



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

SB2282

Introduced 10/28/2019, by Sen. Michael E. Hastings

SYNOPSIS AS INTRODUCED:

30 ILCS 769/25-15

Amends the Private Colleges and Universities Capital Distribution Formula Act. Provides that if an institution received a grant under the Act and subsequently fails to meet the definition of "independent college" due to the institution being acquired and operated by a public university, no refund of expended grant funds shall be required and the remaining funds shall not be re-distributed. Provides that the entire balance of the grant remaining on the date the acquired former independent college ceased operations and came under the control of the public university, including any amount that had been withheld after the acquired former independent college ceased operations, shall be transferred to the public university, as successor to the independent college, for the purpose of operating those facilities for the duration of the grant. Specifies that the provisions apply to any acquisition of an independent college by a public university occurring on and after August 15, 2019. Defines "public university".

LRB101 14738 RJF 63689 b

1 AN ACT concerning finance.

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

4 Section 5. The Private Colleges and Universities Capital
5 Distribution Formula Act is amended by changing Section 25-15
6 as follows:

7 (30 ILCS 769/25-15)

8 Sec. 25-15. Transfer of funds to another independent
9 college.

10 (a) If an institution received a grant under this Article
11 and subsequently fails to meet the definition of "independent
12 college", the remaining funds shall be re-distributed as
13 provided in Section 25-10, unless the campus or facilities for
14 which the grant was given are operated by another institution
15 that qualifies as an independent college under this Article.

16 (a-5) Notwithstanding the provisions of subsection (a), if
17 an institution received a grant under this Article and
18 subsequently fails to meet the definition of "independent
19 college" due to the institution being acquired and operated by
20 a public university, no refund of expended grant funds shall be
21 required and the remaining funds shall not be re-distributed as
22 provided under Section 25-10. The entire balance of the grant
23 provided under this Article remaining on the date the acquired

1 former independent college ceased operations and came under the
2 control of the public university, including any amount that had
3 been withheld after the acquired former independent college
4 ceased operations, shall be transferred to the public
5 university, as successor to the independent college, for the
6 purpose of operating those facilities for the duration of the
7 grant. The provisions of this subsection (a-5) apply to any
8 acquisition of an independent college by a public university
9 occurring on and after August 15, 2019.

10 For the purposes of this subsection (a-5), "public
11 university" means the University of Illinois, Southern
12 Illinois University, Chicago State University, Eastern
13 Illinois University, Governors State University, Illinois
14 State University, Northeastern Illinois University, Northern
15 Illinois University, Western Illinois University, or any other
16 public university or college now or hereafter established or
17 authorized by the General Assembly.

18 (b) If the facilities of a former independent college are
19 operated by another entity that qualifies as an independent
20 college as provided in subsection (a) of this Section, then the
21 entire balance of the grant provided under this Article
22 remaining on the date the former independent college ceased
23 operations, including any amount that had been withheld after
24 the former independent college ceased operations, shall be
25 transferred to the successor independent college for the
26 purpose of operating those facilities for the duration of the

1 grant.

2 (c) In the event that, on or before the effective date of
3 this amendatory Act of the 98th General Assembly, the remaining
4 funds have been re-allocated or re-distributed to other
5 independent colleges, or the Illinois Board of Higher Education
6 has planned for the remaining funds to be re-allocated or
7 re-distributed to other independent colleges, before the
8 5-year period provided under this Act for the utilization of
9 funds has ended, any funds so re-allocated or re-distributed
10 shall be deducted from future allocations to those other
11 independent colleges and re-allocated or re-distributed to the
12 initial institution or the successor entity operating the
13 facilities of the original institution if: (i) the institution
14 that failed to meet the definition of "independent college"
15 once again meets the definition of "independent college" before
16 the 5-year period has expired; or (ii) the facility or
17 facilities of the former independent college are operated by
18 another entity that qualifies as an independent college before
19 the 5-year period has expired.

20 (Source: P.A. 101-10, eff. 6-5-19.)