AN ACT concerning education.

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

Section 5. The Board of Higher Education Act is amended by changing Section 7 and by adding Section 9.45 as follows:

(110 ILCS 205/7) (from Ch. 144, par. 187)

Sec. 7. The Board of Trustees of the University of Illinois, the Board of Trustees of Southern Illinois University, the Board of Trustees of Chicago State University, the Board of Trustees of Eastern Illinois University, the Board of Trustees of Governors State University, the Board of Trustees of Illinois State University, the Board of Trustees of Northeastern Illinois University, the Board of Trustees of Northern Illinois University, the Board of Trustees of Western Illinois University, the Illinois Community College Board and the campuses under their governance or supervision shall not hereafter undertake the establishment of any new unit of instruction, research, or public service without the approval of the Board. The term "new unit of instruction, research, or public service" includes the establishment of a college, school, division, institute, department, or other unit in any field of instruction, research, or public service not theretofore included in the program of the institution, and includes the establishment of any new branch or campus. The term does not include reasonable and moderate extensions of existing curricula, research, or public service programs which have a direct relationship to existing programs; and the Board may, under its rulemaking power, define the character of such reasonable and moderate extensions.

Such governing boards shall submit to the Board all proposals for a new unit of instruction, research, or public service. The Board may approve or disapprove the proposal in whole or in part or approve modifications thereof whenever in its judgment such action is consistent with the objectives of an existing or proposed statewide strategic plan of higher education.

The Board of Higher Education is authorized to review periodically all existing programs of instruction, research, and public service at the State universities and colleges and to advise the appropriate board of control if the contribution of each program is not educationally and economically justified. The Board shall annually identify and provide to each public university certain programs of instruction that exhibit indicators of low performance in enrollment, degree completion, and relative high expense per degree. Each public university shall review this information, together with any other relevant information, and report annually to the Board using a status rubric provided by the Board, including programs to be closed or consolidated. The Board shall report annually on the instructional programs offered at public institutions of higher education, showing (i) the number, types, and locations of instructional programs, (ii) any new programs that were created, (iii) any existing programs that have been closed or consolidated as a result of the review and report, and (iv) other information relevant to assessing the State's portfolio of programs. ~~Each State university shall report annually to the Board on programs of instruction, research, or public service that have been terminated, dissolved, reduced, or consolidated by the university. Each State university shall also report to the Board all programs of instruction, research, and public service that exhibit a trend of low performance in enrollments, degree completions, and high expense per degree. The Board shall compile an annual report that shall contain information on new programs created, existing programs that have been closed or consolidated, and programs that exhibit low performance or productivity.~~ The report must be submitted to the General Assembly and the Governor by March 15, 2026 and each March 15 thereafter. The Board shall have the authority to define relevant terms and timelines by rule with respect to this reporting.

(Source: P.A. 101-81, eff. 7-12-19; 102-1046, eff. 6-7-22.)

(110 ILCS 205/9.45 new)

Sec. 9.45. Acceptance of gifts, grants, and legacies; creation of corporations, joint ventures, partnerships, and associations; distribution of grants.

(a) To accept gifts, grants, or legacies from any source when made for higher education purposes.

(b) To create and participate in the conduct and operation of any corporation, joint venture, partnership, association, or other organizational entity that has the power (i) to acquire land, buildings, and other capital equipment for the use and benefit of higher education and students in this State; (ii) to accept gifts and make grants for the use and benefit of higher education and students in this State; (iii) to aid in the instruction and education of students in this State; and (iv) to promote activities to acquaint residents of this State with the facilities of the various institutions of higher education.

(c) To distribute such other grants as may be authorized or appropriated by the General Assembly for which the Board may adopt any rules necessary for the purposes of implementing and distributing funds pursuant to an authorized or appropriated grant.

Section 10. The Private College Act is amended by changing Sections 3 and 4.5 as follows:

(110 ILCS 1005/3) (from Ch. 144, par. 123)

Sec. 3. (a) Applications submitted to the Board for a certificate of approval to operate a post-secondary educational institution shall contain a statement of the following:

1. the proposed name of the institution and its proposed location;

2. the nature, extent and purposes of the courses of study to be given;

3. the fees to be charged, ~~and~~ the conditions under which the fees are to be paid, and a tuition schedule that includes, but is not limited to, tuition rates per course or unit of work;

4. the education and experience of the members of the teaching staff;

5. the degrees to be issued to students upon completion of courses of instruction.

(b) The Board may not approve any application for a certificate of approval that has been plagiarized, in part or in whole. Additionally, the Board may not approve any application that has not been completed in its entirety and such application shall be returned to the post-secondary educational institution.

(Source: P.A. 102-1046, eff. 6-7-22.)

(110 ILCS 1005/4.5)

Sec. 4.5. Disclosure of heightened monitoring of finances. Any institution with a certificate of approval under this Act is required to make the following disclosures:

(1) If the United States Department of Education places the institution on either the Heightened Cash Monitoring 2 payment method or the reimbursement payment method, as authorized under 34 CFR 668.162, a clear and conspicuous disclosure that the United States Department of Education has heightened monitoring of the institution's finances and the reason for such monitoring. Such disclosure shall be made by the institution within 14 days of the action of the United States Department of Education by (i) notice ~~both~~ on the institution's website, (ii) notice ~~and~~ to all students and prospective students on a form prescribed by the Board, and (iii) written notice to the Board.

(2) Any other disclosure the Board requires by rule adopted pursuant to this Act.

(Source: P.A. 102-1046, eff. 6-7-22.)

Section 15. The Academic Degree Act is amended by changing Sections 5 and 6 as follows:

(110 ILCS 1010/5) (from Ch. 144, par. 235)

Sec. 5. Degrees by other than residence institutions.~~) (a)~~ Any educational organization or entity which does not conduct instruction in residence may award degrees and qualify as a degree granting institution upon approval by the Board. Such approval shall be given only if the Board finds that the applicant, organization or entity:

(1) maintains ~~Maintains~~ physical facilities suitable and sufficient to the giving of a program or programs of instruction of degree caliber in the field or fields wherein it proposes to grant degrees;

(2) maintains ~~Maintains~~ a suitable and sufficient faculty for instruction in its degree granting program or programs;

(3) maintains ~~Maintains~~ its student records in a safe and suitable place so that there is reasonable assurance that they are and will remain available for all normal purposes for a reasonable period of time;

(4) maintains financial ~~Maintains a~~ stability sufficient to carry out its obligations under the enrollment contracts; ~~and~~

(4.5) maintains appropriate accreditation to provide educational programming; and

(5) complies ~~Complies~~ with all provisions of this Act other than the requirement for instruction in residence.

(Source: P.A. 80-1309.)

(110 ILCS 1010/6) (from Ch. 144, par. 236)

Sec. 6. Right of inspection; penalty for refusal or obstruction. Any duly authorized employee or other representative of the Board may, announced or unannounced, enter upon the premises of any degree granting institution or may have access through electronic means to inspect or otherwise examine the same and any books, papers or other records pertaining to the degree granting program of such institution including, but not limited to, financial records such as balance sheets, income statements, and cash flow statements. For failure to permit such entry, inspection or examination or for obstruction thereof, the Board may invalidate any notice filed with it by the degree granting institution and revoke any authorization made pursuant to Section 4 of this Act and may refuse to accept another notice from or on behalf of such institution or any person connected with the administration thereof until such refusal or obstruction has been withdrawn. Any action taken pursuant to this Section shall be in addition to any other penalty which may be imposed for violation of this Act.

(Source: P.A. 102-1046, eff. 6-7-22.)

Section 99. Effective date. This Act takes effect upon becoming law.