Agenda Item #12.2 March 16, 2018

Illinois Community College Board

SPRING 2018 LEGISLATIVE UPDATE 100TH GENERAL ASSEMBLY (Actions as of March 14, 2018)

The 2018 spring legislative session has begun and the Illinois Community College Board has been reviewing legislation, responding to legislative inquiries and attending committee hearings, as well as meeting with legislators and interest groups. This agenda item highlights significant pieces of legislation that have implications for the Board or the community college system. A complete list of tracked bills is included at the end of this summary document.

2018 Spring Session ICCB Initiatives

HB 5536 (Hays) Community College Act - Various SB 2905 (McGuire) Community College Act - Various

ICCB Position: Support

Provides that the ICCB may furnish information for State and federal accountability purposes, promote student and institutional improvement, and meet research needs. Provides that the Board may review, approve, and monitor any educational services contract or agreement that community colleges enter into. Requires the board of trustees of each community college district to file a copy of its annual budget with the Board. Provides that any student outside a community college district (i.e. East St. Louis) may attend any public community college in this State at the in-district tuition rate and requires the Board to pay the college the difference in tuition. Provides that, for tuition purposes, a student shall be classified as a resident of a district after meeting the 30-day residency requirement of that district. Repeals provisions governing indemnification, deferred maintenance grants, the College and Career Readiness Pilot Program, a directory of graduating vocational and technical school students, and other items. Makes other changes.

This legislation follows a detailed review of the Illinois Public Community College Act (110 ILCS 805) to identify statutory language that is outdated in either language or processes, programs and statutory functions no longer operational, and areas of ambiguity within the statute. This legislation provides community college administrators, students, and taxpayers with enhanced clarity within the statutes governing community colleges. The bill aligns with ICCB Goal 3 to engage with all stakeholders to align board policies to improve student outcomes and increase access to public information on system effectiveness.

HB 5629 (Pritchard) Community College Contracts SB 2968 (Althoff) Community College Contracts

ICCB Position: Support

Provides that the board of trustees of a community college district may enter into a contract for goods or services procured from a competitively bid group purchase contract without adhering to the competitively bid contract requirements under the Public Community College Act. Under the current statute such purchases in excess of \$25,000 are required to be competitively bid by the college itself.

During the previous legislative session, the General Assembly enacted procurement reform (P.A. 100-43) that made numerous changes to the Illinois Procurement Code. These changes included amendments to the Governmental Joint Purchase Act (30 ILCS 525) which allowed public universities under the jurisdiction of the Illinois Procurement Code to make purchases through group purchasing organizations including from the Midwest Higher Education Compact (MHEC). Because local community colleges are not governed by the Procurement Code, the reforms to streamline purchasing through MHEC and other group purchasing organizations did not apply to the community college sector. This legislation would ensure that community colleges and public universities have the same flexibility when it comes to group purchasing.

Legislation Effecting the ICCB

HB 4174 (Wheeler) Notice of Data Breach

ICCB Position: Oppose

The bill requires any data collector that owns or licenses personal information concerning an Illinois resident and any State agency that collects personal information concerning an Illinois resident to notify the resident of any security breach of the system data within 48 hours of discovery of the breach. Currently, notification is required in the most expedient time possible and without unreasonable delay.

HB 4247 (McSweeney) Rental of Convention Center Space

ICCB Position: Monitor

As amended, a State agency shall not expend public funds to rent or pay for access to physical space for booths, hospitality suites, or other physical space at a convention or gathering of personnel. The bill defines "State agency" as the departments of the executive branch of State government listed in Section 5-15 of the Departments of State Government Law of the Civil Administrative Code of Illinois. Under this definition, the ICCB is not classified as a state agency. The ICCB opposed the bill as introduced, which would have applied to the Board.

HB 4261 (Halbrook) Nonessential Expenses

ICCB Position: Oppose

The bill provides that for the fiscal years ending June 30, 2019, June 30, 2020, and June 30, 2021, no State funded agency, board, commission, department, university, or other entity organized within State government shall expend any funds on specified nonessential items and travel.

The bill defines "nonessential items" to include, but are not limited to, items of tangible personal property for purposes of promoting or advertising the name of the State government entity or its programs, missions, duties, or functions, such as magnets, buttons, bumper stickers, ribbons, awards, prizes, trophies, stationary, writing implements, legal pad holders, book bags, or other similar items.

The bill defines "nonessential travel" to mean travel for any member of the governing body or employee to attend seminars, conferences, or other similar events, whether conducted in this State or another state.

HB 5309 (Lilly) State Agency Bonus Prohibition

ICCB Position: Oppose

The bill creates the State Agency and Grantee Bonus Prohibition Act. Provides that no State agency (including ICCB) may pay a bonus to its employees. Provides that no entity receiving State grant funds may pay a bonus from grant funds awarded for operational expenses to its employees. Base Operating, Equalization, Adult Education, and CTE grants all include funding for operations.

SB 2279 (Murphy) State Contract Funding

ICCB Position: Oppose

This bill provides that neither the State of Illinois nor an agency thereof shall enter into a contract, nor shall a contract be awarded, if there is not, prior to entering into such contract, an appropriation enacted for the funding of that contract. The bill is intended to prevent state agencies from entering into contracts and committing funding without a state budget in place. However, since appropriations are approved on a year-to-year basis, this language appears to prohibit agencies from entering multi-year contracts (i.e. building rent).

SB 2540 (Barickman) Government Ethics and Administration of State Grants

ICCB Position: Oppose

The bill amends the Ethics Act and the Illinois Grants Fund Recovery Act and adds a section that does not allow using elected officials' names in advertising using grant funds during an election year. The bill amends the State Finance Act and makes some changes regarding appropriations and grant expenditures.

The bill adds sections to the Grant Accountability and Transparency Act (GATA). The first section requires agencies (ICCB) to collect detailed information on expenditures made by grantees between the beginning of the grant and the execution date before giving them their first drawdown. The ICCB currently reviews these expenditures during audits, monitoring, and desk reviews.

The bill also adds a section that requires all grantees to follow the Governor's Travel Control Board rules for any travel done on a grant. They also must justify all travel to the grantor. Currently, community colleges follow local policy and in the absence of local policy the colleges must follow the Higher Education Travel Control Board.

SB 2597 (Rose) IBHE, ICCB, and ISAC Consolidation

ICCB Position: Oppose

This bill provides that all of the rights, powers, duties, and functions vested by law in the Illinois Community College Board and the Illinois Student Assistance Commission are transferred to the Board of Higher Education. Abolishes the ICCB and the ISAC.

The legislation decreases the membership of the IBHE from 16 to 15 Gubernatorial appointments increases from 10 to 13, with at least 6 representing public universities and at least 6 representing public community colleges. Of the 13 members, one member shall be a faculty member of a public university in this State, one member shall be a faculty member of a private college or university in this State, one member shall be faculty member of a public community college in this State, and one member shall represent the views of

non-traditional students and shall be at least 24 years old. There are to be 2 non-voting student members, one from a public universities and one from a community college.

An amendment to the bill provides that the IBHE on may require the elimination of any program of instruction, research, or public service at a public university that exhibits a trend of low performance. Provides that, in evaluating programmatic expansions and new programs at a public institution of higher education, the Board, prior to approving the expansions or programs, shall make certain findings about the region and the higher education infrastructure in this State.

SB 3186 (Althoff) Budgeting for Results – Funds & Mandates Repeal

ICCB Position: Support

This Bill is an initiative to GOMB on behalf of the Budgeting for Results Commission. This is the Commission's annual, statutorily required mandate and fund cleanup bill. Included within the bill is the repeal of Deferred Maintenance Grants, which ICCB funded for one-year only in 2004. The bill also repeals the College and Career Readiness Pilot Program. The program ended in 2012 and has remained unfunded since. These programs are also repealed in ICCB's statutory clean up legislation.

Legislation Effecting the Community College System

HB 4103 (Brady) Higher Education Centers Excellence **SB 2234** (Rose) Higher Education Centers Excellence

ICCB Position: Oppose

Under the bill, the IBHE shall create a Common Application for all public universities and community colleges aimed at guaranteeing admission for students who have a 3.0 GPA or better into a public university. It requires automatic referral to the student's local community college if the student doesn't qualify for admission into the public university of their choice. The bill also calls for coordination with the ICCB, to develop recommendations to integrate community colleges into the plan established for the public university Centers of Excellence

The legislation requires the IBHE to conduct a study of the academic programs offered at each public university campus. and to institute an economic efficiency review of each campus and of the top 8 ranked academic departments statewide. The IBHE is to use the results of the study and other specified factors to determine which academic programs should be prioritized at campuses of public universities and to create and designate Higher Education Strategic Centers of Excellence. A bill also calls for a study by the IBHE on merit-based financial aid and multi-year budgeting.

HB 4246 (McSweeney) Local Government Convention Expenses

ICCB Position: Oppose

This bill Creates the Local Government Convention Expense Control Act. Provides that public funds shall not be expended by a unit of local government for expenses connected with attendance by an employee or contractor of the unit of local government at a convention or gathering of personnel. Community colleges and adult education providers frequently participate in conferences to share best practices or receive

professional development. The legislation prohibits funds from being expended for attendance at these conferences; even when attendance is paid for through federal grant dollars.

HB 4248 (McSweeney) Convention Expense Limitations

ICCB Position: Oppose

This bill combines the provisions of HB 4246 (local government convention expense control) and the provisions of HB 4247 (rental of convention center space by state agencies). Unlike HB 4247, this legislation has not been amended to remove the ICCB from the definition of state agency.

HB 4300 (Sosnowski) Community College Tuition Cap

ICCB Position: Support

The bill amends the Public Community College Act to remove a provision providing that tuition rates and fees established by the board of trustees of a community college district shall not exceed 1/3 of the per capita cost of the college.

Per capita tuition is calculated by adding all non-capital audited expenditures from specified college funds with the depreciation on capital outlay expenditures (ICCB gets those figures from the annual college audit.). That total is divided by the number of certified credit hours to get the per capita cost. Then that number is divided by 3 to get the "one-third" per capita cost. We compare that to the tuition rate set by the college to determine if a college's tuition rate is over or under the 1/3rd rate. Statute caps community college tuition and fees at 1/3 of per capita cost because total community college funding was historically assumed to be:

· 1/3 from local tax levies;

1/3 from state funding (i.e., base operating grants); and

1/3 from student tuition.

With declining state support, many community colleges have tuition rates that are bumping up against the cap. Because enrollments have declined in recent years, the colleges have mostly avoided exceeding the cap. However, if state support continues to be low and colleges begin the increase enrollments, the colleges would be looking at a situation where they would have to cut tuition rates below current levels in order to remain under the caps.

HB 4495 (Thapedi) Vocational Opportunity Act

ICCB Position: Oppose

This bill creates two vocational academies (in Cook County and St. Clair County) as residential institutions. Provides that each academy shall be a State agency, funded by State appropriations, private contributions, and endowments. The academies will offer secondary and postsecondary coursework to individuals who have completed the 9th grade or its equivalent- focusing on students in the 10th-12th grades.

The Executive Director of the ICCB shall sit on the Board of Trustees as an ex officio non-voting member. It appears that the ICCB will provide no formal oversight. The sponsor has indicated that these academies will be "rebirths" of the Washburne Trade School and Jones Commercial High School, which provided instruction focused on the construction trades, information technology, and business-related services.

HB 4710 (Scherer) Higher Education Credit Card Marketing

ICCB Position: Neutral

The legislation provides that the board of trustees of a public university or community college district may not enter into an agreement or allow any person or group affiliated with the university or district to enter into an agreement with a credit card issuer to allow the credit card issuer to market credit cards to students. The bill also repeals the Credit Card Marketing Act of 2009, although the sponsor has indicated the repeal was a drafting error and will be corrected in a future amendment.

HB 4781 (K. Burke) Coordinator of Veterans & Military Personnel Student Services

ICCB Position: Support

The bill requires a public college or university (including community college) to use its "best efforts" to hire a veteran of the armed services as the Coordinator of Veterans and Military Personnel Student Services. The community colleges all have a named Veterans Coordinator but not all colleges hit the 1,000 onsite, daily, full-time student headcount threshold as required by current law (Higher Education Veterans Service Act) for employment of a Coordinator.

HB 4858 (Pritchard) Industrial Development Assistance SB 3033 (Weaver) Industrial Development Assistance

ICCB Position: Support

The bill amends the current Industrial Development Assistance Law to allow local school districts and community colleges the opportunity to receive grants for the acquisition of land, construction of facilities, or purchase of equipment dedicated solely to the instruction of manufacturing occupations. This program, in its current form, has not been utilized, due to no appropriation of the grant funding. The program was enacted in 1970.

HB 5122 (Welch) DCFS – Tuition & Fee Waivers SB 2846 (Castro) DCFS – Tuition & Fee Waivers

ICCB Position: Oppose

This bill makes public community college or university tuition and fee waivers available to youth for whom the Department of Children and Family Services (DCFS) has court-ordered legal responsibility, youth who aged out of care at age 18 or older, or youth formerly under care who have been adopted and were the subject of an adoption assistance agreement or who have been placed in private guardianship and were the subject of a subsidized guardianship agreement.

The current DCFS waiver (the state scholarship) program is limited to 53 youth per year. The college or university is required to waive the tuition and mandatory fees for scholarship recipients. The Department funds a \$511 monthly board payment. Youth in care and youth who aged out at 18+ can already go to community college at no cost as their Pell grant will cover all costs (tuition, fees, supplies) and MAP grant will increase the amount of Pell the student gets refunded to him/her for living expenses (if the student submits FAFSA early enough to get the MAP grant).

HB 5133 (Zalewski) Income Tax Credit – Apprenticeship SB 2501 (Bertino-Tarrant) Income Tax Credit – Apprenticeship

ICCB Position: Support

This bill creates an income tax credit for qualified education expenses incurred by employers on behalf of qualifying apprentices. The credit is equal to 100 percent of qualifying education expenses, but is capped at a flat \$3,500 per taxable year. The bill defines education expenses to mean tuition, book fees, and lab fees incurred on behalf of a qualifying apprentice at a school or community college in which the apprentice is enrolled. The term "qualifying apprentice" means an Illinois resident between the ages of 16 and 30 who is a full-time apprentice enrolled in an apprenticeship program registered with the U.S. Department of Labor, Office of Apprenticeship.

HB 5204 (Smith) School Code – College Application Required

ICCB Position: Monitor

The bill amends the School Code so that beginning with the 2019-2020 school year, each school district shall require each student in grade 11 to file an application for admission to a public or private college, university, trade or vocational school, or internship or apprenticeship program or for entry into military service as a prerequisite to receiving a high school diploma.

HB5469 (McCombie) Manufacturing Job Tax Credit SB 3303 (McConnaughay)

ICCB Position: Support

This bill creates the Manufacturing Job Destination Tax Credit Act. It provides for a credit of 25 percent of the Illinois labor expenditures made by a manufacturing company in order to foster job creation and retention in Illinois. The Department of Revenue is authorized to award a tax credit to taxpayer-employers who apply for the credit and meet the certain Illinois labor, job training, and apprenticeship requirements. The credit applies to 25% of the sum of the qualifying Illinois labor expenditures approved by the Department, the job training expenditures approved by the Department, and the apprentice expenses approved by the Department.

HB 5471 (Hoffman) University Credit and Retail Sales Act – Defined

ICCB Position: Monitor

This bill changes the short title of the University Credit and Retail Sales Act to the Higher Education Institution Credit and Retail Sales Act. The legislation defines "State institution of higher learning" to mean a university, college, community college, or junior college in this State that is publicly supported by taxes levied and collected within the State on income, sales, or property. The current law only applies to public universities.

The law prohibits a retail store carrying any line of general merchandise to be operated by the university or to be operated on property held or leased for the use of the university when such an operation can reasonably be expected to be in competition with private retail merchants in the community, unless the goods sold by that store are unavailable in quantities sufficient to meet the reasonably expected student demand, are unavailable on a year round basis or were commonly sold by the institution or on such property before January 1, 1980.

HB 5514 (Slaughter) One-Year College Promise

ICCB Position: Monitor

This legislation requires the Illinois Student Assistance Commission (ISAC) to implement and administer a program to award First-Year College Promise grants to low-income Illinois residents seeking an associate degree from a public community college or a bachelor's degree from a public university. Provides that a First-Year College Promise grant shall be equal to the cost of tuition and mandatory fees at the public institution for 2 semesters of enrollment.

To be eligible for a grant, a student must be admitted to and enrolled full-time, in the fall semester after receiving a high school diploma or a high school equivalency certificate and must have a family income at or below the poverty guidelines. Funding for the grant program is subject to appropriation.

HB 5736 (McCombie) Income Tax Credit – Job Training

ICCB Position: Support

The bill amends the Illinois Income Tax Act to provide that an employer may enter into an agreement with a community college in the State to establish a program to provide certain job training services. The employer is entitled to a credit against withholding tax payments in an amount equal to 1.5 percent of the wages paid by the employer to a participating employee during the first year of the employee's participation in the program. Provides that the employer shall remit the amount of the credit to the community college.

Job training services provided by the community college include, but are not limited to, the following: (1) new jobs training in manufacturing, processing, assembling, warehousing, wholesaling, or research and development; (2) adult basic education and job-related instruction; and career and technical skill-assessment services and testing.

HB 5746 (Mussman) Awareness and Prevention of Sexual Violence

ICCB Position: Monitor

Beginning with the 2019-2020 academic year, each public or private higher education institution shall require all entering freshmen to receive, during a period of orientation or in an introductory course offered by the institution, instruction aimed at increasing the awareness and prevention of sexual violence and hate crimes. This requirement is in addition to the requirements under the Preventing Sexual Violence in Higher Education Act, which requires institution's to provide annual training to each student, who attends one or more classes on campus, information regarding the higher education institution's comprehensive policy on sexual violence.

HB 5758 (Bristow) Dual Credit Act – Out-of-State School

ICCB Position: Pending

This legislation amends the Dual Credit Quality Act to provide that an institution may not offer dual credit program with an Illinois high school if the institution's main campus is not located in Illinois. The bill prohibits the ICCB and the IBHE from approving an institution's offer of dual credit courses if the institution's main campus is not located in Illinois. This bill is an initiative of the Illinois Council of Community College Presidents.

SB 2527 (Weaver) School Code – Prohibit Limitations on Dual Credit

ICCB Position: Monitor

The bill amends the School Code to prohibit school boards from limiting the number of dual credit courses a high school student may take or the number of credits a student can receive from dual credit courses. Additionally, the bill states that if a school establishes an online learning program for students that the school board may not limit which students can participate or the number of online courses a student may take or the number of credits they can earn.

Generally speaking, these changes may benefit the community college system because the bill opens the colleges up to think outside the traditional face-to-face dual credit model and allows them to look at using an online approach or satellite model to deliver dual credit within multiple high schools at one time. The bill does not change the fact that dual credit courses will still have to comply with Higher Learning Commission (HLC) standards. This includes faculty qualification to teach college level courses and HLC's policy on 50 percent or more of a degree or credential being offered at an offsite location.

SB 2559 (Stadelman) Education Loan Information Pilot Program

ICCB Position: Neutral

Beginning with the 2019-2020 academic year, the IBHE shall develop a 3-year education loan information pilot program for use by each public community college and university that enrolls students who are eligible to receive financial aid. The program requires that each public institution that receives education loan information for a student enrolled at the institution shall provide annually to the student or the parent or guardian of the student certain information (i.e. loan mounts, repayment, and interest) relating to the education loans. An amendment filed to the bill moves administration of the program from IBHE to ISAC.

Under the program. "education loan" is defined as any State or federal education loan or other loan used primarily to finance a postsecondary education and costs of attendance at a public institution of higher education, including, but not limited to, tuition, fees, books and supplies, room and board.

SB 2847 (Castro) Community College Staff – Board Member

ICCB Position: Neutral

The bill provides that a faculty or staff member of a community college is ineligible to serve as a member, elected or otherwise, of the board of trustees of the community college district in which the faculty or staff member is employed. This bill is an initiative of the Illinois Council of Community College Presidents.

SB 2927 (McGuire) Higher Education Veteran Act Report

ICCB Positon: Neutral

The bill amends the Higher Education Veterans Service Act to provide that each public community college or university that is required to have a Coordinator of Veterans and Military Personnel Student Services shall report to the Board of Higher Education information on the its efforts in attracting, recruiting, and retaining veterans and military personnel at the institution. The IBHE already receives a report from these institutions on their veteran activities and costs thereof. This bill adds more items to the report.

SB 3190 (Bertino-Tarrant) Dual Credit Initiative Course

ICCB Position: Pending

This bill requires a public university or community college, jointly with a high school, to grant dual credit to a student who completes a course under the Illinois Articulation Initiative (IA) General Education Core Curriculum (GECC). The bill provides that a student may not receive more than 60 hours of dual credit for IAI GECC courses.

SB 3566 (Rose) Board of Higher Education – Uniform Admission

ICCB Position: Oppose

The bill requires IBHE to establish a uniform admission process online, which must be used at all public institutions of higher education – community colleges and universities. The admission process must have a universal application, which is to be accepted by all public institutions. IBHE must make this app available online and inform all high schools in Illinois. High school personnel must provide this information to all students and parents and allow a student to complete the application within school hours. If the applicant is not offered admission to a public university, they must be automatically referred to the community district where the applicant resides and provided with enrollment information from that district.

The process must be integrated as such that if an applicant is not accepted for admission to the public institution of high education that they applied to, IBHE shall forward their app to other public institutions whose admission standards are reasonably in line with the applicant's qualifications and who have programs and areas of study the applicant wishes to enroll in. IBHE must ensure that it maximizes the optimal efficiencies of each academic department of an institution and each institution itself by forwarding the app to institutions with a goal of ensuring that departments and institutions are operating with a critical mass of students to operate efficiently.

SB 3567 (Rose) MAP Grant Freshman Preference

ICCB Position: Monitor

This bill provides that a student who otherwise meets the award renewal requirements under the MAP Grant is not required to file a Free Application for Federal Student Aid to obtain the renewal of an award. Beginning with the 2020-2021 academic year, a grant awarded to a first-time, full-time freshman shall be guaranteed for renewal until the grant recipient completes a baccalaureate degree or the equivalent of 135 credit hours if the recipient otherwise meets the grant renewal requirements and remains enrolled at the same institution of higher learning until the degree or credit hours are completed.

HR 27 (McSweeney) Education Pension Cost Shift

ICCB Position: Monitor

The resolution states the opinion of the Illinois House of Representatives that the proposed educational pension cost shift from the State of Illinois to local school districts, community colleges, and institutions of higher education is financially wrong.

SR 1411 (Weaver) Dual Credit Week

ICCB Positon: Support

The resolution recognizes March 18, 2018 through March 24, 2018 as Dual Credit Week at the State Capitol.

SR 1413 (T. Cullerton) Education Pension Cost Shift

ICCB Position: Monitor

As amended, the resolution urges the General Assembly not to impose an educational pension cost shift as it would only serve to shift pension burdens from the State to the status of an unfunded mandate.

Legislation Effecting the Adult Education System

HB 5098 (Hernandez) SOS – English Language Classes

ICCB Positon: Monitor

The bill provides that upon the issuance of an Illinois Identification Card or a driver's license, the Secretary of State shall make available to all applicants, without charge, a listing of free adult English classes which may be available in the county in which the applicant resides.