

1 AN ACT relating to public community colleges.

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  
5 by 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. State grants. Any community college  
8 district that maintains a community college recognized by the  
9 State Board shall receive, when eligible, grants enumerated  
10 in this Section. Funded semester credit hours or other  
11 measures or both as specified by the State Board shall be  
12 used to distribute grants to community colleges. Funded  
13 semester credit hours shall be defined, for purposes of this  
14 Section, as the greater of (1) the number of semester credit  
15 hours, or equivalent, in all funded instructional categories  
16 of students who have been certified as being in attendance  
17 at midterm during the respective terms of the base fiscal  
18 year or (2) the average of semester credit hours, or  
19 equivalent, in all funded instructional categories of  
20 students who have been certified as being in attendance at  
21 midterm during the respective terms of the base fiscal year  
22 and the 2 prior fiscal years. For purposes of this Section,  
23 "base fiscal year" means the fiscal year 2 years prior to the  
24 fiscal year for which the grants are appropriated. Such  
25 students shall have been residents of Illinois and shall have  
26 been enrolled in courses that are part of instructional  
27 program categories approved by the State Board and that are  
28 applicable toward an associate degree or certificate.  
29 Courses are not eligible for reimbursement where the district  
30 receives federal or State financing or both, except financing  
31 through the State Board, for 50% or more of the program costs

1 with the exception of courses offered by contract with the  
2 Department of Corrections in correctional institutions. Base  
3 operating grants shall be paid based on rates per funded  
4 semester credit hour or equivalent calculated by the State  
5 Board for funded instructional categories using cost of  
6 instruction, enrollment, inflation, and other relevant  
7 factors. A portion of the base operating grant shall be  
8 allocated on the basis of non-residential gross square  
9 footage of space maintained by the district.

10 Equalization grants shall be calculated by the State  
11 Board by determining a local revenue factor for each district  
12 by: (A) adding (1) each district's Corporate Personal  
13 Property Replacement Fund allocations from the base fiscal  
14 year or the average of the base fiscal year and prior year,  
15 whichever is less, divided by the applicable statewide  
16 average tax rate to (2) the district's most recently audited  
17 year's equalized assessed valuation or the average of the  
18 most recently audited year and prior year, whichever is less,  
19 (B) then dividing by the district's audited full-time  
20 equivalent resident students for the base fiscal year or the  
21 average for the base fiscal year and the 2 prior fiscal  
22 years, whichever is greater, and (C) then multiplying by the  
23 applicable statewide average tax rate. The State Board shall  
24 calculate a statewide weighted average threshold by applying  
25 the same methodology to the totals of all districts'  
26 Corporate Personal Property Tax Replacement Fund allocations,  
27 equalized assessed valuations, and audited full-time  
28 equivalent district resident students and multiplying by the  
29 applicable statewide average tax rate. The difference  
30 between the statewide weighted average threshold and the  
31 local revenue factor, multiplied by the number of full-time  
32 equivalent resident students, shall determine the amount of  
33 equalization funding that each district is eligible to  
34 receive. A percentage factor, as determined by the State

1 Board, may be applied to the statewide threshold as a method  
2 for allocating equalization funding. A minimum equalization  
3 grant of an amount per district as determined by the State  
4 Board shall be established for any community college district  
5 which qualifies for an equalization grant based upon the  
6 preceding criteria, but becomes ineligible for equalization  
7 funding, or would have received a grant of less than the  
8 minimum equalization grant, due to threshold prorations  
9 applied to reduce equalization funding. As of July 1, 1997,  
10 community college districts must maintain a minimum required  
11 in-district tuition rate per semester credit hour as  
12 determined by the State Board. For each fiscal year between  
13 July 1, 1997 and June 30, 2001, districts not meeting the  
14 minimum required rate will be subject to a percent reduction  
15 of equalization funding as determined by the State Board. As  
16 of July 1, 2001, districts must meet the required minimum  
17 in-district tuition rate to qualify for equalization funding.

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

20 Each community college district entitled to State grants  
21 under this Section must submit a report of its enrollment to  
22 the State Board not later than 30 days following the end of  
23 each semester, quarter, or term in a format prescribed by the  
24 State Board. These semester credit hours, or equivalent,  
25 shall be certified by each district on forms provided by the  
26 State Board. Each district's certified semester credit  
27 hours, or equivalent, are subject to audit pursuant to  
28 Section 3-22.1.

29 The State Board shall certify, prepare, and submit to the  
30 State Comptroller during August, November, February, and May  
31 of each fiscal year vouchers setting forth an amount equal to  
32 25% of the grants approved by the State Board for base  
33 operating grants and equalization grants. The State Board  
34 shall prepare and submit to the State Comptroller vouchers

1 for payments of other grants as appropriated by the General  
2 Assembly. If the amount appropriated for grants is different  
3 from the amount provided for such grants under this Act, the  
4 grants shall be proportionately reduced or increased  
5 accordingly.

6 For the purposes of this Section, "resident student"  
7 means a student in a community college district who maintains  
8 residency in that district or meets other residency  
9 definitions established by the State Board, and who was  
10 enrolled either in one of the approved instructional program  
11 categories in that district, or in another community college  
12 district to which the resident's district is paying tuition  
13 under Section 6-2 or with which the resident's district has  
14 entered into a cooperative agreement in lieu of such tuition.

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

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

26 (Source: P.A. 89-141, eff. 7-14-95; 89-281, eff. 8-10-95;  
27 89-473, eff. 6-18-96; 89-626, eff. 8-9-96; 90-468, eff.  
28 8-17-97; 90-486, eff. 8-17-97; 90-497, eff. 8-18-97; 90-587,  
29 eff. 8-7-98 (contingent upon 90-720); 90-655, eff. 7-30-98;  
30 90-720, eff. 8-7-98.)