

1 AN ACT concerning education.

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

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

6 (110 ILCS 665/10-92 new)

7 (Section scheduled to be repealed on July 1, 2019)

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

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

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

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

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

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

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

1 (6) A modest, individually tailored tuition waiver can
2 make the difference in choosing to attend college and would
3 enhance college access for low (up to 150% of the federal
4 poverty level) and middle income (151% to 300% of the
5 federal poverty level) families.

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

10 (8) This State is the second largest exporter of
11 students in the country.

12 (9) Illinois students need to be kept in this State.
13 State universities in other states have adopted pricing and
14 incentives that make college expenses for residents of this
15 State less than in this State.

16 (10) A mechanism is needed to stop the outflow of
17 Illinois students to institutions in other states,
18 assisting in State efforts to maintain and educate a highly
19 trained workforce.

20 (11) By being competitive on costs of attendance, this
21 State can bring out-of-state students to this State.

22 (12) The pilot program established under this Section
23 will allow Eastern Illinois University to compete for
24 highly qualified students who may reside in other states by
25 mitigating the effect of cost differences.

26 (13) Modest tuition waivers, individually targeted and

1 tailored, result in enhanced revenue for university
2 programs.

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

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

10 (b) The Board shall establish a pilot program to increase
11 the Board of Higher Education's institutional tuition waiver
12 limitation for the university over a 4-year period to increase
13 access to college and make college more affordable for
14 undergraduate students. Under the pilot program, the
15 institutional tuition waiver limitation shall be increased by 2
16 percentage points in the 2012-2013 academic year, 2 percentage
17 points in the 2013-2014 academic year, 2 percentage points in
18 the 2014-2015 academic year, and one percentage point in the
19 2015-2016 academic year, resulting in an institutional tuition
20 waiver limitation of 10% in the fourth year of the pilot
21 program.

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

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

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

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

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

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

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

1 (e) The Board of Higher Education may adopt any rules that
2 are necessary to implement this Section.

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

4 Section 99. Effective date. This Act takes effect July 1,
5 2011.