

1 AN ACT concerning higher education.

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

1 for 50% or more of the program costs with the exception of
2 courses offered by contract with the Department of
3 Corrections in correctional institutions. Base operating
4 grants shall be paid based on rates per funded semester
5 credit hour or equivalent calculated by the State Board for
6 funded instructional categories using cost of instruction,
7 enrollment, inflation, and other relevant factors. A portion
8 of the base operating grant shall be allocated on the basis
9 of non-residential gross square footage of space maintained
10 by the district.

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

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

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

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

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

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

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

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

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

27 (Source: P.A. 89-141, eff. 7-14-95; 89-281, eff. 8-10-95;
28 89-473, eff. 6-18-96; 89-626, eff. 8-9-96; 90-468, eff.
29 8-17-97; 90-486, eff. 8-17-97; 90-497, eff. 8-18-97; 90-587,
30 eff. 8-7-98 (contingent upon 90-720); 90-655, eff. 7-30-98;
31 90-720, eff. 8-7-98.)