SB2765 Enrolled

1 AN ACT concerning education.

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

- Section 5. The Eastern Illinois University Law is amended
 by changing Section 10-92 as follows:
- 6 (110 ILCS 665/10-92)

7 (Section scheduled to be repealed on July 1, 2019)

8 Sec. 10-92. Tuition <u>affordability discount</u> waiver
9 limitation pilot program.

10 (a) The General Assembly makes all of the following 11 findings:

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

- 15 (2) This State is in the top quartile with respect to16 the percentage of family income needed to pay for college.
- 17 (3) Research suggests that as loan amounts increase,
 18 versus grants-in-aid, the probability of college
 19 attendance decreases.
- 20 (4) There is further research indicating socioeconomic
 21 status may affect the willingness of students to use loans
 22 to attend college.
- 23

(5) Strategic use of tuition <u>discounting</u> waivers will

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1 decrease the amount of loans that students must use to pay 2 for tuition.

(6) A modest, individually tailored tuition <u>discount</u>
waiver can make the difference in choosing to attend
college and would enhance college access for low (up to
150% of the federal poverty level) and middle income (151%
to 300% of the federal poverty level) families.

8 (7) Even if the federally calculated financial need for 9 college attendance is met, the federally determined 10 Expected Family Contribution can still be a daunting 11 amount.

12 (8) This State is the second largest exporter of13 students in the country.

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

18 (10) A mechanism is needed to stop the outflow of 19 Illinois students to institutions in other states, 20 assisting in State efforts to maintain and educate a highly 21 trained workforce.

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

(12) The pilot program established under this Section
will allow Eastern Illinois University to compete for
highly qualified students who may reside in other states by

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mitigating the effect of cost differences.

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2 (13) Modest tuition <u>discounts</u> waivers, individually
3 targeted and tailored, result in enhanced revenue for
4 university programs.

5 (14) By increasing Eastern Illinois University's 6 capacity to strategically use tuition <u>discounting</u> waivers, 7 the University will be capable of creating enhanced tuition 8 revenue by increasing enrollment yields.

9 (15) The Board of Higher Education's current 10 institutional tuition waiver limitation is 3% of total 11 available undergraduate tuition revenue.

12 (b) The Board shall establish a pilot program to increase 13 the Board of Higher Education's institutional tuition waiver limitation for the university over a 4-year period to increase 14 15 access to college and make college more affordable for 16 undergraduate students. Under the pilot program, the 17 institutional tuition waiver limitation shall be increased by 2 percentage points in the 2012-2013 academic year, 2 percentage 18 19 points in the 2013-2014 academic year, 2 percentage points in the 2014-2015 academic year, and one percentage point in the 20 2015-2016 academic year, resulting in an institutional tuition 21 22 waiver limitation of 10% in the fourth year of the pilot 23 program and thereafter.

(c) The pilot program shall require that students who
 receive a tuition <u>discount</u> waiver under the pilot program be
 accepted to the university through normal admissions standards

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and processes. Individual tuition <u>discounts</u> waivers granted 1 2 under the pilot program must not exceed \$2,500 per academic 3 year. The pilot program shall provide a maximum of one discount waiver per academic year for a maximum of 4 years to each 4 5 student in the pilot program who maintains satisfactory academic progress. The pilot program shall be terminated after 6 7 the 2018-2019 2015 2016 academic year, with no new students 8 receiving discounts waivers. However, notwithstanding the 9 Board of Higher Education's institutional tuition waiver 10 limitation, existing students receiving discounts waivers 11 under the pilot program are eligible to maintain those 12 discounts waivers, with satisfactory academic progress, under the 4-year limitation, after the 2018-2019 2015-2016 academic 13 year due to maintenance of effort within their 4-year window. 14 15 Sunset dates for discounted waiver support shall be based upon 16 the first academic year in which a student receives a discount 17 waiver. The sunset dates are as follows for each annual cohort 18 of pilot program participants:

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

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

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

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

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1 (d) <u>Every 2 years, the</u> The Board shall annually report to 2 the Board of Higher Education on the pilot program's impact on 3 tuition revenue, enrollment goals, and increasing access and 4 affordability on such dates as the Board of Higher Education 5 shall determine.

6 (e) The Board of Higher Education may adopt any rules that 7 are necessary to implement this Section.

8 (f) This Section is repealed on July 1, <u>2022</u> 2019.

9 (Source: P.A. 97-290, eff. 8-10-11.)