HB5464 Enrolled

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 Community9 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" <u>means a public or</u> 17 <u>non-public entity that meets one or more of the following: has</u> 18 <u>the meaning ascribed to that term in Section 10 of the Higher</u> 19 <u>Education Student Assistance Act.</u>

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

by a State other than Illinois and approved by the Board of
 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 HB5464 Enrolled - 3 - LRB102 26054 NLB 35506 b

1 identifiable information.

2 "Research organization" means a governmental entity, 3 institution of higher learning, public policy or advocacy organization, or other person or entity conducting educational 4 5 research that (i) is qualified to perform educational research and protect the privacy of student data, (ii) is seeking to 6 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.

"School" means any elementary or secondary educational institution, charter school, vocational school, special education facility, or any other elementary or secondary educational agency or institution, but does not include a 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.

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

HB5464 Enrolled - 4 - LRB102 26054 NLB 35506 b

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

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

12 the availability of funding Subject to through appropriations made specifically for the purposes of this Act, 13 State Board shall establish or contract 14 for the 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.

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

25 Subject to the availability of funding through 26 appropriations made specifically for the purposes of this Act, HB5464 Enrolled - 5 - LRB102 26054 NLB 35506 b

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

5 (c) The Board of Higher Education is authorized to collect and maintain data from any <del>public</del> institution of higher 6 learning, other than community colleges, and disclose this 7 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 Education is authorized to collect and maintain data from any 14 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 non public institution of higher learning that confers 18 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 more voluntary consortiums of non-public institutions of 3 higher learning established for the purpose of data sharing, 4 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 of data from the consortium for a data sharing arrangement 11 12 entered into with any party other than a State Education Authority pursuant to Section 25 of this Act. The contract may 13 further provide that individual institutions of higher 14 learning shall have the right to opt out of specific uses of 15 16 their data or portions thereof for reasons specified in the 17 contract. Student level data submitted by each institution of higher learning participating in a consortium that has 18 contracted with the Board of Higher Education pursuant to this 19 20 paragraph shall remain the property of that institution. Upon notice to the consortium and the Board of Higher Education, 21 22 any non-public institution of higher learning shall have the right to remove its data from the consortium if 23 the institution has reasonable cause to believe that there is a 24 threat to the security of its data or its data is used in a 25 26 manner that violates the terms of the contract between the

HB5464 Enrolled - 7 - LRB102 26054 NLB 35506 b

consortium and the Board of Higher Education. In the event 1 2 data is removed from a consortium pursuant to the preceding sentence, the data must be returned by the institution to the 3 consortium after the basis for removal has been corrected. The 4 5 data submitted from the consortium to the Board of Higher 6 Education must be used only for agreed upon purposes, as stated in the terms of the contract between the consortium and 7 the Board of Higher Education. Non public institutions of 8 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 availability of funding through Subject to the appropriations made specifically for the purposes of this Act, 14 the Board of Higher Education shall establish or contract for 15 16 the establishment of a technical support and training system 17 assist institutions of higher learning, other than to community colleges, with data submission, use, and analysis. 18 The Board of Higher Education shall seek and may make 19 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 public and non-public institutions of higher learning and 24 25 statewide higher education associations in connection with all 26 of the activities authorized by this subsection (c).

HB5464 Enrolled - 8 - LRB102 26054 NLB 35506 b

State Education Authorities shall establish 1 (d) The 2 procedures and requirements relating to the submission of data 3 authorized to be collected pursuant to this Section, including requirements for data specifications, quality, security, and 4 5 timeliness. All early learning programs, schools, school districts, and institutions of higher learning subject to the 6 data collection authority of a State Education Authority 7 pursuant to this Section shall comply with the State Education 8 9 Authority's procedures and requirements for data submissions. 10 A State Education Authority may require that staff responsible for collecting, validating, and submitting data participate in 11 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 as follows:

19 (105 ILCS 426/20)

Sec. 20. Permit of approval. No person or group of persons subject to this Act may establish and operate or be permitted to become incorporated for the purpose of <u>(1)</u> operating a private business and vocational school <u>or (2) creating or</u> <u>developing a course of instruction, non-degree program of</u> HB5464 Enrolled - 9 - LRB102 26054 NLB 35506 b

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 of approval, provided that a permit of approval is not 4 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 permit of approval that has not been completed in its 13 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, partnership, or corporation operates a school at different 18 locations, an application for a permit of approval must be 19 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 in accordance with the provisions of this Section must be 24 25 accompanied by the required fee under the provisions of 26 Sections 75 and 85 of this Act, and all such applications must

HB5464 Enrolled - 10 - LRB102 26054 NLB 35506 b

be made on forms prepared and furnished by the Board. The 1 permit of approval must be prominently displayed at some place 2 on the premises of the school at each school location open to 3 the inspection of all interested persons. The Board shall 4 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 Board is responsible for the quality of the school or its 11 12 programs, and no school may communicate this to be the case. No 13 quarantee of employability of school graduates is made by the Board in its approval of programs or schools, and no school may 14 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:

(1) Any institution devoted entirely to the teachingof religion or theology.

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

HB5464 Enrolled - 11 - LRB102 26054 NLB 35506 b

1 of the employer.

2 (3) Any educational institution that (A) enrolls a 3 majority of its students in degree programs and has maintained an accredited status with 4 а 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.

(4) Any institution and the franchisees of 18 that 19 institution that exclusively offer a program of study in 20 income tax theory or return preparation at a total contract price of no more than \$400, provided that the 21 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.

- 12 - LRB102 26054 NLB 35506 b

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

HB5464 Enrolled

22

23

24

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 required to receive Board approval. Such an institution 13 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 presence, the Board shall require all of the following: 18

19(A) Evidence of authorization to operate in at20least one other state and that the school is in good21standing with that state's authorizing agency.

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

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

HB5464 Enrolled - 13 - LRB102 26054 NLB 35506 b

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 entity seeking a permit of approval is required to demonstrate 12 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 stated educational objectives of the educational programs of a 17 given institution and the extent to which suitable and proper 18 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

HB5464 Enrolled - 14 - LRB102 26054 NLB 35506 b

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 of9 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 tender financial records, including, but not limited to, 15 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.

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

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

State or federal rules, and must abide by the standards
 established in Section 60 of this Act and the rules
 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 is required of program graduates to enter the field of 18 19 employment, the institution must clearly demonstrate that 20 completion of the program will allow students to achieve this status. 21

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

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

HB5464 Enrolled - 16 - LRB102 26054 NLB 35506 b

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

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

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

25

(2) Additions during the year due to:

(A) new starts; 1 2 (B) re-enrollments; and (C) transfers into the course of instruction from 3 other courses of instruction at the school. 4 5 (3) The total number of students admitted during the reporting period (the number of students reported under 6 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. (5) The number of students listed in paragraph (4) of 18 this Section who: 19 20 (A) were placed in their field of study; (B) were placed in a related field; 21 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

HB5464 Enrolled - 18 - LRB102 26054 NLB 35506 b

examination or professional certification examination, if any, during the reporting period, as well as the number 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 REGISTERED17WITH THE BOARD OF HIGHER EDUCATION.".

18 (10) If the United States Department of Education 19 places the school on either the Heightened Cash Monitoring 2 payment method or the reimbursement payment method, as 20 authorized under 34 CFR 668.162, a clear and conspicuous 21 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 <u>to all students and prospective students on a form</u> 2 prescribed by the Board.

An alphabetical list of names, addresses, and dates of admission by course or course of instruction and a sample copy of the enrollment agreement employed to enroll the students listed shall be filed with the Board's Executive Director on an annual basis. The list shall be signed and verified by the 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 approval approved for one year. The permit shall be renewed 14 15 annually and every fifth year pursuant to Section 75 of this 16 Act 5 years, subject to the terms and conditions of approval, including without limitation the submission of 17 required reporting and the payment of required charges and fees under 18 the provisions of Section 75 of this Act, and compliance with 19 any other requirements in this Act or supporting rules. 20 21 Failure to so comply at any time during the 5 years is grounds 22 immediate revocation the permit of for of approval. 23 Information requested by the Board must be submitted annually or, in special circumstances, at the request of the Board. 24 25 Failure to do so is grounds for immediate revocation of the

HB5464 Enrolled - 20 - LRB102 26054 NLB 35506 b

permit of approval. Each non-degree program of study must be 1 2 approved by the Board as well. Regardless of when the program was approved, all programs of study must be approved again 3 with the institutional approval every 5 years at the end of the 4 5 5 year approval period or in conjunction with an earlier review if so required under this Act or the administrative 6 7 rules adopted in support of this Act. The Board's Executive 8 Director has the authority to order any school subject to this Act to cease and desist operations if the school is found to 9 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 accrediting agency that is recognized by the U.S. Department 13 14 of Education or the Council for Higher Education Accreditation shall be issued a permit of approval valid for 5 years for each 15 16 non-degree program of study offered by the school. The permit 17 shall be subject to (i) the terms and conditions of approval, including, without limitation, the submission of required 18 19 reporting, (ii) the payment of required charges and fees under 20 the provisions of Section 75 of this Act, and (iii) compliance with any other requirements under this Act or administrative 21 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 certain circumstances, at the request of the Board. The 26

HB5464 Enrolled - 21 - LRB102 26054 NLB 35506 b

failure of the school to submit the requested information 1 2 shall be grounds for the immediate revocation of the permit of 3 approval. Each non-degree program of study must be approved by the Board. Regardless of the date a school received initial 4 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 <u>(c) The Board may order any school subject to this Act to</u> 10 <u>cease and desist operations if the school is found to have</u> 11 <u>acted contrary to the standards set forth in this Act or</u> 12 <u>administrative rule.</u>

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

## 14 (105 ILCS 426/55)

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

(1) Provide a surety bond. A continuous surety company 18 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 HB5464 Enrolled - 22 - LRB102 26054 NLB 35506 b

at the institution in the event of closure of 1 the institution. Evidence of the continuation of the bond must 2 3 be filed annually with the Board. The surety bond must be a written agreement that provides for monetary compensation 4 5 in the event that the school fails to fulfill its obligations to its students and their parents, guardians, 6 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.

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

(4) Provide evidence of liability insurance, in such form and amount as the Board shall from time to time prescribe pursuant to rules adopted under this Act, to protect students and employees at the school's places of business and at all classroom extensions, including any HB5464 Enrolled - 23 - LRB102 26054 NLB 35506 b

1 work-experience locations.

(5) Provide data as requested by the Board to support
the satisfaction of the requirements of this Act or to
provide vocational and technical educational data for the
longitudinal data system created under the P-20
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, all11 of the following apply:

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

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

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

HB5464 Enrolled

1 2 approval by stating that the school is approved by the "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.

(8) Permit the Board's Executive Director or his or 6 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 <del>to</del> 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. Student retention and graduation rates must be maintained 18 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 examination must be maintained. In the event that the 24 school fails to do so, then that school shall be placed on 25 26 probation for one year. If that school's passage rate in HB5464 Enrolled - 25 - LRB102 26054 NLB 35506 b

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

(12) Provide the Board with a copy of any notice of warning or suspension or revocation received from an accrediting agency or State or federal oversight body within 15 days after receipt of the notice. The school shall, at the same time, inform the Board, in writing, on HB5464 Enrolled - 26 - LRB102 26054 NLB 35506 b

actions being taken to correct all deficiencies cited.
(13) Maintain a fair and equitable refund policy and
abide by it. Such a policy shall abide by any State or
federal rules as appropriate. The same policy shall apply
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.

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

25

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

HB5464 Enrolled - 27 - LRB102 26054 NLB 35506 b

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

HB5464 Enrolled - 28 - LRB102 26054 NLB 35506 b

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 approve any application for a permit of approval or program of 5 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 study. Additionally, the Board may not approve any application 8 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 <u>permit</u>
 14 <del>certificate</del> of approval.

15 (2) An initial school application for a <u>permit</u>
 16 <del>certificate</del> of approval upon occurrence of a change of
 17 ownership.

18 (3) An annual school application for renewal of a19 certificate of approval.

20

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

21

(5) A school application for a classroom extension.

(6) If an applicant school that has not remedied all
deficiencies cited by the Board within 12 months after the
date of its original application for a <u>permit</u> certificate
of approval, an additional original application fee for

- 29 - LRB102 26054 NLB 35506 b HB5464 Enrolled the continued cost of investigation of its application. 1 2 (7) Transcript processing. (Source: P.A. 97-650, eff. 2-1-12.) 3 4 Section 15. The Developmental Education Reform Act is 5 amended by changing Section 100-30 as follows: (110 ILCS 175/100-30) 6 7 Sec. 100-30. Institutional plans; report. 8 (a) On or before May 1, 2022, each university shall submit 9 to the Board of Higher Education and each community college

10 shall submit to the Illinois Community College Board its institutional plan for scaling evidence-based developmental 11 12 education reforms to maximize the probability that a student will be placed in and successfully complete introductory 13 14 college-level English language or mathematics coursework 15 within 2 semesters at the institution. At a minimum, a plan submitted by an institution shall include all of 16 the 17 following:

(1) A description of the current developmental education models offered by the institution. If the institution does not currently offer developmental education coursework, it must provide details regarding its decision not to offer developmental education coursework and the pathways that are available to students deemed to be insufficiently prepared for introductory HB5464 Enrolled - 30 - LRB102 26054 NLB 35506 b

1

college-level English language or mathematics coursework.

2 (2) A description of the developmental education 3 models that will be implemented and scaled and the basis 4 of the evidence and associated data that the institution 5 considered in making the decision to scale each model.

6 (3) Baseline data and benchmarks for progress, 7 but not limited to, (i) including, enrollment in 8 credit-bearing English language or mathematics courses, 9 (ii) rates of successful completion of introductory 10 college-level English language or mathematics courses, and 11 (iii) college-credit accumulation.

12 (4) Detailed plans for scaling reforms and improving 13 for all students placed outcomes in traditional 14 developmental education models or models with comparable 15 introductory college-level course completion rates. The 16 plan shall provide details about the expected improvements 17 in educational outcomes for Black students as result of 18 the proposed reforms.

19 (b) On or before February 15 January 1, 2023 and every 2 20 years thereafter, the Board of Higher Education and Illinois Community College Board shall collect data and report to the 21 22 General Assembly and the public the status of developmental 23 education reforms at institutions. The report must include 24 data on the progress of the developmental education reforms, 25 limited to, (i) enrollment including, but not in 26 credit-bearing English language or mathematics courses, (ii)

HB5464 Enrolled - 31 - LRB102 26054 NLB 35506 b

rates of successful completion of introductory college-level 1 2 English language or mathematics courses, and (iii) 3 college-credit accumulation. The data should be disaggregated by gender, race and ethnicity, federal Pell Grant status, and 4 5 other variables of interest to the Board of Higher Education and the Illinois Community College Board. 6

(c) On or before February 15 January 1, 2024 and every 2 7 8 years thereafter, the Board of Higher Education and Illinois 9 Community College Board, in consultation with institutions of 10 higher education and other stakeholders, shall consider 11 additional data reporting requirements to facilitate the 12 rigorous and continuous evaluation of each institution's 13 implementation plan and its impact on improving outcomes for students in developmental education, particularly for Black 14 15 students.

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

17 Section 20. The Board of Higher Education Act is amended 18 by changing Sections 1, 3, 6, 7, 8, 9.16, 11, and 16 as 19 follows:

20

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

21 Sec. 1. The following terms shall have the meanings 22 respectively prescribed for them, except when the context 23 otherwise requires:

24 "Public institutions of higher education": The University

HB5464 Enrolled - 32 - LRB102 26054 NLB 35506 b

of Illinois; Southern Illinois University; Chicago State 1 2 University; Eastern Illinois University; Governors State 3 University; Illinois State University; Northeastern Illinois University; Northern Illinois University; Western Illinois 4 5 University; the public community colleges of the State and any other public universities, colleges and community colleges now 6 hereafter established or authorized by the General 7 or 8 Assembly.

9 "Board": The Board of Higher Education created by this 10 Act.

11 <u>"Private institution of higher education": Any institution</u>
12 of higher education that is subject to the Private College Act
13 or the Academic Degree Act.

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

15 (110 ILCS 205/3) (from Ch. 144, par. 183)

16 Sec. 3. Terms; vacancies.

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

20 (b) The members of the Board shall continue to serve after 21 the expiration of their terms until their successors have been 22 appointed.

(c) Vacancies on the Board in offices appointed by the
 Governor shall be filled by appointment by the Governor for
 the unexpired term. If the appointment is subject to Senate

HB5464 Enrolled - 33 - LRB102 26054 NLB 35506 b

confirmation and the Senate is not in session or is in recess
 when the appointment is made, the appointee shall serve
 subject to subsequent Senate approval of the appointment.

4 (d) Each student member shall serve a term of one year
5 beginning on July 1 of each year <u>and until a successor is</u>
6 <u>appointed and qualified</u>.

(e) The member of the Board representing public university
governing boards and the member of the Board representing
private college and university boards of trustees, who are
appointed by the Governor but not subject to confirmation by
the Senate, shall serve terms of one year beginning on July 1.
(Source: P.A. 100-167, eff. 1-1-18.)

13 (110 ILCS 205/6) (from Ch. 144, par. 186)

Sec. 6. The Board, in cooperation with the Illinois 14 15 Community College Board, shall analyze the present and future 16 aims, needs and requirements of higher education in the State of Illinois and prepare a strategic master plan for the 17 18 development, expansion, integration, coordination and efficient utilization of the facilities, curricula 19 and standards of higher education for public institutions of 20 21 higher education in the areas of teaching, research and public 22 service. The strategic master plan shall also include higher education affordability and accessibility measures. The Board, 23 in cooperation with the Illinois Community College Board, 24 25 shall formulate the strategic master plan and prepare and

HB5464 Enrolled - 34 - LRB102 26054 NLB 35506 b

submit to the General Assembly and the Governor drafts of 1 2 proposed legislation to effectuate the plan. The Board, in 3 cooperation with the Illinois Community College Board, shall engage in a continuing study, an analysis, and an evaluation 4 5 of the strategic master plan so developed, and it shall be its 6 responsibility to recommend, from time to time as it 7 determines, amendments and modifications of any strategic 8 master plan enacted by the General Assembly.

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

10 (110 ILCS 205/7) (from Ch. 144, par. 187)

11 Sec. 7. The Board of Trustees of the University of 12 Board of Trustees of Illinois, the Southern Illinois 13 University, the Board of Trustees of Chicago State University, 14 the Board of Trustees of Eastern Illinois University, the 15 Board of Trustees of Governors State University, the Board of 16 Trustees of Illinois State University, the Board of Trustees of Northeastern Illinois University, the Board of Trustees of 17 18 Northern Illinois University, the Board of Trustees of Western Illinois University, the Illinois Community College Board and 19 20 the campuses under their governance or supervision shall not 21 hereafter undertake the establishment of any new unit of 22 instruction, research, or public service without the approval of the Board. The term "new unit of instruction, research, or 23 24 public service" includes the establishment of a college, 25 school, division, institute, department, or other unit in any

HB5464 Enrolled - 35 - LRB102 26054 NLB 35506 b

1 field of instruction, research, or public service not 2 theretofore included in the program of the institution, and 3 includes the establishment of any new branch or campus. The term does not include reasonable and moderate extensions of 4 5 existing curricula, research, or public service programs which have a direct relationship to existing programs; and the Board 6 7 may, under its rulemaking power, define the character of such reasonable and moderate extensions. 8

9 Such governing boards shall submit to the Board all 10 proposals for a new unit of instruction, research, or public 11 service. The Board may approve or disapprove the proposal in 12 whole or in part or approve modifications thereof whenever in 13 its judgment such action is consistent with the objectives of 14 an existing or proposed <u>strategic</u> master plan of higher 15 education.

16 The Board of Higher Education is authorized to review 17 periodically all existing programs of instruction, research, and public service at the State universities and colleges and 18 to advise the appropriate board of control if the contribution 19 20 of each program is not educationally and economically 21 justified. Each State university shall report annually to the 22 Board on programs of instruction, research, or public service 23 that have been terminated, dissolved, reduced, or consolidated by the university. Each State university shall also report to 24 the Board all programs of instruction, research, and public 25 26 service that exhibit a trend of low performance in

HB5464 Enrolled - 36 - LRB102 26054 NLB 35506 b

enrollments, degree completions, and high expense per degree. 1 2 The Board shall compile an annual report that shall contain 3 information on new programs created, existing programs that have been closed or consolidated, and programs that exhibit 4 5 low performance or productivity. The report must be submitted to the General Assembly. The Board shall have the authority to 6 7 define relevant terms and timelines by rule with respect to 8 this reporting.

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

10

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

11 Sec. 8. The Board of Trustees of the University of of 12 Board of Trustees Illinois, the Southern Illinois 13 University, the Board of Trustees of Chicago State University, 14 the Board of Trustees of Eastern Illinois University, the 15 Board of Trustees of Governors State University, the Board of 16 Trustees of Illinois State University, the Board of Trustees of Northeastern Illinois University, the Board of Trustees of 17 18 Northern Illinois University, the Board of Trustees of Western 19 Illinois University, and the Illinois Community College Board 20 shall submit to the Board not later than the 15th day of 21 November of each year its budget proposals for the operation 22 and capital needs of the institutions under its governance or 23 supervision for the ensuing fiscal year. Each budget proposal 24 shall conform to the procedures developed by the Board in the 25 design of an information system for State universities and

HB5464 Enrolled - 37 - LRB102 26054 NLB 35506 b

1 colleges.

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

8 The Board, in the analysis of formulating the annual 9 budget request, shall consider rates of tuition and fees and 10 undergraduate tuition and fee waiver programs at the State 11 universities and colleges. The Board shall also consider the 12 current and projected utilization of the total physical plant 13 of each campus of a university or college in approving the 14 capital budget for any new building or facility.

15 The Board of Higher Education shall submit to the 16 Governor, to the General Assembly, and to the appropriate 17 budget agencies of the Governor and General Assembly its 18 analysis and recommendations on such budget proposals.

The Board is directed to form a broad-based group of 19 individuals representing the Office of the Governor, the 20 General Assembly, public institutions of higher education, 21 22 State agencies, business and industry, statewide organizations 23 representing faculty and staff, and others as the Board shall 24 deem appropriate to devise a system for allocating State resources to public institutions of higher education based 25 26 upon performance in achieving State goals related to student

HB5464 Enrolled - 38 - LRB102 26054 NLB 35506 b

1 success and certificate and degree completion.

2 Beginning in Fiscal Year 2013, the Board of Higher 3 Education budget recommendations to the Governor and the General Assembly shall include allocations to 4 public 5 institutions of higher education based upon performance 6 metrics designed to promote and measure student success in 7 degree and certificate completion. Public university metrics 8 must be adopted by the Board by rule, and public community 9 college metrics must be adopted by the Illinois Community 10 College Board by rule. These metrics must be developed and 11 promulgated in accordance with the following principles:

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

17 (2) The metrics shall include provisions for recognizing the demands on and rewarding the performance 18 of institutions in advancing the success of students who 19 20 are academically or financially at risk, including first-generation students, low-income 21 students, and 22 students traditionally underrepresented in higher 23 education, as specified in Section 9.16 of this Act.

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

HB5464 Enrolled - 39 - LRB102 26054 NLB 35506 b

(4) The metrics shall focus on the fundamental goal of 1 2 increasing completion of college courses, certificates, 3 and degrees. Performance metrics shall recognize the unique and broad mission of public community colleges 4 5 through consideration of additional factors including, but not limited to, enrollment, progress through key academic 6 milestones, transfer to a baccalaureate institution, and 7 8 degree completion.

9 (5) The metrics must be designed to maintain the 10 quality of degrees, certificates, courses, and programs. 11 In devising performance metrics, the Board may be guided by 12 the report of the Higher Education Finance Study Commission.

13 Each State university must submit its plan for capital improvements of non-instructional facilities to the Board for 14 15 approval before final commitments are made if the total cost 16 of the project as approved by the institution's board of 17 control is in excess of \$2 million. Non-instructional uses shall include but not be limited to dormitories, union 18 19 buildings, field houses, stadium, other recreational 20 facilities and parking lots. The Board shall determine whether 21 or not any project submitted for approval is consistent with 22 the strategic master plan for higher education and with 23 instructional buildings that are provided for therein. If the project is found by a majority of the Board not to be 24 25 consistent, such capital improvement shall not be constructed. (Source: P.A. 99-655, eff. 7-28-16.) 26

HB5464 Enrolled

1

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

2 Sec. 9.16. Underrepresentation of certain groups in higher 3 education. To require public institutions of higher education 4 to develop and implement an equity plan and practices that 5 include methods and strategies to increase the access, 6 retention, completion, and student loan repayment rates 7 participation of minorities, rural students, adult students, women<sub>L</sub> and individuals with disabilities who are traditionally 8 9 underrepresented in education programs and activities. To 10 encourage private institutions of higher education to develop 11 and implement an equity plan and practices. For the purpose of 12 this Section, minorities shall mean persons who are citizens 13 of the United States or lawful permanent resident aliens of 14 the United States and who are any of the following:

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

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

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

HB5464 Enrolled

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

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

The Board shall adopt any rules necessary to administer
this Section. The Board, in collaboration with the Illinois
<u>Community College Board</u>, shall also do the following:

10 (a) require all public institutions of higher education to 11 develop and submit an equity plan and implement practices 12 that, at a minimum, close gaps in enrollment, retention, 13 completion, and student loan repayment rates for 14 underrepresented groups and encourage all private institutions of higher education to develop and submit such equity plans 15 16 and implement such practices plans for the implementation of 17 this Section;

(b) conduct periodic review of public institutions of higher education <u>and private institutions of higher education</u> to determine compliance with this Section; and if the Board finds that a public institution of higher education is not in compliance with this Section, it shall notify the institution of steps to take to attain compliance;

(c) provide advice and counsel pursuant to this Section;
(d) conduct studies of the effectiveness <u>and outcomes</u> of
<u>the</u> methods and strategies <u>outlined in an institution's equity</u>

HB5464 Enrolled - 42 - LRB102 26054 NLB 35506 b

plan, as well as others designed to increase participation and 1 2 success of students in education programs and activities in 3 which minorities, rural students, adult students, women, and individuals with disabilities are traditionally 4 underrepresented, and monitor and report the outcomes for 5 6 success of students as a result of the implementation of 7 equity plans in such education programs and activities;

8 (e) require components of an institution's equity plan to 9 include strategies to increase encourage minority student 10 recruitment, and retention, and student loan repayment rates 11 in colleges and universities. In implementing this paragraph, 12 the Board shall undertake but need not be limited to the following: the establishment of guidelines and plans for 13 14 public institutions of higher education and private institutions of higher education for minority student 15 16 recruitment, and retention, and student loan repayment rates, 17 including requirements to establish campus climate and culture surveys, the review and monitoring of minority student 18 19 services, programs, and supports implemented at public institutions of higher education and private institutions of 20 higher education to determine their compliance with any 21 22 quidelines and plans so established, the determination of the 23 effectiveness and funding requirements of minority student 24 services, programs, and supports at public institutions of 25 higher education and private institutions of higher education, 26 the dissemination of successful programs as models, and the

HB5464 Enrolled - 43 - LRB102 26054 NLB 35506 b

encouragement of cooperative partnerships between community colleges, and local school attendance centers, and 4-year colleges and universities to support enrollment of which are experiencing difficulties in enrolling minority students in four year colleges and universities;

6 (f) mandate all public institutions of higher education 7 <u>and encourage all private institutions of higher education</u> to 8 submit data and information essential to determine compliance 9 with this Section. The Board shall prescribe the format and 10 the date for submission of this data and any other education 11 equity data; and

12 report to the General Assembly and the Governor (q) 13 annually with a description of the plans submitted by each public institution of higher education and each private 14 15 institution of higher education for implementation of this 16 Section, including financial data relating to the most recent 17 fiscal year expenditures for specific minority programs, the effectiveness of such plans and programs and the effectiveness 18 of the methods and strategies developed by the Board in 19 20 meeting the purposes of this Section, the degree of compliance with this Section by each public institution of higher 21 22 education and each private institution of higher education as 23 determined by the Board pursuant to its periodic review responsibilities, and the findings made by the Board in 24 25 conducting its studies and monitoring student outcomes and 26 institutional success as required by paragraph (d)  $\frac{d}{d}$  of this

HB5464 Enrolled - 44 - LRB102 26054 NLB 35506 b

Section. With respect to each public institution of higher 1 2 education and each private institution of higher education, 3 such report also shall include, but need not be limited to, information with respect to each institution's minority 4 5 program budget allocations; minority student admission, 6 retention and graduation and student loan repayment rate statistics; admission, retention, and graduation, and student 7 loan repayment rate statistics of all students who are the 8 9 first in their immediate family to attend an institution of 10 higher education; number of financial assistance awards, not 11 including student loans, to undergraduate and graduate 12 minority students; and minority faculty representation. This paragraph shall not be construed to prohibit the Board from 13 14 making, preparing or issuing additional surveys or studies 15 with respect to minority education in Illinois.

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

17 (110 ILCS 205/11) (from Ch. 144, par. 191)

Sec. 11. In the formulation of a strategic master plan of 18 higher education and in the discharge of its duties under this 19 Act, the Board shall give consideration to the problems and 20 21 attitudes of private junior colleges, private colleges and 22 universities, and of other educational groups, instrumentalities and institutions, and to specialized areas 23 24 of education, as they relate to the overall policies and 25 problems of higher education.

HB5464 Enrolled - 45 - LRB102 26054 NLB 35506 b

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

2 (110 ILCS 205/16)

3 Sec. 16. <u>Record retention requirements when</u> Closing an 4 institution of higher education <u>closes</u>; student records<u>;</u> 5 <u>institutional transfer agreements</u>.

(a) In this Section:

6

7 "Academic records" means the academic records of each 8 former student of an institution of higher education that is 9 traditionally provided on an academic transcript, including, 10 but not limited to, courses taken, terms, grades, and any 11 other similar information.

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

18 <u>"Institutional transfer agreement" means an articulation</u>
19 agreement or transfer agreement between 2 or more institutions
20 of higher education wherein one institution agrees to accept
21 the transfer of earned student credits from a former student
22 of an institution that has discontinued operations.

(b) In the event an institution of higher education proposes to discontinue its operations, the chief administrative officer of the institution shall submit a plan HB5464 Enrolled - 46 - LRB102 26054 NLB 35506 b

to the Board for permanent retention of all academic records, <u>including student records and academic records</u> of the institution. The plan must be approved by the Executive Director of the Board before it is executed. <u>In addition, the</u> plan shall include the release of any institutional holds placed on any student record, regardless of the type of hold placed on a <u>student record</u>.

8 (c) If it appears to the Board that the academic records, 9 <u>including student records and academic records</u>, of an 10 institution of higher education kept pursuant to an approved 11 plan under subsection (b) of this Section may become lost, 12 hidden, destroyed, or otherwise made unavailable to the Board, 13 the Board may seize and take possession of the records, on its 14 own motion and without order of a court.

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

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

18 (110 ILCS 220/4) (from Ch. 144, par. 284)

Sec. 4. A program of financial assistance to programs of 19 20 interinstitutional cooperation, in higher education is 21 established to implement the policy of encouraging such order to achieve an efficient use 22 cooperation in of 23 educational resources, an equitable distribution of 24 educational services, the development of innovative concepts HB5464 Enrolled - 47 - LRB102 26054 NLB 35506 b

1 and applications, and other public purposes.

The Board of Higher Education shall administer this program of financial assistance and shall distribute the funds appropriated by the General Assembly for this purpose in the form of grants to not-for-profit corporations organized to administer programs of interinstitutional cooperation in higher education or to public or nonpublic institutions of higher education participating in such programs.

9 In awarding grants to interinstitutional programs under 10 this Act, the Board shall consider in relation to each such 11 program whether it serves the public purposes expressed in 12 this Act, whether the local community is substantially 13 involved, whether its function could be performed better by a 14 single existing institution, whether the program is consistent 15 with the Illinois strategic master plan for higher education, 16 and such other criteria as it determines to be appropriate.

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

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

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

HB5464 Enrolled

1

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

Sec. 5. Any not-for-profit corporation organized to 2 3 administer an interinstitutional program of higher education 4 may be recognized under this Section if it has been in 5 existence for 3 years or longer, it is structured for 6 continuing operation, it is substantial in scope, it is 7 oriented to and supported by the community in which it is located and it is consistent with the Illinois strategic 8 9 master plan for higher education.

10 In each request of the Board of Higher Education to the 11 General Assembly for the appropriation of funds for the 12 purpose of making grants under this Act the Board shall 13 specify the amount of the grant proposed for each 14 not-for-profit corporation recognized under this Section.

15 The following not-for-profit corporations are recognized 16 for the purposes of this Section:

17 The Quad Cities Graduate Study Center.

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

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

21 (110 ILCS 1005/3) (from Ch. 144, par. 123)

22 Sec. 3. <u>(a)</u> Applications submitted to the Board for a 23 certificate of approval to operate a post-secondary

HB5464 Enrolled - 49 - LRB102 26054 NLB 35506 b educational institution shall contain a statement of the 1 2 following: 1. the proposed name of the institution and its proposed 3 location; 4 5 2. the nature, extent and purposes of the courses of study 6 to be given; 3. the fees to be charged and the conditions under which 7 8 the fees are to be paid; 9 4. the education and experience of the members of the 10 teaching staff; 11 5. the degrees to be issued to students upon completion of 12 courses of instruction. (b) The Board may not approve any application for a 13 14 certificate of approval that has been plagiarized, in part or in whole. Additionally, the Board may not approve any 15 16 application that has not been completed in its entirety and 17 such application shall be returned to the post-secondary educational institution. 18 (Source: P.A. 80-1309.) 19 20 (110 ILCS 1005/4) (from Ch. 144, par. 124) 21 Sec. 4. Upon the filing of an application for a 22 certificate of approval the Board shall make an examination to

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

23

ascertain:

HB5464 Enrolled - 50 - LRB102 26054 NLB 35506 b

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

3. That an adequate physical plant and adequate facilitiesare provided;

6 4. That the members of the teaching staff are adequately7 prepared to fulfill their instructional obligations;

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

12 6. That the institution does not offer inducements that 13 are designed to deceive the prospective student or make any 14 promises which it does not have the present means or ability to 15 perform;-

16 <u>7. That the proposed degree program is educationally and</u> 17 <u>economically consistent with the educational priorities and</u> 18 <u>needs of this State and meets a need that is not currently met</u> 19 <u>by existing institutions and is supported by clear evidence of</u> 20 <u>need.</u>

If the examination shows that the applicant has such qualifications a certificate of approval shall be issued. (Source: P.A. 80-1309.)

24 (110 ILCS 1005/4.5 new)
25 Sec. 4.5. Disclosure of heightened monitoring of finances.

HB5464 Enrolled - 51 - LRB102 26054 NLB 35506 b

- Any institution with a certificate of approval under this Act
   is required to make the following disclosures:
- 3 (1) If the United States Department of Education places the institution on either the Heightened Cash 4 5 Monitoring 2 payment method or the reimbursement payment method, as authorized under 34 CFR 668.162, a clear and 6 7 conspicuous disclosure that the United States Department 8 of Education has heightened monitoring of the 9 institution's finances and the reason for such monitoring. 10 Such disclosure shall be made within 14 days of the action 11 of the United States Department of Education both on the 12 institution's website and to all students and prospective 13 students on a form prescribed by the Board.
- 14 (2) Any other disclosure the Board requires by rule
   15 adopted pursuant to this Act.

16 (110 ILCS 1005/5) (from Ch. 144, par. 125)

17 Sec. 5. A certificate of approval of a post-secondary 18 educational institution may be revoked for any of the 19 following:

Violation of any of the conditions governing the
 issuance of the certificate;

22 2. Failure to comply with any of the rules adopted by the23 Board;

3. Fraudulent conduct on the part of any person conductingthe institution or of any person, acting within the scope of

HB5464 Enrolled - 52 - LRB102 26054 NLB 35506 b

his employment, employed by the owners or persons conducting the institution, on account of which conduct any student enrolled in the institution has been injured or has suffered financial loss;-

5 4. Failure to allow any duly authorized employee, or other representative of the Board, to enter upon the premises of any 6 7 post-secondary educational institution or have access through 8 electronic means to inspect or otherwise examine the same and 9 any books, papers, or other records pertaining to the degree granting program of such institution, including, but not 10 11 limited to, financial records such as balance sheets, income 12 statements, and cash flow statements.

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

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

16 (110 ILCS 1010/4) (from Ch. 144, par. 234)

Sec. 4. Period before award. $\rightarrow$  (a) Unless a degree granting 17 18 institution was authorized to operate in Illinois, or was in operation, on August 14, 1961, it shall not award any earned 19 20 degree until one year after it has filed a written notice with 21 and until such institution has received the authorization and approval of the Board. Except as permitted under Section 5, no 22 23 educational organization or entity shall be authorized to 24 award any degree nor be approved as a degree granting

institution unless it requires an appropriate period of 1 2 instruction to be in residence. The notice shall be under oath or affirmation of the principal officer of the institution and 3 shall contain: the name and address of the degree granting 4 5 institution; the names and addresses of the president or other administrative head and of each member of the board of 6 7 trustees or other governing board; a description of the degree 8 or degrees to be awarded and the course or courses of study 9 prerequisite thereto; and such additional information relevant 10 to the purposes of this Act as the Board may prescribe. An 11 amendment to the notice shall be under oath or affirmation of 12 the principal officer of the institution and shall be filed with the Board prior to the award of any degree not contained 13 14 in the original notice or prior amendments thereto. A degree 15 authorized in an amendment shall not be awarded until one year 16 after the filing of the amendment with and the authorization 17 of the Board. The submission of the regular catalog of the institution shall, if it covers the matters hereinabove 18 19 mentioned, be deemed to constitute compliance herewith.

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

(c) The Board shall not approve any notice or amendmentthereto filed pursuant to this Section unless it finds the

1 facts stated therein to be correct and further finds that such 2 facts constitute compliance with the requirements of this Act 3 for degree granting institutions.

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

11 <u>(e) The Board may not approve any proposed degree program</u> 12 <u>unless it is educationally and economically consistent with</u> 13 <u>the educational priorities and needs of this State and meets a</u> 14 <u>need that is not currently met by existing institutions and is</u> 15 <u>supported by clear evidence of need.</u>

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

17 (110 ILCS 1010/5.5 new) 18 Sec. 5.5. Disclosure of heightened monitoring of finances. Any institution approved by the Board under this Act shall 19 20 make the following disclosures: 21 (a) If the United States Department of Education places 22 the institution on either the Heightened Cash Monitoring 2 23 payment method or the reimbursement payment method, as 24 authorized under 34 CFR 668.162, a clear and conspicuous 25 disclosure that the United States Department of Education has HB5464 Enrolled - 55 - LRB102 26054 NLB 35506 b

heightened monitoring of the institution's finances and the reason for such monitoring. Such disclosure shall be made within 14 days of the action of the United States Department of Education both on the institution's website and to all students and prospective students on a form prescribed by the Board.

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

9 (110 ILCS 1010/6) (from Ch. 144, par. 236)

10 Sec. 6. Right of inspection; Penalty for refusal or 11 Any duly authorized employee obstruction. or other 12 representative of the Board may enter upon the premises of any 13 degree granting institution or may have access through 14 electronic means to and inspect or otherwise examine the same 15 and any books, papers or other records pertaining to the 16 degree granting program of such institution including, but not limited to, financial records such as balance sheets, income 17 statements, and cash flow statements. For failure to permit 18 such entry, inspection or examination or for obstruction 19 thereof, the Board may invalidate any notice filed with it by 20 21 the degree granting institution and revoke any authorization 22 made pursuant to Section 4 of this Act and may refuse to accept another notice from or on behalf of such institution or any 23 24 person connected with the administration thereof until such 25 refusal or obstruction has been withdrawn. Any action taken

	HB5464 Enrolled	- 56 -	LRB102 2605	4 NLB 35506 b
1	pursuant to this Section	shall be i	n addition	to any other
2	penalty which may be impose	d for viola	tion of this	Act.
3	(Source: P.A. 80-1309.)			
4	Section 99. Effective	date. This	s Act takes	effect upon
5	becoming law.			