

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 1. Short title. This Act may be cited as the Higher  
5 Education Distance Learning Act.

6 Section 5. Legislative declaration of public policy. In  
7 recent years, distance education offered by institutions of  
8 higher learning has been increasing, with such distance  
9 education being offered on an interstate basis by many  
10 institutions of higher learning. Often, students participate  
11 in such education in states where the institution of higher  
12 learning maintains no actual physical presence. Both the  
13 regulation and the availability of institutions of higher  
14 learning to participate in distance learning have been hampered  
15 by multi-jurisdictional differences between the states and  
16 uneven regulation among the states for the same programs.  
17 Various multi-state compacts have addressed this problem by  
18 creating a voluntary system of interstate reciprocity for  
19 institutions of higher learning to streamline authorization  
20 and regulations for institutions of higher learning that  
21 voluntarily agree to participate in a reciprocity program. The  
22 provision of such distance education is declared to affect the  
23 public safety and welfare and to be subject to regulation and

1 control in the public interest. It is further the public policy  
2 of this State that such a program of reciprocity be made  
3 available on a voluntary basis to participating institutions of  
4 higher learning and that any other institutions of higher  
5 learning that choose not to participate continue to be  
6 regulated under current laws and rules that govern distance  
7 learning.

8 Section 10. Definitions. In this Act:

9 "Board" means the Board of Higher Education.

10 "Distance learning" means instruction offered by any means  
11 where the student and faculty member are in separate physical  
12 locations. It includes, but is not limited to, online,  
13 interactive video or correspondence courses or programs.

14 "Home state" means the state that regulates a participating  
15 institution and its distance learning programs. A state cannot  
16 be the "home state" unless the institution of higher learning  
17 either has a physical presence in that state or holds its  
18 principal institutional accreditation in that state.

19 "Participation agreement" means the agreement that each  
20 participating institution is required to sign and abide by in  
21 order to take advantage of the reciprocity agreement.

22 "Participating institution" means any institution of  
23 higher learning that offers an associate's degree or higher, in  
24 whole or in part, through distance learning and has voluntarily  
25 or willingly entered into a participation agreement to be

1 regulated by a participating home state with respect to  
2 institutional and program approval, complaints, and  
3 institutional and program reviews.

4 "Physical presence" means on-going occupation of a  
5 physical location for instructional purposes or maintenance of  
6 an administrative office to facilitate instruction.

7 "State" means any state, commonwealth, district, or  
8 territory of the United States that is a participant in good  
9 standing in a state authorization reciprocity agreement.

10 "State authorization reciprocity agreement" or  
11 "reciprocity agreement" means a voluntary agreement that  
12 establishes reciprocity between willing states for approval of  
13 postsecondary educational services delivered by distance  
14 learning beyond state boundaries.

15 Section 15. Authorization. The Board is authorized to  
16 participate in a state authorization reciprocity agreement on  
17 behalf of this State. The Board shall be the lead agency in  
18 coordinating interstate reciprocity for distance learning for  
19 participating institutions in this State.

20 Section 20. Illinois as the home state. If this State has  
21 been designated as the home state for a participating  
22 institution, then the Board shall approve, investigate,  
23 authorize, monitor, and establish common standards,  
24 reauthorize, establish, and investigate complaints, and attend

1 to other administrative matters involving distance learning,  
2 including complaints from students and others in this State and  
3 from other states where the participating institutions are  
4 offering distance learning under a reciprocity agreement.

5 Section 25. Illinois as the reciprocal state. If another  
6 state has been designated as the home state, a participating  
7 institution has received required approval, the participating  
8 institution has no physical presence in this State, and the  
9 participating institution does not hold its principal  
10 institutional accreditation in this State, then the Board shall  
11 allow such participating institution to offer distance  
12 learning in this State under a participation agreement  
13 authorized by this Act. The Board may not charge a fee for  
14 granting such reciprocal distance learning approval.

15 However, if the participating institution has another home  
16 state, but also has a physical presence in this State or has  
17 its principal institutional accreditation in this State, the  
18 Board may regulate the institution of higher learning and its  
19 distance learning programs in this State and is not bound by  
20 the reciprocity agreement.

21 Section 30. Application of the Act. This Act applies only  
22 to distance learning programs and does not affect other  
23 approvals of institutions of higher learning or programs  
24 required under the laws of this State, nor does it affect any

1 exemptions of institutions of higher learning or programs  
2 granted by the laws of this State. However, except as required  
3 in Section 25 of this Act, any participating institution that  
4 remains eligible and in good standing under this Act is not  
5 required to obtain any other approval for distance learning  
6 required by State law, unless the institution of higher  
7 learning withdraws and is removed from this reciprocity  
8 program.

9 Nothing in this Act shall be construed to affect the  
10 authority of the Attorney General to enforce the Consumer Fraud  
11 and Deceptive Business Practices Act and the federal Consumer  
12 Financial Protection Act of 2010, as authorized by 12 U.S.C.  
13 5552.

14 Section 35. Fees. Fees to cover the cost of administration  
15 and enforcement of this Act shall be set by the Board by rule.

16 Section 40. Distance Learning Fund. The Distance Learning  
17 Fund is created as a special fund in the State treasury. All  
18 fees collected for the administration and enforcement of this  
19 Act shall be deposited into the Fund. All money in the Fund  
20 shall be used, subject to appropriation, by the Board to  
21 supplement support for the administration and enforcement of  
22 this Act and may not be used for any other purpose.

23 Section 45. Student refund policy. The Board, by rule,

1 shall establish minimum standards for a fair and equitable  
2 policy that governs refunds for students, which must be  
3 required for all participating institutions subject to this  
4 Act.

5 Section 50. Equitable treatment of students. Students who  
6 are enrolled in institutions of higher learning governed by  
7 this Act, either because they are residents of the home state  
8 or because they are residents of participating reciprocal  
9 states, and who receive services from the Board under this Act  
10 are entitled to the same remedies, services, and redress under  
11 this Act, regardless of their state of residency.

12 Section 90. Rules. The Board shall adopt rules for the  
13 execution of the powers and duties delegated to it by this Act,  
14 including, but not limited to, minimum standards for  
15 institutions of higher learning.

16 Section 500. The State Finance Act is amended by adding  
17 Section 5.855 as follows:

18 (30 ILCS 105/5.855 new)

19 Sec. 5.855. The Distance Learning Fund.