The Board shall compile an annual report that shall contain
21 information on new programs created, existing programs that
22 have been closed or consolidated, and programs that exhibit
23 low performance or productivity. The report must be submitted
24 to the General Assembly. The Board shall have the authority to
25 define relevant terms and timelines by rule with respect to
26 this reporting.

1 (Source: P.A. 101-81, eff. 7-12-19.)

2 (110 ILCS 205/8) (from Ch. 144, par. 188)

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

19 In order to maintain a cohesive system of higher
20 education, the Board and its staff shall communicate on a
21 regular basis with all public university presidents. They
22 shall meet at least semiannually to achieve economies of scale
23 where possible and provide the most innovative and efficient
24 programs and services.

25 The Board, in the analysis of formulating the annual

1 budget request, shall consider rates of tuition and fees and
2 undergraduate tuition and fee waiver programs at the State
3 universities and colleges. The Board shall also consider the
4 current and projected utilization of the total physical plant
5 of each campus of a university or college in approving the
6 capital budget for any new building or facility.

7 The Board of Higher Education shall submit to the
8 Governor, to the General Assembly, and to the appropriate
9 budget agencies of the Governor and General Assembly its
10 analysis and recommendations on such budget proposals.

11 The Board is directed to form a broad-based group of
12 individuals representing the Office of the Governor, the
13 General Assembly, public institutions of higher education,
14 State agencies, business and industry, statewide organizations
15 representing faculty and staff, and others as the Board shall
16 deem appropriate to devise a system for allocating State
17 resources to public institutions of higher education based
18 upon performance in achieving State goals related to student
19 success and certificate and degree completion.

20 Beginning in Fiscal Year 2013, the Board of Higher
21 Education budget recommendations to the Governor and the
22 General Assembly shall include allocations to public
23 institutions of higher education based upon performance
24 metrics designed to promote and measure student success in
25 degree and certificate completion. Public university metrics
26 must be adopted by the Board by rule, and public community

1 college metrics must be adopted by the Illinois Community
2 College Board by rule. These metrics must be developed and
3 promulgated in accordance with the following principles:

4 (1) The metrics must be developed in consultation with
5 public institutions of higher education, as well as other
6 State educational agencies and other higher education
7 organizations, associations, interests, and stakeholders
8 as deemed appropriate by the Board.

9 (2) The metrics shall include provisions for
10 recognizing the demands on and rewarding the performance
11 of institutions in advancing the success of students who
12 are academically or financially at risk, including
13 first-generation students, low-income students, and
14 students traditionally underrepresented in higher
15 education, as specified in Section 9.16 of this Act.

16 (3) The metrics shall recognize and account for the
17 differentiated missions of institutions and sectors of
18 higher education.

19 (4) The metrics shall focus on the fundamental goal of
20 increasing completion of college courses, certificates,
21 and degrees. Performance metrics shall recognize the
22 unique and broad mission of public community colleges
23 through consideration of additional factors including, but
24 not limited to, enrollment, progress through key academic
25 milestones, transfer to a baccalaureate institution, and
26 degree completion.

1 (5) The metrics must be designed to maintain the
2 quality of degrees, certificates, courses, and programs.

3 In devising performance metrics, the Board may be guided by
4 the report of the Higher Education Finance Study Commission.

5 Each State university must submit its plan for capital
6 improvements of non-instructional facilities to the Board for
7 approval before final commitments are made if the total cost
8 of the project as approved by the institution's board of
9 control is in excess of \$2 million. Non-instructional uses
10 shall include but not be limited to dormitories, union
11 buildings, field houses, stadium, other recreational
12 facilities and parking lots. The Board shall determine whether
13 or not any project submitted for approval is consistent with
14 the strategic ~~master~~ plan for higher education and with
15 instructional buildings that are provided for therein. If the
16 project is found by a majority of the Board not to be
17 consistent, such capital improvement shall not be constructed.
18 (Source: P.A. 99-655, eff. 7-28-16.)

19 (110 ILCS 205/9.16) (from Ch. 144, par. 189.16)

20 Sec. 9.16. Underrepresentation of certain groups in higher
21 education. To require public institutions of higher education
22 to develop and implement an equity plan and practices that
23 include methods and strategies to increase the access,
24 retention, completion, and student loan repayment rates
25 participation of minorities, rural students, adult students,

1 women, and individuals with disabilities who are traditionally
2 underrepresented in education programs and activities. To
3 encourage private institutions of higher education to develop
4 and implement an equity plan and practices. For the purpose of
5 this Section, minorities shall mean persons ~~who are citizens~~
6 ~~of the United States or lawful permanent resident aliens of~~
7 ~~the United States and~~ who are any of the following:

8 (1) American Indian or Alaska Native (a person having
9 origins in any of the original peoples of North and South
10 America, including Central America, and who maintains
11 tribal affiliation or community attachment).

12 (2) Asian (a person having origins in any of the
13 original peoples of the Far East, Southeast Asia, or the
14 Indian subcontinent, including, but not limited to,
15 Cambodia, China, India, Japan, Korea, Malaysia, Pakistan,
16 the Philippine Islands, Thailand, and Vietnam).

17 (3) Black or African American (a person having origins
18 in any of the black racial groups of Africa).

19 (4) Hispanic or Latino (a person of Cuban, Mexican,
20 Puerto Rican, South or Central American, or other Spanish
21 culture or origin, regardless of race).

22 (5) Native Hawaiian or Other Pacific Islander (a
23 person having origins in any of the original peoples of
24 Hawaii, Guam, Samoa, or other Pacific Islands).

25 The Board shall adopt any rules necessary to administer
26 this Section. The Board, in collaboration with the Illinois

1 Community College Board, shall also do the following:

2 (a) require all public institutions of higher education to
3 develop and submit an equity plan and implement practices
4 that, at a minimum, close gaps in enrollment, retention,
5 completion, and student loan repayment rates for
6 underrepresented groups and encourage all private institutions
7 of higher education to develop and submit such equity plans
8 and implement such practices ~~plans for the implementation of~~
9 ~~this Section;~~

10 (b) conduct periodic review of public institutions of
11 higher education and private institutions of higher education
12 to determine compliance with this Section; and if the Board
13 finds that a public institution of higher education is not in
14 compliance with this Section, it shall notify the institution
15 of steps to take to attain compliance;

16 (c) provide advice and counsel pursuant to this Section;

17 (d) conduct studies of the effectiveness and outcomes of
18 the methods and strategies outlined in an institution's equity
19 plan, as well as others designed to increase participation and
20 success of students in education programs and activities in
21 which minorities, rural students, adult students, women, and
22 individuals with disabilities are traditionally
23 underrepresented, and monitor and report the outcomes for
24 ~~success of~~ students as a result of the implementation of
25 equity plans ~~in such education programs and activities;~~

26 (e) require components of an institution's equity plan to

1 include strategies to increase ~~encourage~~ minority student
2 recruitment, ~~and~~ retention, and student loan repayment rates
3 in colleges and universities. In implementing this paragraph,
4 the Board shall undertake but need not be limited to the
5 following: the establishment of guidelines and plans for
6 public institutions of higher education and private
7 institutions of higher education for minority student
8 recruitment, ~~and~~ retention, and student loan repayment rates,
9 including requirements to establish campus climate and culture
10 surveys, the review and monitoring of minority student
11 services, programs, and supports implemented at public
12 institutions of higher education and private institutions of
13 higher education to determine their compliance with any
14 guidelines and plans so established, the determination of the
15 effectiveness and funding requirements of minority student
16 services, programs, and supports at public institutions of
17 higher education and private institutions of higher education,
18 the dissemination of successful programs as models, and the
19 encouragement of cooperative partnerships between community
20 colleges, ~~and~~ local school attendance centers, and 4-year
21 colleges and universities to support enrollment of which are
22 ~~experiencing difficulties in enrolling~~ minority students ~~in~~
23 ~~four-year colleges and universities;~~

24 (f) mandate all public institutions of higher education
25 and encourage all private institutions of higher education to
26 submit data and information essential to determine compliance

1 with this Section. The Board shall prescribe the format and
2 the date for submission of this data and any other education
3 equity data; and

4 (g) report to the General Assembly and the Governor
5 annually with a description of the plans submitted by each
6 public institution of higher education and each private
7 institution of higher education for implementation of this
8 Section, including financial data relating to the most recent
9 fiscal year ~~expenditures for specific minority programs~~, the
10 effectiveness of such plans and programs and the effectiveness
11 of the methods and strategies developed by the Board in
12 meeting the purposes of this Section, the degree of compliance
13 with this Section by each public institution of higher
14 education and each private institution of higher education as
15 determined by the Board pursuant to its periodic review
16 responsibilities, and the findings made by the Board in
17 conducting its studies and monitoring student outcomes and
18 institutional success as required by paragraph (d) ~~(d)~~ of this
19 Section. With respect to each public institution of higher
20 education and each private institution of higher education,
21 such report also shall include, but need not be limited to,
22 information with respect to each institution's minority
23 program budget allocations; minority student admission,
24 retention and graduation and student loan repayment rate
25 statistics; admission, retention, ~~and~~ graduation, and student
26 loan repayment rate statistics of all students who are the

1 first in their immediate family to attend an institution of
2 higher education; number of financial assistance awards, not
3 including student loans, to undergraduate and graduate
4 minority students; and minority faculty representation. This
5 paragraph shall not be construed to prohibit the Board from
6 making, preparing or issuing additional surveys or studies
7 with respect to minority education in Illinois.

8 (Source: P.A. 102-465, eff. 1-1-22.)

9 (110 ILCS 205/11) (from Ch. 144, par. 191)

10 Sec. 11. In the formulation of a strategic ~~master~~ plan of
11 higher education and in the discharge of its duties under this
12 Act, the Board shall give consideration to the problems and
13 attitudes of private junior colleges, private colleges and
14 universities, and of other educational groups,
15 instrumentalities and institutions, and to specialized areas
16 of education, as they relate to the overall policies and
17 problems of higher education.

18 (Source: P.A. 82-622.)

19 (110 ILCS 205/16)

20 Sec. 16. Record retention requirements when ~~Closing~~ an
21 institution of higher education closes; student records;
22 institutional transfer agreements; transcript fees.

23 (a) In this Section:

24 "Academic records" means the academic records of each

1 former student of an institution of higher education that is
2 traditionally provided on an academic transcript, including,
3 but not limited to, courses taken, terms, grades, and any
4 other similar information.

5 "Institution of higher education" means any publicly or
6 privately operated university, college, junior college,
7 business, technical or vocational school, or other educational
8 institution offering degrees and instruction beyond the
9 secondary school level. "Institution of higher education" does
10 not include a public community college.

11 "Institutional transfer agreement" means an articulation
12 agreement or transfer agreement between 2 or more institutions
13 of higher education wherein one institution agrees to accept
14 the transfer of earned student credits from a former student
15 of an institution that has discontinued operations.

16 (b) In the event an institution of higher education
17 proposes to discontinue its operations, the chief
18 administrative officer of the institution shall submit a plan
19 to the Board for permanent retention of all academic records,
20 including student records and academic records of the
21 institution. The plan must be approved by the Executive
22 Director of the Board before it is executed. In addition, the
23 plan shall include the release of any institutional holds
24 placed on any student record, regardless of the type of hold
25 placed on a student record.

26 (c) If it appears to the Board that the academic records,
L

1 including student records and academic records, of an
2 institution of higher education kept pursuant to an approved
3 plan under subsection (b) of this Section may become lost,
4 hidden, destroyed, or otherwise made unavailable to the Board,
5 the Board may seize and take possession of the records, on its
6 own motion and without order of a court.

7 (d) A fee for processing transcript requests for former
8 student records from a closed institution may be set by the
9 Board of Higher Education by rule when the records are held by
10 the Board.

11 (Source: P.A. 100-1008, eff. 8-21-18.)

12 Section 25. The Higher Education Cooperation Act is
13 amended by changing Sections 4 and 5 as follows:

14 (110 ILCS 220/4) (from Ch. 144, par. 284)

15 Sec. 4. A program of financial assistance to programs of
16 interinstitutional cooperation, in higher education is
17 established to implement the policy of encouraging such
18 cooperation in order to achieve an efficient use of
19 educational resources, an equitable distribution of
20 educational services, the development of innovative concepts
21 and applications, and other public purposes.

22 The Board of Higher Education shall administer this
23 program of financial assistance and shall distribute the funds
24 appropriated by the General Assembly for this purpose in the

1 form of grants to not-for-profit corporations organized to
2 administer programs of interinstitutional cooperation in
3 higher education or to public or nonpublic institutions of
4 higher education participating in such programs.

5 In awarding grants to interinstitutional programs under
6 this Act, the Board shall consider in relation to each such
7 program whether it serves the public purposes expressed in
8 this Act, whether the local community is substantially
9 involved, whether its function could be performed better by a
10 single existing institution, whether the program is consistent
11 with the Illinois strategic ~~master~~ plan for higher education,
12 and such other criteria as it determines to be appropriate.

13 No grant may be awarded under this Section for any program
14 of sectarian instruction or for any program designed to serve
15 a sectarian purpose.

16 As a part of its administration of this Act the Board may
17 require audits or reports in relation to the administrative,
18 fiscal and academic aspects of any interinstitutional program
19 for which a grant is awarded under this Act. The Board shall
20 annually submit to the Governor and the General Assembly a
21 budgetary recommendation for grants under this Act.

22 (Source: P.A. 85-244.)

23 (110 ILCS 220/5) (from Ch. 144, par. 285)

24 Sec. 5. Any not-for-profit corporation organized to
25 administer an interinstitutional program of higher education

1 may be recognized under this Section if it has been in
2 existence for 3 years or longer, it is structured for
3 continuing operation, it is substantial in scope, it is
4 oriented to and supported by the community in which it is
5 located and it is consistent with the Illinois strategic
6 ~~master~~ plan for higher education.

7 In each request of the Board of Higher Education to the
8 General Assembly for the appropriation of funds for the
9 purpose of making grants under this Act the Board shall
10 specify the amount of the grant proposed for each
11 not-for-profit corporation recognized under this Section.

12 The following not-for-profit corporations are recognized
13 for the purposes of this Section:

14 The Quad Cities Graduate Study Center.

15 (Source: P.A. 77-2813.)

16 Section 30. The Private College Act is amended by changing
17 Sections 3, 4, 5, 14.5, and 15 and by adding Sections 4.5 and
18 16 as follows:

19 (110 ILCS 1005/3) (from Ch. 144, par. 123)

20 Sec. 3. (a) Applications submitted to the Board for a
21 certificate of approval to operate a post-secondary
22 educational institution shall contain a statement of the
23 following:

24 1. the proposed name of the institution and its proposed

1 location;

2 2. the nature, extent and purposes of the courses of study
3 to be given;

4 3. the fees to be charged and the conditions under which
5 the fees are to be paid;

6 4. the education and experience of the members of the
7 teaching staff;

8 5. the degrees to be issued to students upon completion of
9 courses of instruction.

10 (b) The Board may not approve any application for a
11 certificate of approval that has been plagiarized, in part or
12 in whole. Additionally, the Board may not approve any
13 application that has not been completed in its entirety and
14 such application shall be returned to the post-secondary
15 educational institution.

16 (Source: P.A. 80-1309.)

17 (110 ILCS 1005/4) (from Ch. 144, par. 124)

18 Sec. 4. Upon the filing of an application for a
19 certificate of approval the Board shall make an examination to
20 ascertain:

21 1. That each course of instruction to be offered or given
22 is adequate, suitable, and proper;

23 2. That the fee to be charged for the courses of
24 instruction, and the conditions and terms under which such
25 fees are to be paid are reasonable;

1 3. That an adequate physical plant and adequate facilities
2 are provided;

3 4. That the members of the teaching staff are adequately
4 prepared to fulfill their instructional obligations;

5 5. That the institution does not promise or agree to any
6 right or privilege in respect to professional examinations or
7 to the practice of any profession in violation of the laws of
8 this State;

9 6. That the institution does not offer inducements that
10 are designed to deceive the prospective student or make any
11 promises which it does not have the present means or ability to
12 perform;~~;~~

13 7. That the proposed degree program is educationally and
14 economically consistent with the educational priorities and
15 needs of this State and meets a need that is not currently met
16 by existing institutions and is supported by clear evidence of
17 need.

18 If the examination shows that the applicant has such
19 qualifications a certificate of approval shall be issued.

20 (Source: P.A. 80-1309.)

21 (110 ILCS 1005/4.5 new)

22 Sec. 4.5. Disclosure of heightened monitoring of finances.
23 Any institution with a certificate of approval under this Act
24 is required to make the following disclosures:

25 (1) If the United States Department of Education

1 places the institution on either the Heightened Cash
2 Monitoring 2 payment method or the reimbursement payment
3 method, as authorized under 34 CFR 668.162, a clear and
4 conspicuous disclosure that the United States Department
5 of Education has heightened monitoring of the
6 institution's finances and the reason for such monitoring.
7 Such disclosure shall be made within 14 days of the action
8 of the United States Department of Education both on the
9 institution's website and to all students and prospective
10 students on a form prescribed by the Board.

11 (2) Any other disclosure the Board requires by rule
12 adopted pursuant to this Act.

13 (110 ILCS 1005/5) (from Ch. 144, par. 125)

14 Sec. 5. A certificate of approval of a post-secondary
15 educational institution may be revoked for any of the
16 following:

17 1. Violation of any of the conditions governing the
18 issuance of the certificate;

19 2. Failure to comply with any of the rules adopted by the
20 Board;

21 3. Fraudulent conduct on the part of any person conducting
22 the institution or of any person, acting within the scope of
23 his employment, employed by the owners or persons conducting
24 the institution, on account of which conduct any student
25 enrolled in the institution has been injured or has suffered

1 financial loss;—

2 4. Failure to allow any duly authorized employee, or other
3 representative of the Board, to enter upon the premises of any
4 post-secondary educational institution or have access through
5 electronic means to inspect or otherwise examine the same and
6 any books, papers, or other records pertaining to the degree
7 granting program of such institution, including, but not
8 limited, to financial records such as balance sheets, income
9 statements, and cash flow statements.

10 (Source: P.A. 80-1309.)

11 (110 ILCS 1005/14.5)

12 Sec. 14.5. Fees.

13 (a) Fees to cover the cost of reviewing applications for a
14 certificate of approval to establish or operate a
15 post-secondary educational institution may be set by the Board
16 by rule.

17 (b) Fees to cover transcript processing of closed
18 institutions may be set by the Board by rule.

19 (c) Rulemaking authority to implement this amendatory Act
20 of the 95th General Assembly, if any, is conditioned on the
21 rules being adopted in accordance with all provisions of the
22 Illinois Administrative Procedure Act and all rules and
23 procedures of the Joint Committee on Administrative Rules; any
24 purported rule not so adopted, for whatever reason, is
25 unauthorized.

1 (Source: P.A. 95-1046, eff. 3-27-09.)

2 (110 ILCS 1005/15) (from Ch. 144, par. 135)

3 Sec. 15. Any person violating any provision of this Act
4 shall be guilty of a petty offense and fined not less than \$25
5 nor more than \$10,000 ~~\$100~~. Each day's violation of any
6 provision of this Act shall constitute a separate offense.

7 (Source: P.A. 84-1308.)

8 (110 ILCS 1005/16 new)

9 Sec. 16. Cease and desist order. The Board may issue a
10 cease and desist order to any institution operating without
11 the required certificate of approval and may assess a penalty
12 fee. The penalty fee may not exceed \$10,000 per violation.
13 Each violation per day of any provision of this Act shall
14 constitute a separate offense. The cease and desist order
15 shall be issued to the institution, shall contain the
16 institution's name and address and a brief factual statement,
17 shall identify the Act and the statutory citations of the Act
18 allegedly violated and the penalty fee, if any, imposed. The
19 cease and desist order must clearly state that the institution
20 may choose to request a hearing. If the institution does not
21 request a hearing with the Board within 30 days after the cease
22 and desist order is served, then the cease and desist order
23 shall become final and not subject to appeal. The penalty
24 shall be a fee or other conditions as established by rule.

1 Section 35. The Academic Degree Act is amended by changing
2 Sections 4 and 6 and by adding Sections 5.5 and 12 as follows:

3 (110 ILCS 1010/4) (from Ch. 144, par. 234)

4 Sec. 4. Period before award.† (a) Unless a degree granting
5 institution was authorized to operate in Illinois, or was in
6 operation, on August 14, 1961, it shall not award any earned
7 degree until one year after it has filed a written notice with
8 and until such institution has received the authorization and
9 approval of the Board. Except as permitted under Section 5, no
10 educational organization or entity shall be authorized to
11 award any degree nor be approved as a degree granting
12 institution unless it requires an appropriate period of
13 instruction to be in residence. The notice shall be under oath
14 or affirmation of the principal officer of the institution and
15 shall contain: the name and address of the degree granting
16 institution; the names and addresses of the president or other
17 administrative head and of each member of the board of
18 trustees or other governing board; a description of the degree
19 or degrees to be awarded and the course or courses of study
20 prerequisite thereto; and such additional information relevant
21 to the purposes of this Act as the Board may prescribe. An
22 amendment to the notice shall be under oath or affirmation of
23 the principal officer of the institution and shall be filed
24 with the Board prior to the award of any degree not contained

1 in the original notice or prior amendments thereto. A degree
2 authorized in an amendment shall not be awarded until one year
3 after the filing of the amendment with and the authorization
4 of the Board. The submission of the regular catalog of the
5 institution shall, if it covers the matters hereinabove
6 mentioned, be deemed to constitute compliance herewith.

7 (b) A degree granting institution shall keep the notice
8 which it shall have filed with the Board current at all times.
9 For this purpose, it shall report annually, by appropriate
10 amendment of the notice, any change in any fact previously
11 reported.

12 (c) The Board shall not approve any notice or amendment
13 thereto filed pursuant to this Section unless it finds the
14 facts stated therein to be correct and further finds that such
15 facts constitute compliance with the requirements of this Act
16 for degree granting institutions.

17 (d) The Board may not approve any notice, amendment, or
18 application that has been plagiarized, in part or in whole,
19 and may return any notice, amendment, or application.
20 Additionally, the Board may not approve any notice, amendment,
21 or application that has not been completed in its entirety.
22 Any such uncompleted notice, amendment, or application shall
23 be returned to the degree granting institution.

24 (e) The Board may not approve any proposed degree program
25 unless it is educationally and economically consistent with
26 the educational priorities and needs of this State and meets a

1 need that is not currently met by existing institutions and is
2 supported by clear evidence of need.

3 (Source: P.A. 80-1309.)

4 (110 ILCS 1010/5.5 new)

5 Sec. 5.5. Disclosure of heightened monitoring of finances.
6 Any institution approved by the Board under this Act shall
7 make the following disclosures:

8 (a) If the United States Department of Education places
9 the institution on either the Heightened Cash Monitoring 2
10 payment method or the reimbursement payment method, as
11 authorized under 34 CFR 668.162, a clear and conspicuous
12 disclosure that the United States Department of Education has
13 heightened monitoring of the institution's finances and the
14 reason for such monitoring. Such disclosure shall be made
15 within 14 days of the action of the United States Department of
16 Education both on the institution's website and to all
17 students and prospective students on a form prescribed by the
18 Board.

19 (b) Any other disclosure the Board requires by rule
20 adopted pursuant to this Act.

21 (110 ILCS 1010/6) (from Ch. 144, par. 236)

22 Sec. 6. Right of inspection; Penalty for refusal or
23 obstruction. Any duly authorized employee or other
24 representative of the Board may enter upon the premises of any

1 degree granting institution or may have access through
2 electronic means to ~~and~~ inspect or otherwise examine the same
3 and any books, papers or other records pertaining to the
4 degree granting program of such institution including, but not
5 limited to, financial records such as balance sheets, income
6 statements, and cash flow statements. For failure to permit
7 such entry, inspection or examination or for obstruction
8 thereof, the Board may invalidate any notice filed with it by
9 the degree granting institution and revoke any authorization
10 made pursuant to Section 4 of this Act and may refuse to accept
11 another notice from or on behalf of such institution or any
12 person connected with the administration thereof until such
13 refusal or obstruction has been withdrawn. Any action taken
14 pursuant to this Section shall be in addition to any other
15 penalty which may be imposed for violation of this Act.

16 (Source: P.A. 80-1309.)

17 (110 ILCS 1010/12 new)

18 Sec. 12. Cease and desist order. The Board may issue a
19 cease and desist order to any educational organization or
20 entity operating without the required authorization to operate
21 and grant degrees. The Board may assess a penalty fee. The
22 penalty fee may not exceed \$10,000 per violation. Each
23 violation per day of any provision of this Act shall
24 constitute a separate offense. The cease and desist order
25 shall be issued to the educational organization or entity and

1 shall contain the name and address of the educational
2 organization or entity, a brief factual statement, shall
3 identify the Act and the statutory citations of the Act
4 allegedly violated and the penalty fee, if any, imposed. The
5 cease and desist order must state clearly that the educational
6 organization or entity may choose to request a hearing. If the
7 educational organization or entity does not request a hearing
8 with the Board, or its designee, within 30 days after the cease
9 and desist order is served, then the cease and desist order
10 shall become final and not subject to appeal. The penalty
11 shall be a fee or other conditions as established by rule.

12 Section 99. Effective date. This Act takes effect upon
13 becoming law.

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