1 AN ACT concerning education.

Be it enacted by the People of the State of Illinois, 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- 7 (Section scheduled to be repealed on July 1, 2019)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 <u>limitation pilot</u> 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 to 16 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 discounting waivers will

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

- (6) A modest, individually tailored tuition discount 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 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

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mitigating the effect of cost differences.

- (13) Modest tuition <u>discounts</u> waivers, individually targeted and tailored, result in enhanced revenue for university programs.
- (14) By increasing Eastern Illinois University's capacity to strategically use tuition <u>discounting</u> 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 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 and thereafter.
- (c) The pilot program shall require that students who receive a tuition discount waiver under the pilot program be accepted to the university through normal admissions standards

and processes. Individual tuition <u>discounts</u> waivers granted
under the pilot program must not exceed \$2,500 per academic
year. The pilot program shall provide a maximum of one discount
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 <u>discounted</u> waiver support shall be
based upon the first academic year in which a student receives
a <u>discount</u> waiver. The sunset dates are as follows for each
annual cohort of pilot program participants:
(1) Cohort 1. the beginning wear is 2012 2012 and the

- (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) Every 2 years, the The Board shall annually report to

- the Board of Higher Education on the pilot program's impact on 1
- 2 tuition revenue, enrollment goals, and increasing access and
- 3 affordability on such dates as the Board of Higher Education
- shall determine.
- 5 (e) The Board of Higher Education may adopt any rules that
- 6 are necessary to implement this Section.
- 7 (f) (Blank). This Section is repealed on July 1, 2019.
- 8 (Source: P.A. 97-290, eff. 8-10-11.)