



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

**HB4984**

Introduced 1/21/2010, by Rep. Michael K. Smith

#### SYNOPSIS AS INTRODUCED:

105 ILCS 425/1.1

from Ch. 144, par. 136.1

Amends the Private Business and Vocational Schools Act. Changes provisions concerning entities that are not considered to be a private business and vocational school to include (1) any educational institution that maintains accredited status with the Commission on Institutions of Higher Education of the North Central Association of Colleges and Schools or other comparable regional accreditation association, (2) any educational institution that maintains accredited status with a national accrediting agency that is recognized by the U.S. Department of Education, and (3) any educational institution that is regulated in whole or in part by the Illinois Board of Higher Education or other comparable out-of-State educational agency. Provides that an exempted institution must file with the Superintendent documentation that demonstrates (instead of an annual financial report to demonstrate) continued compliance by the institution with the requirements on which the exemption is based. Effective July 1, 2010.

LRB096 16630 MJR 31906 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 Private Business and Vocational Schools Act  
5 is amended by changing Section 1.1 as follows:

6 (105 ILCS 425/1.1) (from Ch. 144, par. 136.1)

7 Sec. 1.1. Exemptions and annual filing.

8 (a) For purposes of this Act, the following shall not be  
9 considered to be a private business and vocational school:

10 (1) Any eleemosynary institution.

11 (2) Any religious institution.

12 (3) Any public educational institution exempt from  
13 property taxation under the laws of this State.

14 (4) Any in-service course of instruction and subject  
15 offered by an employer provided no tuition is charged and  
16 such instruction is offered only to employees of such  
17 employer.

18 (5) (Blank) ~~Any educational institution (A) which (i)~~  
19 ~~enrolls a majority of its students in degree programs and~~  
20 ~~has maintained an accredited status with the Commission on~~  
21 ~~Institutions of Higher Education of the North Central~~  
22 ~~Association of Colleges and Schools or (ii) on or after the~~  
23 ~~effective date of this amendatory Act of the 93rd General~~

1 ~~Assembly enrolls students in one or more bachelor-level~~  
2 ~~programs, enrolls a majority of its students in degree~~  
3 ~~programs, and is accredited by a national accrediting~~  
4 ~~agency that is recognized by the U.S. Department of~~  
5 ~~Education and (B) which is regulated by the Illinois Board~~  
6 ~~of Higher Education under the Private College Act or the~~  
7 ~~Academic Degree Act, or which is exempt from such~~  
8 ~~regulation under either of the foregoing Acts solely for~~  
9 ~~the reason that such educational institution was in~~  
10 ~~operation on the effective date of either such Act.~~

11 (6) Any institution and the franchisees of such  
12 institution which offer exclusively a course of  
13 instruction in income tax theory or return preparation at a  
14 total contract price of no more than \$400, provided that  
15 the total annual enrollment of such institution for all  
16 such courses of instruction exceeds 500 students, and  
17 further provided that the total contract price for all  
18 instruction offered to a student in any one calendar year  
19 does not exceed \$400. For each calendar year after 1990,  
20 the total contract price shall be adjusted, rounded off to  
21 the nearest dollar, by the same percentage as the increase  
22 or decrease in the general price level as measured by the  
23 consumer price index for all urban consumers for the United  
24 States, or its successor index, as defined and officially  
25 reported by the United States Department of Labor, or its  
26 successor agency. The change in the index shall be that as

1 first published by the Department of Labor for the calendar  
2 year immediately preceding the year in which the total  
3 contract price is calculated.

4 (7) Any educational institution that maintains  
5 accredited status with the Commission on Institutions of  
6 Higher Education of the North Central Association of  
7 Colleges and Schools or other comparable regional  
8 accreditation association.

9 (8) Any educational institution that maintains  
10 accredited status with a national accrediting agency that  
11 is recognized by the U.S. Department of Education.

12 (9) Any educational institution that is regulated in  
13 whole or in part by the Illinois Board of Higher Education  
14 or other comparable out-of-State educational agency.

15 (b) An institution exempted under subsection (a) of this  
16 Section must file with the Superintendent documentation that  
17 demonstrates ~~an annual financial report to demonstrate~~  
18 continued compliance by the institution with the requirements  
19 on which the exemption is based.

20 (Source: P.A. 95-126, eff. 8-13-07.)

21 Section 99. Effective date. This Act takes effect July 1,  
22 2010.