

Sen. Dale A. Righter

Filed: 2/19/2014

09800SB2765sam001 LRB098 16668 NHT 55713 a 1 AMENDMENT TO SENATE BILL 2765 AMENDMENT NO. _____. Amend Senate Bill 2765 by replacing 2 3 everything after the enacting clause with the following: "Section 5. The Eastern Illinois University Law is amended 4 by changing Section 10-92 as follows: 5 6 (110 ILCS 665/10-92) 7 (Section scheduled to be repealed on July 1, 2019) 10-92. Tuition affordability discount 8 Sec. limitation pilot program. 10 (a) The General Assembly makes all of the following findings: 11 (1) Both access and affordability are important points 12 13 in the Illinois Public Agenda for College and Career Success. 14 15 (2) This State is in the top quartile with respect to the percentage of family income needed to pay for college. 16

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- (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 discounting waivers will 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.
 - 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 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 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

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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 discounts 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 discounted waiver support shall be based upon the first academic year in which a student receives a discount 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.

1	(2) Cohort 2: the beginning year is 2013-2014 and the
2	terminal year is 2016-2017.
3	(3) Cohort 3: the beginning year is 2014-2015 and the
4	terminal year is 2017-2018.
5	(4) Cohort 4: the beginning year is 2015 2016 and the
6	terminal year is 2018 2019.
7	(d) Every 2 years, the $\frac{1}{2}$ Board shall $\frac{1}{2}$ annually report to
8	the Board of Higher Education on the pilot program's impact on
9	tuition revenue, enrollment goals, and increasing access and
10	affordability on such dates as the Board of Higher Education
11	shall determine.
12	(e) The Board of Higher Education may adopt any rules that
13	are necessary to implement this Section.
14	(f) (Blank). This Section is repealed on July 1, 2019.

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