

AN ACT concerning education.

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

Section 5. The P-20 Longitudinal Education Data System Act is amended by changing Sections 10 and 20 as follows:

(105 ILCS 13/10)

Sec. 10. Definitions. In this Act:

"Community College Board" means the Illinois Community College Board.

"Community colleges" has the meaning ascribed to that term in Section 1-2 of the Public Community College Act.

"Early learning" means any publicly funded education and care program supporting young children not yet enrolled in kindergarten.

"Elementary" means kindergarten through eighth grade.

"Institution of higher learning" means a public or non-public entity that meets one or more of the following: ~~has the meaning ascribed to that term in Section 10 of the Higher Education Student Assistance Act.~~

(1) is a public institution of higher education as defined in the Board of Higher Education Act, other than a public community college;

(2) is a public institution of higher education funded

by a State other than Illinois and approved by the Board of Higher Education to operate in this State;

(3) is a non-public educational institution approved by the Board of Higher Education to operate in this State pursuant to the Private Business and Vocational Schools Act of 2012;

(4) is a non-public institution authorized or approved by the Board of Higher Education to operate in this State pursuant to the Private College Act, the Academic Degree Act, or the Dual Credit Quality Act; or

(5) is a non-public institution operating in this State that is exempt from authorization or approval by the Board of Higher Education pursuant to provisions of the Private College Act or Academic Degree Act, including such institutions authorized or approved by the Board of Higher Education pursuant to the Dual Credit Quality Act.

"Longitudinal data system" means a student unit record data system that links student records from early learning through the postsecondary level, which may consist of separate student unit record systems integrated through agreement and data transfer mechanisms.

"Privacy protection laws" means the federal Family Educational Rights and Privacy Act of 1974 (20 U.S.C. 1232g), the Illinois School Student Records Act, the Personal Information Protection Act, and any other State or federal law relating to the confidentiality and protection of personally

identifiable information.

"Research organization" means a governmental entity, institution of higher learning, public policy or advocacy organization, or other person or entity conducting educational research that (i) is qualified to perform educational research and protect the privacy of student data, (ii) is seeking to perform research for a non-commercial purpose authorized by privacy protection laws, and (iii) agrees to perform the research pursuant to a written agreement meeting the requirements of privacy protection laws and this Act.

"School" means any elementary or secondary educational institution, charter school, vocational school, special education facility, or any other elementary or secondary educational agency or institution, but does not include a non-public school.

"Secondary" means ninth through twelfth grade.

"State Board" means the State Board of Education.

"State Education Authorities" means the State Board, Community College Board, and Board of Higher Education.

(Source: P.A. 96-107, eff. 7-30-09.)

(105 ILCS 13/20)

Sec. 20. Collection and maintenance of data.

(a) The State Board is authorized to collect and maintain data from school districts, schools, and early learning programs and disclose this data to the longitudinal data

system for the purposes set forth in this Act. The State Board shall collect data from charter schools with more than one campus in a manner that can be disaggregated by campus site. The State Board may also disclose data to the longitudinal data system that the State Board is otherwise authorized by law to collect and maintain.

On or before July 1, 2010, the State Board shall establish procedures through which State-recognized, non-public schools may elect to participate in the longitudinal data system by disclosing data to the State Board for one or more of the purposes set forth in this Act.

Subject to the availability of funding through appropriations made specifically for the purposes of this Act, the State Board shall establish or contract for the establishment of a technical support and training system to assist school districts, schools, and early learning programs with data submission, use, and analysis.

(b) The Community College Board is authorized to collect and maintain data from community college districts and disclose this data to the longitudinal data system for the purposes set forth in this Act. The Community College Board may also disclose data to the longitudinal data system that the Community College Board is otherwise authorized by law to collect and maintain.

Subject to the availability of funding through appropriations made specifically for the purposes of this Act,

the Community College Board shall establish or contract for the establishment of a technical support and training system to assist community colleges with data submission, use, and analysis.

(c) The Board of Higher Education is authorized to collect and maintain data from any ~~public~~ institution of higher learning, other than community colleges, and disclose this data to the longitudinal data system for the purposes set forth in this Act. The Board of Higher Education may also disclose data to the longitudinal data system that the Board of Higher Education is otherwise authorized by law to collect and maintain.

~~The Beginning on July 1, 2012, the~~ Board of Higher Education is authorized to collect and maintain data from any non-public institution of higher learning enrolling one or more students in this State. The Board of Higher Education is authorized to ~~receiving Monetary Award Program grants and any non public institution of higher learning that confers graduate and professional degrees, pursuant to Section 35 of the Higher Education Student Assistance Act,~~ and disclose this data to the longitudinal data system for the purposes set forth in this Act. ~~Prior to July 1, 2012, any non public institution of higher learning may elect to participate in the longitudinal data system by disclosing data for one or more of the purposes set forth in this Act to the Board of Higher Education or to a consortium that has contracted with the~~

~~Board of Higher Education pursuant to this subsection (c).~~

~~The Board of Higher Education may contract with one or more voluntary consortiums of non-public institutions of higher learning established for the purpose of data sharing, research, and analysis. The contract may allow the consortium to collect data from participating institutions on behalf of the Board of Higher Education. The contract may provide for consultation with a representative committee of participating institutions and a representative of one or more organizations representing the participating institutions prior to the use of data from the consortium for a data sharing arrangement entered into with any party other than a State Education Authority pursuant to Section 25 of this Act. The contract may further provide that individual institutions of higher learning shall have the right to opt out of specific uses of their data or portions thereof for reasons specified in the contract. Student level data submitted by each institution of higher learning participating in a consortium that has contracted with the Board of Higher Education pursuant to this paragraph shall remain the property of that institution. Upon notice to the consortium and the Board of Higher Education, any non-public institution of higher learning shall have the right to remove its data from the consortium if the institution has reasonable cause to believe that there is a threat to the security of its data or its data is used in a manner that violates the terms of the contract between the~~

~~consortium and the Board of Higher Education. In the event data is removed from a consortium pursuant to the preceding sentence, the data must be returned by the institution to the consortium after the basis for removal has been corrected. The data submitted from the consortium to the Board of Higher Education must be used only for agreed upon purposes, as stated in the terms of the contract between the consortium and the Board of Higher Education. Non public institutions of higher learning submitting student level data to a consortium that has contracted with the Board of Higher Education pursuant to this paragraph shall not be required to submit student level data to the Board of Higher Education.~~

Subject to the availability of funding through appropriations made specifically for the purposes of this Act, the Board of Higher Education shall establish or contract for the establishment of a technical support and training system to assist institutions of higher learning, other than community colleges, with data submission, use, and analysis. ~~The Board of Higher Education shall seek and may make available grant funding to a consortium including non public institutions of higher learning to provide assistance in the development of a data collection system.~~ The Board of Higher Education shall engage in a cooperative planning process with public and non-public institutions of higher learning and statewide higher education associations in connection with all of the activities authorized by this subsection (c).

(d) The State Education Authorities shall establish procedures and requirements relating to the submission of data authorized to be collected pursuant to this Section, including requirements for data specifications, quality, security, and timeliness. All early learning programs, schools, school districts, and institutions of higher learning subject to the data collection authority of a State Education Authority pursuant to this Section shall comply with the State Education Authority's procedures and requirements for data submissions. A State Education Authority may require that staff responsible for collecting, validating, and submitting data participate in training and technical assistance offered by this State if data is not submitted in accordance with applicable procedures and requirements.

(Source: P.A. 96-107, eff. 7-30-09; 96-1249, eff. 7-23-10.)

Section 10. The Private Business and Vocational Schools Act of 2012 is amended by changing Sections 20, 30, 35, 37, 50, 55, 70, and 75 as follows:

(105 ILCS 426/20)

Sec. 20. Permit of approval. No person or group of persons subject to this Act may establish and operate or be permitted to become incorporated for the purpose of (1) operating a private business and vocational school or (2) creating or developing a course of instruction, non-degree program of

study, or program of study curriculum in order to sell such courses of instruction or curriculum to a private business and vocational school, without obtaining from the Board a permit of approval, provided that a permit of approval is not required for a program that is devoted entirely to religion or theology or a program offered by an institution operating under the authority of the Private College Act, the Academic Degree Act, or the Board of Higher Education Act. Application for a permit must be made to the Board upon forms furnished by it. The Board may not approve any application for a permit of approval that has been plagiarized, in part or in whole. Additionally, the Board may not approve any application for a permit of approval that has not been completed in its entirety. Permits of approval are not transferable. Whenever a change of ownership of a school occurs, an application for a permit of approval for the school under the changed ownership must immediately be filed with the Board. Whenever an owner, partnership, or corporation operates a school at different locations, an application for a permit of approval must be filed for each location. A school must have approval prior to operating at a location and must make application to the Board for any change of location and for a classroom extension at a new or changed location. Each application required to be filed in accordance with the provisions of this Section must be accompanied by the required fee under the provisions of Sections 75 and 85 of this Act, and all such applications must

be made on forms prepared and furnished by the Board. The permit of approval must be prominently displayed at some place on the premises of the school at each school location open to the inspection of all interested persons. The Board shall maintain, open to public inspection, a list of schools, their classroom extensions, and their courses of instruction approved under this Act and may annually publish such a list. Issuance of the permit of approval by the Board does not denote that the school or any program offered by the school is recommended, guaranteed, or endorsed by the Board or that the Board is responsible for the quality of the school or its programs, and no school may communicate this to be the case. No guarantee of employability of school graduates is made by the Board in its approval of programs or schools, and no school may communicate such information.

(Source: P.A. 97-650, eff. 2-1-12.)

(105 ILCS 426/30)

Sec. 30. Exemptions. For purposes of this Act, the following shall not be considered to be a private business and vocational school:

(1) Any institution devoted entirely to the teaching of religion or theology.

(2) Any in-service program of study and subject offered by an employer, provided that no tuition is charged and the instruction is offered only to employees

of the employer.

(3) Any educational institution that (A) enrolls a majority of its students in degree programs and has maintained an accredited status with a regional accrediting agency that is recognized by the U.S. Department of Education or (B) enrolls students in one or more bachelor-level programs, enrolls a majority of its students in degree programs, and is accredited by a national or regional accrediting agency that is recognized by the U.S. Department of Education or that (i) is regulated by the Board under the Private College Act or the Academic Degree Act or is exempt from such regulation under either the Private College Act or the Academic Degree Act solely for the reason that the educational institution was in operation on the effective date of either the Private College Act or the Academic Degree Act or (ii) is regulated by the State Board of Education.

(4) Any institution and the franchisees of that institution that exclusively offer a program of study in income tax theory or return preparation at a total contract price of no more than \$400, provided that the total annual enrollment of the institution for all such courses of instruction exceeds 500 students and further provided that the total contract price for all instruction offered to a student in any one calendar year does not exceed \$3,000.

(5) Any person or organization selling mediated instruction products through a media, such as tapes, compact discs, digital video discs, or similar media, so long as the instruction is not intended to result in the acquisition of training for a specific employment field, is not intended to meet a qualification for licensure or certification in an employment field, or is not intended to provide credit that can be applied toward a certificate or degree program.

(6) Schools with no physical presence in this State. Schools offering instruction or programs of study, but that have no physical presence in this State, are not required to receive Board approval. Such an institution must not be considered not to have a physical presence in this State unless it has received a written finding from the Board that it has no ~~a limited~~ physical presence. In determining whether an institution has no physical presence, the Board shall require all of the following:

(A) Evidence of authorization to operate in at least one other state and that the school is in good standing with that state's authorizing agency.

(B) Evidence that the school has a means of receiving and addressing student complaints in compliance with any federal or state requirements.

(C) Evidence that the institution is providing no instruction in this State.

(D) Evidence that the institution is not providing core academic support services, including, but not limited to, admissions, evaluation, assessment, registration, financial aid, academic scheduling, and faculty hiring and support in this State.

(7) A school or program within a school that exclusively provides yoga instruction, yoga teacher training, or both.

(Source: P.A. 99-705, eff. 1-1-17.)

(105 ILCS 426/35)

Sec. 35. Institution and program approval criteria. Each entity seeking a permit of approval is required to demonstrate that it satisfies institution-approval criteria and that each program of study offered meets the program-approval criteria in this Act and any applicable rules. The following standard criteria are intended to measure the appropriateness of the stated educational objectives of the educational programs of a given institution and the extent to which suitable and proper processes have been developed for meeting those objectives. Information related to the satisfaction of the approval criteria outlined in this Section must be supplied to the Board by institutions on forms provided by the Board. Additional information may be requested by the Board to determine the institution's ability to satisfy the criteria. The following must be considered as part of, but not

necessarily all of, the criteria for approval of institutions and the programs offered under this Act:

(1) Qualifications of governing board members, owners, and senior administrators. At a minimum, these individuals must be of good moral character and have no felony criminal record.

(2) Qualifications of faculty and staff.

(3) Demonstration of student learning and quality of program delivery.

(4) Sufficiency of institutional finances. The institution must demonstrate that it has the financial resources sufficient to meet its financial obligations, including, but not limited to, refunding tuition pursuant to the institution's stated policies. The school must tender financial records, including, but not limited to, financial statements, income statements, and cash flow statements.

(5) Accuracy, clarity, and appropriateness of program descriptions. Institutional promotional, advertising, and recruiting materials must be clear, appropriate, and accurate.

(6) Sufficiency of facilities and equipment. At a minimum, these must be appropriate and must meet applicable safety code requirements and ordinances.

(7) Fair and equitable refund policies. At a minimum, these must be fair and equitable, must satisfy any related

State or federal rules, and must abide by the standards established in Section 60 of this Act and the rules adopted for the implementation of this Act.

(8) Appropriate and ethical admissions and recruitment practices. At a minimum, recruiting practices must be ethical and abide by any State or federal rules.

(9) Recognized accreditation status. Accreditation with an accrediting body approved by the U.S. Department of Education may be counted as significant evidence of the institution's ability to meet curricular approval criteria.

(10) Meeting employment requirements in the field of study. The institution must clearly demonstrate how a student's completion of the program of study satisfies employment requirements in the occupational field. Such information must be clearly and accurately provided to students. If licensure, certification, or their equivalent is required of program graduates to enter the field of employment, the institution must clearly demonstrate that completion of the program will allow students to achieve this status.

(11) Enrollment agreements that, at a minimum, meet the requirements outlined in Section 40 of this Act.

(12) Clearly communicated tuition and fee charges. Tuition and fees and any other expense charged by the school must be appropriate to the expected income that

will be earned by graduates. No school may have a tuition policy or enrollment agreement that requires that a student register for more than a single semester, quarter, term, or other such period of enrollment as a condition of the enrollment nor shall any school charge a student for multiple periods of enrollment prior to completion of the single semester, quarter, term, or other such period of enrollment.

(13) Legal action against the institution, its parent company, its owners, its governing board, or its board members. Any such legal action must be provided to the Board and may be considered as a reason for denial or revocation of the permit of approval.

(Source: P.A. 97-650, eff. 2-1-12.)

(105 ILCS 426/37)

Sec. 37. Disclosures. All schools shall make, at a minimum, the disclosures required under this Section clearly and conspicuously on their Internet websites. The disclosure shall consist of a statement containing the following information for the most recent 12-month reporting period of July 1 through June 30:

(1) The number of students who were admitted in the course of instruction as of July 1 of that reporting period.

(2) Additions during the year due to:

(A) new starts;

(B) re-enrollments; and

(C) transfers into the course of instruction from other courses of instruction at the school.

(3) The total number of students admitted during the reporting period (the number of students reported under paragraph (1) of this Section plus the additions reported under subparagraphs (A), (B), and (C) of paragraph (2) of this Section.

(4) Of the total course of instruction enrollment, the number of students who:

(A) transferred out of the course of instruction to another course of instruction;

(B) completed or graduated from a course of instruction;

(C) withdrew from the school;

(D) are still enrolled.

(5) The number of students listed in paragraph (4) of this Section who:

(A) were placed in their field of study;

(B) were placed in a related field;

(C) placed out of the field;

(D) were not available for placement due to personal reasons;

(E) were not employed.

(6) The number of students who took a State licensing

examination or professional certification examination, if any, during the reporting period, as well as the number who passed.

(7) The number of graduates who obtained employment in the field who did not use the school's placement assistance during the reporting period; such information may be compiled by reasonable efforts of the school to contact graduates by written correspondence.

(8) The average starting salary for all school graduates employed during the reporting period; such information may be compiled by reasonable efforts of the school to contact graduates by written correspondence.

(9) The following clear and conspicuous caption, set forth with the address and telephone number of the Board's office:

"COMPLAINTS AGAINST THIS SCHOOL MAY BE REGISTERED WITH THE BOARD OF HIGHER EDUCATION."

(10) If the United States Department of Education places the school 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 school's finances and the reason for such monitoring. Such disclosure shall be made within 14 days of the action of the United States Department of Education both on the school's website and

to all students and prospective students on a form prescribed by the Board.

An alphabetical list of names, addresses, and dates of admission by course or course of instruction and a sample copy of the enrollment agreement employed to enroll the students listed shall be filed with the Board's Executive Director on an annual basis. The list shall be signed and verified by the school's chief managing employee.

(Source: P.A. 97-650, eff. 2-1-12.)

(105 ILCS 426/50)

Sec. 50. Requirements for approved institutions.

(a) Each school and each of the non-degree programs of study offered by the school shall be issued a permit of approval ~~approved~~ for one year. The permit shall be renewed annually and every fifth year pursuant to Section 75 of this Act ~~5 years~~, subject to the terms and conditions of approval, including without limitation the submission of required reporting and the payment of required charges and fees under the provisions of Section 75 of this Act, and compliance with any other requirements in this Act or supporting rules. Failure to so comply at any time ~~during the 5 years~~ is grounds for immediate revocation of the permit of approval. Information requested by the Board must be submitted annually or, in special circumstances, at the request of the Board. Failure to do so is grounds for immediate revocation of the

permit of approval. Each non-degree program of study must be approved by the Board as well. Regardless of when the program was approved, all programs of study must be approved again with the institutional approval every 5 years ~~at the end of the 5-year approval period~~ or in conjunction with an earlier review if so required under this Act or the administrative rules adopted in support of this Act. ~~The Board's Executive Director has the authority to order any school subject to this Act to cease and desist operations if the school is found to have acted contrary to the standards set forth in this Act or the supporting administrative rules.~~

(b) Any school that is institutionally accredited by an accrediting agency that is recognized by the U.S. Department of Education or the Council for Higher Education Accreditation shall be issued a permit of approval valid for 5 years for each non-degree program of study offered by the school. The permit shall be subject to (i) the terms and conditions of approval, including, without limitation, the submission of required reporting, (ii) the payment of required charges and fees under the provisions of Section 75 of this Act, and (iii) compliance with any other requirements under this Act or administrative rule. The failure of a school to comply at any time during the 5-year term of the permit of approval shall be grounds for the immediate revocation of the permit of approval. Information requested by the Board must be submitted annually or, in certain circumstances, at the request of the Board. The

failure of the school to submit the requested information shall be grounds for the immediate revocation of the permit of approval. Each non-degree program of study must be approved by the Board. Regardless of the date a school received initial approval of a program of study, all programs of study must be reapproved for a permit of approval at the end of each 5-year approval period or in conjunction with an earlier review if otherwise required by this Act or administrative rule.

(c) The Board may order any school subject to this Act to cease and desist operations if the school is found to have acted contrary to the standards set forth in this Act or administrative rule.

(Source: P.A. 97-650, eff. 2-1-12.)

(105 ILCS 426/55)

Sec. 55. Maintenance of approval. Institutions covered under this Act must meet the following requirements to receive and maintain approval:

(1) Provide a surety bond. A continuous surety company bond, written by a company authorized to do business in this State, for the protection of contractual rights, including faithful performance of all contracts and agreements for students and their parents, guardians, or sponsors. The Board shall establish the bond amount by rule. The amount of the bond must be sufficient to provide for the repayment of full tuition to all students enrolled

at the institution in the event of closure of the institution. Evidence of the continuation of the bond must be filed annually with the Board. The surety bond must be a written agreement that provides for monetary compensation in the event that the school fails to fulfill its obligations to its students and their parents, guardians, or sponsors. The surety bonding company shall guarantee the return to students and their parents, guardians, or sponsors of all prepaid, unearned tuition in the event of school closure. A condition of the bond shall be that the bond agent shall notify the Board in the event the bond is no longer in effect.

(2) Provide to the Board and each student the school's policy for addressing student complaints. Included in this process, the school must provide in its promotional materials and on its Internet website the Board's address and Internet website for reporting complaints.

(3) Provide on the institution's Internet website and in promotional materials and enrollment agreements the Internet website, address, and phone number of the Board for students to report complaints.

(4) Provide evidence of liability insurance, in such form and amount as the Board shall from time to time prescribe pursuant to rules adopted under this Act, to protect students and employees at the school's places of business and at all classroom extensions, including any

work-experience locations.

(5) Provide data as requested by the Board to support the satisfaction of the requirements of this Act or to provide vocational and technical educational data for the longitudinal data system created under the P-20 Longitudinal Education Data System Act.

(6) Pay required fees as described under the provisions of Section 75 of this Act by prescribed deadlines.

(7) With respect to advertising programs of study, all of the following apply:

(A) A school may state that it is approved to offer a program of study or authorized to award a certificate in this State only after that approval has been officially granted and received in writing from the Board.

(B) A school shall not advertise or state in any manner that it is accredited by the Board to award degrees or certificates.

(C) No school may publish or otherwise communicate to prospective students, faculty, staff, or the public misleading or erroneous information about the certificate or degree-granting status of a given institution.

(D) All advertisements or solicitations by approved schools shall only reference the Board's

approval by stating that the school is approved by the "Division of Private Business and Vocational Schools".

(E) All advertisements or solicitations by approved schools shall contain the school's official Internet website address.

(8) Permit the Board's Executive Director or his or her designees to inspect the school or classes thereof from time to time with or without notice and to make available to the Board's Executive Director or his or her designees, at any time when required to do so, information, including financial information, pertaining to the operation and ~~to~~ the activities of the school required for the administration of this Act and the standards and rules adopted under this Act.

(9) Maintain satisfactory student retention and graduation rates and State licensing examination or professional certification examination passage rates. Student retention and graduation rates must be maintained that are appropriate to standards in the field. A State licensing examination or professional certification examination passage rate of at least 50% of the average passage rate for schools within the industry for any State licensing examination or professional certification examination must be maintained. In the event that the school fails to do so, then that school shall be placed on probation for one year. If that school's passage rate in

its next reporting period does not exceed 50% of the average passage rate of that class of school as a whole, then the Board shall revoke the school's approval for that program to operate in this State. In addition, this shall be grounds for reviewing the institution's approval to operate. The Board shall develop, by rule, a procedure to ensure the veracity of the information required under this Section.

(10) Not enter into an enrollment agreement wherein the student waives the right to assert against the school or any assignee any claim or defense he or she may have against the school arising under the agreement. Any provisions in an enrollment agreement wherein the student agrees to such a waiver shall be rendered void.

(11) Not have a tuition policy or enrollment agreement that requires that a student register for more than a single semester, quarter, term, or other such period of enrollment as a condition of the enrollment nor charge a student for multiple periods of enrollment prior to completion of a single semester, quarter, term, or other such period of enrollment.

(12) Provide the Board with a copy of any notice of warning or suspension or revocation received from an accrediting agency or State or federal oversight body within 15 days after receipt of the notice. The school shall, at the same time, inform the Board, in writing, on

actions being taken to correct all deficiencies cited.

(13) Maintain a fair and equitable refund policy and abide by it. Such a policy shall abide by any State or federal rules as appropriate. The same policy shall apply to all students equally.

(14) Act in an ethical manner.

(Source: P.A. 97-650, eff. 2-1-12.)

(105 ILCS 426/70)

Sec. 70. Closing of a school.

(a) In the event a school proposes to discontinue its operations, the chief administrative officer of the school shall cause to be filed with the Board the original or legible true copies of all such academic records of the institution as may be specified by the Board.

(b) These records shall include, at a minimum, the academic records of each former student that is traditionally provided on an academic transcript, such as, but not limited to, courses taken, terms, grades, and other such information.

(c) In the event it appears to the Board that any such records of an institution discontinuing its operations is in danger of being lost, hidden, destroyed, or otherwise made unavailable to the Board, the Board may seize and take possession of the records, on its own motion and without order of court.

(d) The Board shall maintain or cause to be maintained a

permanent file of such records coming into its possession.

(e) As an alternative to the deposit of such records with the Board, the institution may propose to the Board a plan for permanent retention of the records. The plan must be put into effect only with the approval of the Board.

(f) When a postsecondary educational institution now or hereafter operating in this State proposes to discontinue its operation, such institution shall cause to be created a teach-out plan acceptable to the Board, which shall fulfill the school's educational obligations to its students. Should the school fail to deliver or act on the teach-out plan, the Board is in no way responsible for providing the teach-out.

(f-5) The school shall release any institutional holds placed on any students record, regardless of the type of hold placed on the student record.

(g) The school and its designated surety bonding company are responsible for the return to students of all prepaid, unearned tuition. As identified in Section 55 of this Act, the surety bond must be a written agreement that provides for monetary compensation in the event that the school fails to fulfill its obligations. The surety bonding company shall guarantee the return to the school's students and their parents, guardians, or sponsors of all prepaid, unearned tuition in the event of school closure. Should the school or its surety bonding company fail to deliver or act to fulfill the obligation, the Board is in no way responsible for the

repayment or any related damages or claims.

(Source: P.A. 97-650, eff. 2-1-12.)

(105 ILCS 426/75)

Sec. 75. Application and renewal fees. The Board may not approve any application for a permit of approval or program of study that has been plagiarized in part or whole and may return any such application for a permit of approval or program of study. Additionally, the Board may not approve any application for a permit of approval or program of study that has not been completed in its entirety. Fees for application and renewal may be set by the Board by rule. Fees shall be collected for all of the following:

(1) An original school application for a permit ~~certificate~~ of approval.

(2) An initial school application for a permit ~~certificate~~ of approval upon occurrence of a change of ownership.

(3) An annual school application for renewal of a certificate of approval.

(4) A school application for a change of location.

(5) A school application for a classroom extension.

(6) If an applicant school that has not remedied all deficiencies cited by the Board within 12 months after the date of its original application for a permit ~~certificate~~ of approval, an additional original application fee for

the continued cost of investigation of its application.

(7) Transcript processing.

(Source: P.A. 97-650, eff. 2-1-12.)

Section 15. The Developmental Education Reform Act is amended by changing Section 100-30 as follows:

(110 ILCS 175/100-30)

Sec. 100-30. Institutional plans; report.

(a) On or before May 1, 2022, each university shall submit to the Board of Higher Education and each community college shall submit to the Illinois Community College Board its institutional plan for scaling evidence-based developmental education reforms to maximize the probability that a student will be placed in and successfully complete introductory college-level English language or mathematics coursework within 2 semesters at the institution. At a minimum, a plan submitted by an institution shall include all of the following:

(1) A description of the current developmental education models offered by the institution. If the institution does not currently offer developmental education coursework, it must provide details regarding its decision not to offer developmental education coursework and the pathways that are available to students deemed to be insufficiently prepared for introductory

college-level English language or mathematics coursework.

(2) A description of the developmental education models that will be implemented and scaled and the basis of the evidence and associated data that the institution considered in making the decision to scale each model.

(3) Baseline data and benchmarks for progress, including, but not limited to, (i) enrollment in credit-bearing English language or mathematics courses, (ii) rates of successful completion of introductory college-level English language or mathematics courses, and (iii) college-credit accumulation.

(4) Detailed plans for scaling reforms and improving outcomes for all students placed in traditional developmental education models or models with comparable introductory college-level course completion rates. The plan shall provide details about the expected improvements in educational outcomes for Black students as result of the proposed reforms.

(b) On or before February 15 ~~January 1~~, 2023 and every 2 years thereafter, the Board of Higher Education and Illinois Community College Board shall collect data and report to the General Assembly and the public the status of developmental education reforms at institutions. The report must include data on the progress of the developmental education reforms, including, but not limited to, (i) enrollment in credit-bearing English language or mathematics courses, (ii)

rates of successful completion of introductory college-level English language or mathematics courses, and (iii) college-credit accumulation. The data should be disaggregated by gender, race and ethnicity, federal Pell Grant status, and other variables of interest to the Board of Higher Education and the Illinois Community College Board.

(c) On or before February 15 ~~January 1~~, 2024 and every 2 years thereafter, the Board of Higher Education and Illinois Community College Board, in consultation with institutions of higher education and other stakeholders, shall consider additional data reporting requirements to facilitate the rigorous and continuous evaluation of each institution's implementation plan and its impact on improving outcomes for students in developmental education, particularly for Black students.

(Source: P.A. 101-654, eff. 3-8-21.)

Section 20. The Board of Higher Education Act is amended by changing Sections 1, 3, 6, 7, 8, 9.16, 11, and 16 as follows:

(110 ILCS 205/1) (from Ch. 144, par. 181)

Sec. 1. The following terms shall have the meanings respectively prescribed for them, except when the context otherwise requires:

"Public institutions of higher education": The University

of Illinois; Southern Illinois University; Chicago State University; Eastern Illinois University; Governors State University; Illinois State University; Northeastern Illinois University; Northern Illinois University; Western Illinois University; the public community colleges of the State and any other public universities, colleges and community colleges now or hereafter established or authorized by the General Assembly.

"Board": The Board of Higher Education created by this Act.

"Private institution of higher education": Any institution of higher education that is subject to the Private College Act or the Academic Degree Act.

(Source: P.A. 100-167, eff. 1-1-18.)

(110 ILCS 205/3) (from Ch. 144, par. 183)

Sec. 3. Terms; vacancies.

(a) The members of the Board whose appointments are subject to confirmation by the Senate shall be selected for 6-year terms expiring on January 31 of odd numbered years.

(b) The members of the Board shall continue to serve after the expiration of their terms until their successors have been appointed.

(c) Vacancies on the Board in offices appointed by the Governor shall be filled by appointment by the Governor for the unexpired term. If the appointment is subject to Senate

confirmation and the Senate is not in session or is in recess when the appointment is made, the appointee shall serve subject to subsequent Senate approval of the appointment.

(d) Each student member shall serve a term of one year beginning on July 1 of each year and until a successor is appointed and qualified.

(e) The member of the Board representing public university governing boards and the member of the Board representing private college and university boards of trustees, who are appointed by the Governor but not subject to confirmation by the Senate, shall serve terms of one year beginning on July 1.

(Source: P.A. 100-167, eff. 1-1-18.)

(110 ILCS 205/6) (from Ch. 144, par. 186)

Sec. 6. The Board, in cooperation with the Illinois Community College Board, shall analyze the present and future aims, needs and requirements of higher education in the State of Illinois and prepare a strategic ~~master~~ plan for the development, expansion, integration, coordination and efficient utilization of the facilities, curricula and standards of higher education for public institutions of higher education in the areas of teaching, research and public service. The strategic ~~master~~ plan shall also include higher education affordability and accessibility measures. The Board, in cooperation with the Illinois Community College Board, shall formulate the strategic ~~master~~ plan and prepare and

submit to the General Assembly and the Governor drafts of proposed legislation to effectuate the plan. The Board, in cooperation with the Illinois Community College Board, shall engage in a continuing study, an analysis, and an evaluation of the strategic ~~master~~ plan so developed, and it shall be its responsibility to recommend, from time to time as it determines, amendments and modifications of any strategic ~~master~~ plan enacted by the General Assembly.

(Source: P.A. 99-655, eff. 7-28-16.)

(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 strategic ~~master~~ 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. 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. 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.)

(110 ILCS 205/8) (from Ch. 144, par. 188)

Sec. 8. 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, and the Illinois Community College Board shall submit to the Board not later than the 15th day of November of each year its budget proposals for the operation and capital needs of the institutions under its governance or supervision for the ensuing fiscal year. Each budget proposal shall conform to the procedures developed by the Board in the design of an information system for State universities and

colleges.

In order to maintain a cohesive system of higher education, the Board and its staff shall communicate on a regular basis with all public university presidents. They shall meet at least semiannually to achieve economies of scale where possible and provide the most innovative and efficient programs and services.

The Board, in the analysis of formulating the annual budget request, shall consider rates of tuition and fees and undergraduate tuition and fee waiver programs at the State universities and colleges. The Board shall also consider the current and projected utilization of the total physical plant of each campus of a university or college in approving the capital budget for any new building or facility.

The Board of Higher Education shall submit to the Governor, to the General Assembly, and to the appropriate budget agencies of the Governor and General Assembly its analysis and recommendations on such budget proposals.

The Board is directed to form a broad-based group of individuals representing the Office of the Governor, the General Assembly, public institutions of higher education, State agencies, business and industry, statewide organizations representing faculty and staff, and others as the Board shall deem appropriate to devise a system for allocating State resources to public institutions of higher education based upon performance in achieving State goals related to student

success and certificate and degree completion.

Beginning in Fiscal Year 2013, the Board of Higher Education budget recommendations to the Governor and the General Assembly shall include allocations to public institutions of higher education based upon performance metrics designed to promote and measure student success in degree and certificate completion. Public university metrics must be adopted by the Board by rule, and public community college metrics must be adopted by the Illinois Community College Board by rule. These metrics must be developed and promulgated in accordance with the following principles:

(1) The metrics must be developed in consultation with public institutions of higher education, as well as other State educational agencies and other higher education organizations, associations, interests, and stakeholders as deemed appropriate by the Board.

(2) The metrics shall include provisions for recognizing the demands on and rewarding the performance of institutions in advancing the success of students who are academically or financially at risk, including first-generation students, low-income students, and students traditionally underrepresented in higher education, as specified in Section 9.16 of this Act.

(3) The metrics shall recognize and account for the differentiated missions of institutions and sectors of higher education.

(4) The metrics shall focus on the fundamental goal of increasing completion of college courses, certificates, and degrees. Performance metrics shall recognize the unique and broad mission of public community colleges through consideration of additional factors including, but not limited to, enrollment, progress through key academic milestones, transfer to a baccalaureate institution, and degree completion.

(5) The metrics must be designed to maintain the quality of degrees, certificates, courses, and programs. In devising performance metrics, the Board may be guided by the report of the Higher Education Finance Study Commission.

Each State university must submit its plan for capital improvements of non-instructional facilities to the Board for approval before final commitments are made if the total cost of the project as approved by the institution's board of control is in excess of \$2 million. Non-instructional uses shall include but not be limited to dormitories, union buildings, field houses, stadium, other recreational facilities and parking lots. The Board shall determine whether or not any project submitted for approval is consistent with the strategic ~~master~~ plan for higher education and with instructional buildings that are provided for therein. If the project is found by a majority of the Board not to be consistent, such capital improvement shall not be constructed. (Source: P.A. 99-655, eff. 7-28-16.)

(110 ILCS 205/9.16) (from Ch. 144, par. 189.16)

Sec. 9.16. Underrepresentation of certain groups in higher education. To require public institutions of higher education to develop and implement an equity plan and practices that include methods and strategies to increase the access, retention, completion, and student loan repayment rates participation of minorities, rural students, adult students, women, and individuals with disabilities who are traditionally underrepresented in education programs and activities. To encourage private institutions of higher education to develop and implement an equity plan and practices. For the purpose of this Section, minorities shall mean persons ~~who are citizens of the United States or lawful permanent resident aliens of the United States and~~ who are any of the following:

(1) American Indian or Alaska Native (a person having origins in any of the original peoples of North and South America, including Central America, and who maintains tribal affiliation or community attachment).

(2) Asian (a person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent, including, but not limited to, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam).

(3) Black or African American (a person having origins in any of the black racial groups of Africa).

(4) Hispanic or Latino (a person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race).

(5) Native Hawaiian or Other Pacific Islander (a person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands).

The Board shall adopt any rules necessary to administer this Section. The Board, in collaboration with the Illinois Community College Board, shall also do the following:

(a) require all public institutions of higher education to develop and submit an equity plan and implement practices that, at a minimum, close gaps in enrollment, retention, completion, and student loan repayment rates for underrepresented groups and encourage all private institutions of higher education to develop and submit such equity plans and implement such practices ~~plans for the implementation of this Section;~~

(b) conduct periodic review of public institutions of higher education and private institutions of higher education to determine compliance with this Section; and if the Board finds that a public institution of higher education is not in compliance with this Section, it shall notify the institution of steps to take to attain compliance;

(c) provide advice and counsel pursuant to this Section;

(d) conduct studies of the effectiveness and outcomes of the methods and strategies outlined in an institution's equity

plan, as well as others designed to increase participation and success of students in education programs and activities in which minorities, rural students, adult students, women, and individuals with disabilities are traditionally underrepresented, and monitor and report the outcomes for ~~success~~ of students as a result of the implementation of equity plans in such education programs and activities;

(e) require components of an institution's equity plan to include strategies to increase ~~encourage~~ minority student recruitment, and retention, and student loan repayment rates in colleges and universities. In implementing this paragraph, the Board shall undertake but need not be limited to the following: the establishment of guidelines and plans for public institutions of higher education and private institutions of higher education for minority student recruitment, and retention, and student loan repayment rates, including requirements to establish campus climate and culture surveys, the review and monitoring of minority student services, programs, and supports implemented at public institutions of higher education and private institutions of higher education to determine their compliance with any guidelines and plans so established, the determination of the effectiveness and funding requirements of minority student services, programs, and supports at public institutions of higher education and private institutions of higher education, the dissemination of successful programs as models, and the

encouragement of cooperative partnerships between community colleges, ~~and~~ local school attendance centers, and 4-year colleges and universities to support enrollment of which are experiencing difficulties in enrolling minority students in four year colleges and universities;

(f) mandate all public institutions of higher education and encourage all private institutions of higher education to submit data and information essential to determine compliance with this Section. The Board shall prescribe the format and the date for submission of this data and any other education equity data; and

(g) report to the General Assembly and the Governor annually with a description of the plans submitted by each public institution of higher education and each private institution of higher education for implementation of this Section, including financial data relating to the most recent fiscal year ~~expenditures for specific minority programs~~, the effectiveness of such plans and programs and the effectiveness of the methods and strategies developed by the Board in meeting the purposes of this Section, the degree of compliance with this Section by each public institution of higher education and each private institution of higher education as determined by the Board pursuant to its periodic review responsibilities, and the findings made by the Board in conducting its studies and monitoring student outcomes and institutional success as required by paragraph (d) ~~(d)~~ of this

Section. With respect to each public institution of higher education and each private institution of higher education, such report also shall include, but need not be limited to, information with respect to each institution's minority program budget allocations; minority student admission, retention and graduation and student loan repayment rate statistics; admission, retention, ~~and~~ graduation, and student loan repayment rate statistics of all students who are the first in their immediate family to attend an institution of higher education; number of financial assistance awards, not including student loans, to undergraduate and graduate minority students; and minority faculty representation. This paragraph shall not be construed to prohibit the Board from making, preparing or issuing additional surveys or studies with respect to minority education in Illinois.

(Source: P.A. 102-465, eff. 1-1-22.)

(110 ILCS 205/11) (from Ch. 144, par. 191)

Sec. 11. In the formulation of a strategic ~~master~~ plan of higher education and in the discharge of its duties under this Act, the Board shall give consideration to the problems and attitudes of private junior colleges, private colleges and universities, and of other educational groups, instrumentalities and institutions, and to specialized areas of education, as they relate to the overall policies and problems of higher education.

(Source: P.A. 82-622.)

(110 ILCS 205/16)

Sec. 16. Record retention requirements when ~~Closing~~ an institution of higher education closes; student records; institutional transfer agreements.

(a) In this Section:

"Academic records" means the academic records of each former student of an institution of higher education that is traditionally provided on an academic transcript, including, but not limited to, courses taken, terms, grades, and any other similar information.

"Institution of higher education" means any publicly or privately operated university, college, junior college, business, technical or vocational school, or other educational institution offering degrees and instruction beyond the secondary school level. "Institution of higher education" does not include a public community college.

"Institutional transfer agreement" means an articulation agreement or transfer agreement between 2 or more institutions of higher education wherein one institution agrees to accept the transfer of earned student credits from a former student of an institution that has discontinued operations.

(b) In the event an institution of higher education proposes to discontinue its operations, the chief administrative officer of the institution shall submit a plan

to the Board for permanent retention of all academic records,including student records and academic records of the institution. The plan must be approved by the Executive Director of the Board before it is executed. In addition, the plan shall include the release of any institutional holds placed on any student record, regardless of the type of hold placed on a student record.

(c) If it appears to the Board that the academic records,including student records and academic records, of an institution of higher education kept pursuant to an approved plan under subsection (b) of this Section may become lost, hidden, destroyed, or otherwise made unavailable to the Board, the Board may seize and take possession of the records, on its own motion and without order of a court.

(Source: P.A. 100-1008, eff. 8-21-18.)

Section 25. The Higher Education Cooperation Act is amended by changing Sections 4 and 5 as follows:

(110 ILCS 220/4) (from Ch. 144, par. 284)

Sec. 4. A program of financial assistance to programs of interinstitutional cooperation, in higher education is established to implement the policy of encouraging such cooperation in order to achieve an efficient use of educational resources, an equitable distribution of educational services, the development of innovative concepts

and applications, and other public purposes.

The Board of Higher Education shall administer this program of financial assistance and shall distribute the funds appropriated by the General Assembly for this purpose in the form of grants to not-for-profit corporations organized to administer programs of interinstitutional cooperation in higher education or to public or nonpublic institutions of higher education participating in such programs.

In awarding grants to interinstitutional programs under this Act, the Board shall consider in relation to each such program whether it serves the public purposes expressed in this Act, whether the local community is substantially involved, whether its function could be performed better by a single existing institution, whether the program is consistent with the Illinois strategic ~~master~~ plan for higher education, and such other criteria as it determines to be appropriate.

No grant may be awarded under this Section for any program of sectarian instruction or for any program designed to serve a sectarian purpose.

As a part of its administration of this Act the Board may require audits or reports in relation to the administrative, fiscal and academic aspects of any interinstitutional program for which a grant is awarded under this Act. The Board shall annually submit to the Governor and the General Assembly a budgetary recommendation for grants under this Act.

(Source: P.A. 85-244.)

(110 ILCS 220/5) (from Ch. 144, par. 285)

Sec. 5. Any not-for-profit corporation organized to administer an interinstitutional program of higher education may be recognized under this Section if it has been in existence for 3 years or longer, it is structured for continuing operation, it is substantial in scope, it is oriented to and supported by the community in which it is located and it is consistent with the Illinois strategic master plan for higher education.

In each request of the Board of Higher Education to the General Assembly for the appropriation of funds for the purpose of making grants under this Act the Board shall specify the amount of the grant proposed for each not-for-profit corporation recognized under this Section.

The following not-for-profit corporations are recognized for the purposes of this Section:

The Quad Cities Graduate Study Center.

(Source: P.A. 77-2813.)

Section 30. The Private College Act is amended by changing Sections 3, 4, and 5 and by adding Section 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;

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. 80-1309.)

(110 ILCS 1005/4) (from Ch. 144, par. 124)

Sec. 4. Upon the filing of an application for a certificate of approval the Board shall make an examination to ascertain:

1. That each course of instruction to be offered or given is adequate, suitable, and proper;

2. That the fee to be charged for the courses of instruction, and the conditions and terms under which such fees are to be paid are reasonable;

3. That an adequate physical plant and adequate facilities are provided;

4. That the members of the teaching staff are adequately prepared to fulfill their instructional obligations;

5. That the institution does not promise or agree to any right or privilege in respect to professional examinations or to the practice of any profession in violation of the laws of this State;

6. That the institution does not offer inducements that are designed to deceive the prospective student or make any promises which it does not have the present means or ability to perform;

7. That the proposed degree program is educationally and economically consistent with the educational priorities and needs of this State and meets a need that is not currently met by existing institutions and is supported by clear evidence of need.

If the examination shows that the applicant has such qualifications a certificate of approval shall be issued.

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

(110 ILCS 1005/4.5 new)

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 within 14 days of the action of the United States Department of Education both on the institution's website and to all students and prospective students on a form prescribed by the Board.

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

(110 ILCS 1005/5) (from Ch. 144, par. 125)

Sec. 5. A certificate of approval of a post-secondary educational institution may be revoked for any of the following:

1. Violation of any of the conditions governing the issuance of the certificate;

2. Failure to comply with any of the rules adopted by the Board;

3. Fraudulent conduct on the part of any person conducting the institution or of any person, acting within the scope of

his employment, employed by the owners or persons conducting the institution, on account of which conduct any student enrolled in the institution has been injured or has suffered financial loss;—

4. Failure to allow any duly authorized employee, or other representative of the Board, to enter upon the premises of any post-secondary educational institution or 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.

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

Section 35. The Academic Degree Act is amended by changing Sections 4 and 6 and by adding Section 5.5 as follows:

(110 ILCS 1010/4) (from Ch. 144, par. 234)

Sec. 4. Period before award.† (a) Unless a degree granting institution was authorized to operate in Illinois, or was in operation, on August 14, 1961, it shall not award any earned degree until one year after it has filed a written notice with and until such institution has received the authorization and approval of the Board. Except as permitted under Section 5, no educational organization or entity shall be authorized to award any degree nor be approved as a degree granting

institution unless it requires an appropriate period of instruction to be in residence. The notice shall be under oath or affirmation of the principal officer of the institution and shall contain: the name and address of the degree granting institution; the names and addresses of the president or other administrative head and of each member of the board of trustees or other governing board; a description of the degree or degrees to be awarded and the course or courses of study prerequisite thereto; and such additional information relevant to the purposes of this Act as the Board may prescribe. An amendment to the notice shall be under oath or affirmation of the principal officer of the institution and shall be filed with the Board prior to the award of any degree not contained in the original notice or prior amendments thereto. A degree authorized in an amendment shall not be awarded until one year after the filing of the amendment with and the authorization of the Board. The submission of the regular catalog of the institution shall, if it covers the matters hereinabove mentioned, be deemed to constitute compliance herewith.

(b) A degree granting institution shall keep the notice which it shall have filed with the Board current at all times. For this purpose, it shall report annually, by appropriate amendment of the notice, any change in any fact previously reported.

(c) The Board shall not approve any notice or amendment thereto filed pursuant to this Section unless it finds the

facts stated therein to be correct and further finds that such facts constitute compliance with the requirements of this Act for degree granting institutions.

(d) The Board may not approve any notice, amendment, or application that has been plagiarized, in part or in whole, and may return any notice, amendment, or application. Additionally, the Board may not approve any notice, amendment, or application that has not been completed in its entirety. Any such uncompleted notice, amendment, or application shall be returned to the degree granting institution.

(e) The Board may not approve any proposed degree program unless it is educationally and economically consistent with the educational priorities and needs of this State and meets a need that is not currently met by existing institutions and is supported by clear evidence of need.

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

(110 ILCS 1010/5.5 new)

Sec. 5.5. Disclosure of heightened monitoring of finances. Any institution approved by the Board under this Act shall make the following disclosures:

(a) 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 within 14 days of the action of the United States Department of Education both on the institution's website and to all students and prospective students on a form prescribed by the Board.

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

(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 enter upon the premises of any degree granting institution or may have access through electronic means to ~~and~~ 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

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pursuant to this Section shall be in addition to any other penalty which may be imposed for violation of this Act.

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

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