

1 AN ACT regarding public community colleges.

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, if when eligible, grants enumerated in
10 this Section. Funded semester credit hours or other measures
11 or both as specified by the State Board shall be used to
12 distribute grants to community colleges. Funded semester
13 credit hours shall be defined, for purposes of this Section,
14 as the greater of (1) the number of semester credit hours, or
15 equivalent, in all funded instructional categories of
16 students who have been certified as being in attendance at
17 midterm during the respective terms of the base fiscal year
18 or (2) the average of semester credit hours, or equivalent,
19 in all funded instructional categories of students who have
20 been certified as being in attendance at midterm during the
21 respective terms of the base fiscal year and the 2 prior
22 fiscal years. For purposes of this Section, "base fiscal
23 year" means the fiscal year 2 years prior to the fiscal year
24 for which the grants are appropriated. Such students shall
25 have been residents of Illinois and shall have been enrolled
26 in courses that are part of instructional program categories
27 approved by the State Board and that are applicable toward an
28 associate degree or certificate. Courses are not eligible
29 for reimbursement where the district receives federal or
30 State financing or both, except financing through the State
31 Board, for 50% or more of the program costs with the

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

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

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

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

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

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

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

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

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

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

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