

AN ACT concerning education.

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

Section 3. The Board of Higher Education Act is amended by changing Section 8 as follows:

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

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

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

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

Each state supported institution within the application of this Act must submit its plan for capital improvements of non-instructional facilities to the Board for approval before final commitments are made. Non-instructional uses shall include but not be limited to dormitories, union buildings, field houses, stadium, other recreational facilities and parking lots. The Board shall determine whether or not any project submitted for approval is consistent with the master plan for higher education and with instructional buildings that are provided for therein. If the project is found by a majority

of the Board not to be consistent, such capital improvement shall not be constructed.

(Source: P.A. 89-4, eff. 1-1-96.)

Section 5. The Eastern Illinois University Law is amended by adding Section 10-92 as follows:

(110 ILCS 665/10-92 new)

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

Sec. 10-92. Tuition waiver limitation pilot program.

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

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

(2) This State is in the top quartile with respect to the percentage of family income needed to pay for college.

(3) Research suggests that as loan amounts increase, versus grants-in-aid, the probability of college attendance decreases.

(4) There is further research indicating socioeconomic status may affect the willingness of students to use loans to attend college.

(5) Strategic use of tuition waivers will decrease the amount of loans that students must use to pay for tuition.

(6) A modest, individually tailored tuition 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.

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

(8) This State is the second largest exporter of 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.

(10) A mechanism is needed to stop the outflow of Illinois students to institutions in other states, assisting in State efforts to maintain and educate a highly 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 mitigating the effect of cost differences.

(13) Modest tuition waivers, individually targeted and tailored, result in enhanced revenue for university

programs.

(14) By increasing Eastern Illinois University's capacity to strategically use tuition waivers, the University will be capable of creating enhanced tuition revenue by increasing enrollment yields.

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

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

(c) The pilot program shall require that students who receive a tuition waiver under the pilot program be accepted to the university through normal admissions standards and processes. Individual tuition waivers granted under the pilot program must not exceed \$2,500 per academic year. The pilot program shall provide a maximum of one waiver per academic year

for a maximum of 4 years to each student in the pilot program who maintains satisfactory academic progress. The pilot program shall be terminated after the 2015-2016 academic year, with no new students receiving waivers. However, notwithstanding the Board of Higher Education's institutional tuition waiver limitation, existing students receiving waivers under the pilot program are eligible to maintain those waivers, with satisfactory academic progress, under the 4-year limitation, after the 2015-2016 academic year due to maintenance of effort within their 4-year window. Sunset dates for waiver support shall be based upon the first academic year in which a student receives a waiver. The sunset dates are as follows for each annual cohort of pilot program participants:

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

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

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

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

(d) The Board shall annually report to the Board of Higher Education on the pilot program's impact on tuition revenue, enrollment goals, and increasing access and affordability on such dates as the Board of Higher Education shall determine.

(e) The Board of Higher Education may adopt any rules that

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are necessary to implement this Section.

(f) This Section is repealed on July 1, 2019.

Section 99. Effective date. This Act takes effect July 1,
2011.