

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 Public Community College Act is amended by  
5 changing Section 2-16.02 as follows:

6 (110 ILCS 805/2-16.02) (from Ch. 122, par. 102-16.02)

7 Sec. 2-16.02. Grants. Any community college district that  
8 maintains a community college recognized by the State Board  
9 shall receive, when eligible, grants enumerated in this  
10 Section. Funded semester credit hours or other measures or both  
11 as specified by the State Board shall be used to distribute  
12 grants to community colleges. Funded semester credit hours  
13 shall be defined, for purposes of this Section, as the greater  
14 of (1) the number of semester credit hours, or equivalent, in  
15 all funded instructional categories of students who have been  
16 certified as being in attendance at midterm during the  
17 respective terms of the base fiscal year or (2) the average of  
18 semester credit hours, or equivalent, in all funded  
19 instructional categories of students who have been certified as  
20 being in attendance at midterm during the respective terms of  
21 the base fiscal year and the 2 prior fiscal years. For purposes  
22 of this Section, "base fiscal year" means the fiscal year 2  
23 years prior to the fiscal year for which the grants are

1 appropriated. Such students shall have been residents of  
2 Illinois and shall have been enrolled in courses that are part  
3 of instructional program categories approved by the State Board  
4 and that are applicable toward an associate degree or  
5 certificate. Courses that are eligible for reimbursement are  
6 those courses for which the district pays 50% or more of the  
7 program costs from unrestricted revenue sources, with the  
8 exception of courses offered by contract with the Department of  
9 Corrections in correctional institutions. For the purposes of  
10 this Section, "unrestricted revenue sources" means those  
11 revenues in which the provider of the revenue imposes no  
12 financial limitations upon the district as it relates to the  
13 expenditure of the funds. Except for Fiscal Year 2012, base  
14 operating grants shall be paid based on rates per funded  
15 semester credit hour or equivalent calculated by the State  
16 Board for funded instructional categories using cost of  
17 instruction, enrollment, inflation, and other relevant  
18 factors. For Fiscal Year 2012, the allocations for base  
19 operating grants to community college districts shall be the  
20 same as they were in Fiscal Year 2011, reduced or increased  
21 proportionately according to the appropriation for base  
22 operating grants for Fiscal Year 2012.

23 Equalization grants shall be calculated by the State Board  
24 by determining a local revenue factor for each district by: (A)  
25 adding (1) each district's Corporate Personal Property  
26 Replacement Fund allocations from the base fiscal year or the

1 average of the base fiscal year and prior year, whichever is  
2 less, divided by the applicable statewide average tax rate to  
3 (2) the district's most recently audited year's equalized  
4 assessed valuation or the average of the most recently audited  
5 year and prior year, whichever is less, (B) then dividing by  
6 the district's audited full-time equivalent resident students  
7 for the base fiscal year or the average for the base fiscal  
8 year and the 2 prior fiscal years, whichever is greater, and  
9 (C) then multiplying by the applicable statewide average tax  
10 rate. The State Board shall calculate a statewide weighted  
11 average threshold by applying the same methodology to the  
12 totals of all districts' Corporate Personal Property Tax  
13 Replacement Fund allocations, equalized assessed valuations,  
14 and audited full-time equivalent district resident students  
15 and multiplying by the applicable statewide average tax rate.  
16 The difference between the statewide weighted average  
17 threshold and the local revenue factor, multiplied by the  
18 number of full-time equivalent resident students, shall  
19 determine the amount of equalization funding that each district  
20 is eligible to receive. A percentage factor, as determined by  
21 the State Board, may be applied to the statewide threshold as a  
22 method for allocating equalization funding. A minimum  
23 equalization grant of an amount per district as determined by  
24 the State Board shall be established for any community college  
25 district which qualifies for an equalization grant based upon  
26 the preceding criteria, but becomes ineligible for

1 equalization funding, or would have received a grant of less  
2 than the minimum equalization grant, due to threshold  
3 prorations applied to reduce equalization funding. As of July  
4 1, 2013, a community college district eligible to receive an  
5 equalization grant based upon the preceding criteria must  
6 maintain a minimum required combined in-district tuition and  
7 universal fee rate per semester credit hour equal to 70% of the  
8 State-average combined rate, as determined by the State Board,  
9 or the total revenue received by the community college district  
10 from combined in-district tuition and universal fees must be at  
11 least 30% of the total revenue received by the community  
12 college district, as determined by the State Board, for  
13 equalization funding. As of July 1, 2004, a community college  
14 district must maintain a minimum required operating tax rate  
15 equal to at least 95% of its maximum authorized tax rate to  
16 qualify for equalization funding. This 95% minimum tax rate  
17 requirement shall be based upon the maximum operating tax rate  
18 as limited by the Property Tax Extension Limitation Law.

19 The State Board shall distribute such other grants as may  
20 be authorized or appropriated by the General Assembly.

21 Each community college district entitled to State grants  
22 under this Section must submit a report of its enrollment to  
23 the State Board not later than 30 days following the end of  
24 each semester, quarter, or term in a format prescribed by the  
25 State Board. These semester credit hours, or equivalent, shall  
26 be certified by each district on forms provided by the State

1 Board. Each district's certified semester credit hours, or  
2 equivalent, are subject to audit pursuant to Section 3-22.1.

3 The State Board shall certify, prepare, and submit monthly  
4 vouchers to the State Comptroller setting forth an amount equal  
5 to one-twelfth of the grants approved by the State Board for  
6 base operating grants and equalization grants. The State Board  
7 shall prepare and submit to the State Comptroller vouchers for  
8 payments of other grants as appropriated by the General  
9 Assembly. If the amount appropriated for grants is different  
10 from the amount provided for such grants under this Act, the  
11 grants shall be proportionately reduced or increased  
12 accordingly.

13 For the purposes of this Section, "resident student" means  
14 a student in a community college district who maintains  
15 residency in that district or meets other residency definitions  
16 established by the State Board, and who was enrolled either in  
17 one of the approved instructional program categories in that  
18 district, or in another community college district to which the  
19 resident's district is paying tuition under Section 6-2 or with  
20 which the resident's district has entered into a cooperative  
21 agreement in lieu of such tuition. Students shall be classified  
22 as residents of the community college district without meeting  
23 the 30-day residency requirement of the district if they are  
24 currently residing in the district and are youth (i) who are  
25 currently under the legal guardianship of the Illinois  
26 Department of Children and Family Services or have recently

1 been emancipated from the Department and (ii) who had  
2 previously met the 30-day residency requirement of the district  
3 but who had a placement change into a new community college  
4 district. The student, a caseworker or other personnel of the  
5 Department, or the student's attorney or guardian ad litem  
6 appointed under the Juvenile Court Act of 1987 shall provide  
7 the district with proof of current in-district residency.

8 For the purposes of this Section, a "full-time equivalent"  
9 student is equal to 30 semester credit hours.

10 The Illinois Community College Board Contracts and Grants  
11 Fund is hereby created in the State Treasury. Items of income  
12 to this fund shall include any grants, awards, endowments, or  
13 like proceeds, and where appropriate, other funds made  
14 available through contracts with governmental, public, and  
15 private agencies or persons. The General Assembly shall from  
16 time to time make appropriations payable from such fund for the  
17 support, improvement, and expenses of the State Board and  
18 Illinois community college districts.

19 (Source: P.A. 97-72, eff. 7-1-11; 97-1160, eff. 2-1-13; 98-46,  
20 eff. 6-28-13; 98-756, eff. 7-16-14.)