

**LEGISLATIVE REPORT**

**Submitted for:** Information.

**Summary:** This item shows Governor Blagojevich's action, as of July 25, on higher education-related legislation approved during the spring 2003 session of the 93<sup>rd</sup> General Assembly.

The General Assembly is scheduled to return for fall veto session on October 23, November 4-6, and November 18-20, 2003.

**Action Requested:** None.



STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION

**LEGISLATIVE REPORT**

The following presents a brief summary of the higher education-related substantive legislation that the General Assembly approved during its spring 2003 session, along with a review of Governor Blagojevich's action on these bills through July 25, 2003. A detailed bill summary and status report is attached.

**Affordability.** House Bill 60 (Public Act 93-0007) directs public universities and community colleges to assess in-state tuition rates to nonresident aliens who resided with a parent or guardian while attending an Illinois public high school, graduated from a public or private high school or received the equivalent of a high school diploma in Illinois, and attended Illinois schools for at least three years. For individuals who are not citizens or permanent residents of Illinois, House Bill 60 requires an affidavit stating that the individual will file an application to become a permanent resident of the United States at the earliest opportunity.

The Governor has signed House Bill 1118, commonly referred to as the "Truth in Tuition" bill. Public Act 93-0228 requires the tuition charged a first-time, undergraduate public university student who is an Illinois resident to remain at the same level for four continuous academic years following initial enrollment or for the normal time to complete undergraduate programs that require more than four years. The tuition guarantee would apply to those students who first enroll after the 2003-2004 academic year.

House Bill 1119, not yet acted on by Governor Blagojevich, changes the name of the Illinois Incentive for Access Grant Program to the Silas Purnell Illinois Incentive for Access Grant Program. The legislation also increases the grant amount to \$1,000 for students with an expected family contribution of zero; the grant for students with expected family contributions between \$1 and \$500 would be set at \$500. The proposed grant increases would take effect in fiscal year 2005; the related cost is estimated to be \$15.7 million on top of the \$7.2 million currently provided for this program.

**Community Colleges.** House Bill 1457 (Public Act 93-0314) changes the definition of "part-time academic employees of community colleges" to those persons providing less than three credit hours of instruction per semester. The current definition of these employees under the Illinois Educational Labor Relations Act requires that part-time academic employees provide six credit hours of instruction per semester.

Senate Bill 744 (Public Act 93-0021) includes various changes regarding grants administered by the Illinois Community College Board. The bill limits deferred maintenance grants to the City Colleges of Chicago in fiscal year 2004 and permits the grants to be used for the district's general purposes. The bill also implements the provisions of the revised community college funding formula resulting from a year-long study by the Illinois community college system. The new formula requires districts to maintain minimum in-district tuition and fees and

operating tax rate for equalization funding, and limits the calculation of costs and reimbursements to unrestricted fund sources.

**Public Universities.** House Bill 1543 (Public Act 93-0229) requires appropriations for public universities to be by separate line items and not by lump sums. It further requires each public higher education institution to provide, within 120 days after the end of each fiscal year, to the Governor and General Assembly, through the Illinois Board of Higher Education, a financial report documenting revenues and expenditures of all funds for the preceding fiscal year. This bill reflects the outcome of consideration of various proposals for line item budgets by the sponsors of the legislation, the Governor's Office, the Illinois Board of Higher Education, and the public universities.

One of the provisions of Senate Bill 1607 (Public Act 93-0028) amends current statutes concerning the State Universities Athletic Capital Improvement Fund to require that proceeds from the tenth riverboat license currently earmarked for the State Universities Athletic Capital Improvement Fund instead be paid to Chicago State University. No purpose is indicated for the use of the funds by Chicago State University.

**Teacher Preparation.** Senate Bill 744 (Public Act 93-0021) includes the legislative changes necessary to implement the Governor's new Illinois Future Teacher Corps Program. The bill would provide qualified applicants with up to four semesters (or six quarters) of scholarship assistance. Recipients are obligated to sign a contract agreeing to teach for five years in Illinois. All qualified students enrolled in teacher education programs are covered generally under this program, but priority consideration is given to students who pledge to teach in either a "hard-to-staff" school and/or a teacher shortage discipline. The maximum grant awarded per year would vary, depending upon the nature of the post-graduate teaching commitment made by the grant recipient. In the event a grant recipient fails to perform the five-year service requirement, the scholarship converts to a loan that must be repaid. A total of \$7 million is included in the fiscal year 2004 budget for this program.

The Governor signed Senate Bill 195 (Public Act 93-0320), which allows certain retired teachers to remain in retirement status and continue receiving their retirement annuity while teaching in a designated teacher shortage area. The Governor vetoed House Bill 1185, which is identical to Senate Bill 195.

Senate Bill 533 (Public Act 93-0355) requires public schools to implement teacher induction and mentoring programs to assist new teachers in developing the skills and strategies necessary for instructional excellence.

**Appropriations.** The Governor took the following actions on appropriations related to higher education: a reduction of \$3.7 million (50 percent) to the amount appropriated to assist community college districts impacted by planned changes to the community college funding formula; a reduction of \$6.0 million (50 percent) to the amount appropriated to partially restore "5<sup>th</sup> year" Monetary Award Program (MAP) eligibility; elimination of the amounts appropriated for Higher Education Cooperation Act (HECA) workforce and economic development grants (\$700,000) and teaching, learning, and quality grants (\$900,000). All other general funds appropriations for higher education operations and grants were approved by the Governor at the level passed by the General Assembly.

The Governor has not acted on Senate Bill 1239, which includes new appropriations and reappropriations for capital improvement projects for higher education institutions. Once the

Governor has acted on this bill, a detailed report on fiscal year 2004 appropriations will be available on the Illinois Board of Higher Education's website ([www.ibhe.org](http://www.ibhe.org)).

**Other Items.** House Bill 1448 (Public Act 93-0239) makes it a Class A misdemeanor for a person to knowingly manufacture or produce for profit or sale a false academic degree or to knowingly use a false academic degree to obtain employment or admission to an advanced degree program. The bill specifically excludes those degrees manufactured for novelty purposes. This bill addresses concerns discussed on various occasions by the Illinois Board of Higher Education.

The Governor has not acted on House Bill 2805, which requires one of the ten public members of the Illinois Board of Higher Education to be a faculty member at an Illinois public university. The University Professionals of Illinois initiated the legislation.

The Governor also has not acted on House Bill 3412, which creates the State Officials and Employees Ethics Act. Among the many provisions of this legislation is a prohibition on lobbyists serving on state boards and commissions. The bill requires the Illinois Board of Higher Education to adopt and implement ethical conduct policies for public institutions (except community colleges), and it requires the Illinois Community College Board to adopt and implement policies for state employees of community colleges.

Senate Bill 1075 (Public Act 93-0205) consolidates several existing bonding authorities under a new Illinois Finance Authority. Among the entities consolidated under the provisions of the bill is the Illinois Educational Facilities Authority that provides Illinois independent colleges and universities with financial assistance in building projects and student loans.

The Governor has not acted on Senate Bill 1586 that requires public bodies to make verbatim audio or video recordings of closed meetings.

The General Assembly is scheduled to return for its 2003 fall veto session on October 23, November 4 through 6, and November 18 through 20 to consider any vetoes or amendatory vetoes the Governor issued on substantive legislation. The General Assembly also will consider any item vetoes or reductions the Governor issued on appropriation bills.

## LEGISLATIVE REPORT

### 93rd GENERAL ASSEMBLY 2003 LEGISLATIVE SESSION

Brief summaries of bills passed by the General Assembly during the spring 2003 session, with their status as of July 25, 2003, follow. The sponsor of the bill in its house of origin is identified after the bill. The sponsor of the bill in the second chamber is identified in parentheses. Summaries are provided only for bills related to higher education. Bills are grouped in the following categories: Affordability; Appropriations, Tax Relief, and Budget Implementation; Community Colleges; Pensions; Public Universities; Teacher Preparation and Retention; and Other Miscellaneous Higher Education Bills.

#### **Affordability-Related Bills**

House Bill 60 (amended), Acevedo (Munoz)      Public Act 93-0007

As amended, amends various Acts governing public universities and the Public Community College Act. For tuition purposes, requires a governing board to deem an individual an Illinois resident, until the individual establishes a residence outside Illinois, if the individual (1) resided with his or her parent or guardian while attending a public high school in Illinois; (2) graduated from a public or private high school or received the equivalent of a high school diploma in Illinois; (3) attended school in Illinois at least three years as of the date the individual graduated from high school or received the equivalent of a high school diploma; (4) registers as an entering student not earlier than the 2003 fall semester; and (5) in the case of an individual who is not a citizen or a permanent resident of the United States, provides an affidavit stating that the individual will file an application to become a permanent resident of the United States at the earliest opportunity. Provides that any revenue lost by a university in implementing the provisions of the Act shall be absorbed by the university's income fund. Effective immediately.

House Bill 1118 (amended), Joyce (Maloney)      Public Act 93-0228

Amends various Acts relating to the governance of public universities. As amended by Senate Amendment 1, provides that for four continuous academic years following initial enrollment or for the normal time to complete undergraduate programs that require more than four years, the tuition charged an undergraduate student who is an Illinois resident shall not exceed the amount the student was charged at the time he or she first enrolled in the university. Applies only to students who first enroll after the 2003-2004 academic year.

House Bill 1119, Turner (Garrett)      Sent to the Governor

Amends the Higher Education Assistance Act. Changes the name of the Illinois Incentive for Access Grant Program to the Silas Purnell Illinois Incentive for Access Grant Program. Provides that the maximum grant amount paid per applicant per year is \$1,000 for applicants with an expected family contribution of \$0, and \$500 for applicants with an expected family contribution of \$500 or less but more than \$0. Requires the Commission to give priority to applicants with an expected family contribution of \$0. Estimated cost, \$22.9 million beginning fiscal year 2005. Effective July 1, 2004.

House Bill 3274, William Davis (Hendon)

Public Act 93-0349

Amends the School Code. Provides that each General Assembly member may annually nominate two students for scholarships at any State supported university (now one of the two must be to the University of Illinois). Makes other related changes. Effective immediately.

Senate Bill 744 (amended), Trotter (Madigan)

Public Act 93-0021

Creates the FY2004 Budget Implementation (Education) Act to make changes relating to education. Amends the School Code, the Adult Education Act, and the Public Community College Act. Makes changes concerning reimbursement to community college districts for adult education classes. Makes changes concerning which courses are eligible for reimbursement under the Public Community College Act. Adds requirements addressing local tax rates and tuition and fee efforts that a community college district must meet to qualify for equalization funding. Limits the award of deferred maintenance grants for fiscal year 2004 to City Colleges of Chicago for the district's general purposes. Changes base operating grant formula to exclude restricted revenue sources, other than Department of Corrections funding, from residual formula calculations. Amends the Higher Education Students Assistance Act to repeal a Section concerning Illinois Future Teacher Corps Scholarships. Renames the ITEACH Teacher Shortage Scholarship Program the Illinois Future Teacher Corps Program and makes other changes regarding who may receive a scholarship, the scholarship amount, and where a recipient must agree to teach. Other provisions. Effective July 1, 2003.

Senate Bill 1047 (amended), Schoenberg  
(Burke)

Public Act 93-0056

Amends the State Comptroller Act. As amended by House Amendment 1, prohibits deductions from warrants for payments to institutions from the Illinois Prepaid Tuition Trust Fund, unless the trust fund monies are used for child support. Amends the Illinois Prepaid Tuition Act. Includes specified sectarian educational organizations in the definition of "nonpublic institution of higher education." Provides that the Comptroller shall not offset moneys paid from the Illinois Prepaid Tuition Trust Fund. Provides that the Illinois Student Assistance Commission's explicit obligation in the prepaid tuition contract to provide a specific number of credit hours of undergraduate instruction must not exceed the maximum (instead of the median) number of credit hours required for the conference of a degree. Removes a provision that limits the length of time of an installment contract. Effective July 1, 2003.

### **Appropriations, Tax Relief, and Budget Implementation**

House Bill 1543 (amended), Granberg  
(del Valle)

Public Act 93-0229

Amends the State Finance Act. As amended by Senate Amendment 2, requires appropriations for operations for public universities to be by separate line items and not by lump sums. Requires each public higher education institution to provide to the Governor and General Assembly, through the Illinois Board of Higher Education, within 120 days after the conclusion of each fiscal year, a financial report documenting the institution's revenues and expenditures of funds for that fiscal year ending June 30 for all funds. Effective immediately.

House Bill 2671 (amended), Madigan (Trotter)      Public Act 93-0090  
House Calendar – Item Vetoes/Reductions

As amended by Senate Amendment 1, makes appropriations to the Illinois Board of Higher Education, the Department of Public Health (medical scholarships), the Illinois Mathematics and Science Academy, the Illinois Student Assistance Commission, the Illinois Community College Board, the public universities, and the State Universities Civil Service System. Effective July 1, 2003.

House Bill 2730 (amended), Madigan (Trotter)      Public Act 93-0062  
House Calendar – Item Reduction

As amended by Senate Amendment 1, makes various appropriations for fiscal year 2004, including appropriations for the State Universities Retirement System that are duplicated in House Bill 3759. Effective July 1, 2003.

House Bill 2750 (amended), Madigan (Garrett)      Public Act 93-0014  
House Calendar – Item Veto

As amended by Senate Amendment 1, makes various supplemental appropriations for FY03. Makes various appropriations for fiscal year 2004 including \$500,000 for the Illinois Board of Higher Education for Access and Diversity grants to be distributed pursuant to the Higher Education Cooperation Act; \$2.5 million to the Department of Commerce and Economic Opportunity for entrepreneurship centers; and an additional \$3.5 million to the Department of Central Management Services for the education technology initiative.

House Bill 3489, Hannig (Demuzio)      Sent to the Governor

Amends the State Finance Act. Provides for the transfer of specified amounts from various funds to the Audit Expense Fund for use by the Auditor General in auditing those special funds. Includes transfers from the Monetary Award Program Reserve Fund, the University of Illinois Hospital Services Fund, and the Illinois Mathematics and Science Academy Income Fund. Effective immediately.

House Bill 3759 (amended), Hannig (Welch)      Public Act 93-0095  
House Calendar – Item Veto

Makes appropriations for State retirement systems. As amended, incorporates provisions of House Bill 3738 as introduced. Reflects Governor's budget. As introduced, identical to Senate Bill 2059. Effective July 1, 2003.

Senate Bill 719 (amended), Welch (Madigan)      Public Act 93-0019

Fiscal Year 2004 budget implementation bill. Amends the State Property Control Act to authorize the Director of Central Management Services to dispose of the James R. Thompson Center and the Elgin Mental Health Center and the Toll Highway Authority to convey the Illinois State Toll Highway Authority headquarters building and surrounding land. Amends the State Finance Act, the Illinois Procurement Code, the Property Tax Code, and the Toll Highway Act concerning the conveyance of these properties. Includes other provisions with regard to the disposal and conveyance of the facilities. Effective immediately.

Senate Bill 742 (amended), Trotter (Madigan)      Public Act 93-0020

Creates the FY2004 Budget Implementation (Health and Human Services) Act to make changes relating to health and human services. Amends the State Finance Act to provide that monies in the University of Illinois Hospital Services Fund may be used to reimburse the University of Illinois Hospital for pharmacy services. Provides that the Public Aid Recoveries Trust Fund shall consist of monies including federal funds received on behalf of and earned by State universities and authorizes disbursements from the fund for payments to State universities. Other provisions. Effective immediately.

Senate Bill 744 (amended), Trotter (Madigan)      Public Act 93-0021

Creates the FY2004 Budget Implementation (Education) Act to make changes relating to education. Amends the School Code, the Adult Education Act, and the Public Community College Act. Makes changes concerning reimbursement to community college districts for adult education classes. Makes changes concerning which courses are eligible for reimbursement under the Public Community College Act. Adds requirements addressing local tax rates and tuition and fee efforts that a community college district must meet to qualify for equalization funding. Limits the award of deferred maintenance grants for fiscal year 2004 to City Colleges of Chicago for the district's general purposes. Changes base operating grant formula to exclude restricted revenue sources, other than Department of Corrections funding, from residual formula calculations. Amends the Higher Education Students Assistance Act to repeal a Section concerning Illinois Future Teacher Corps Scholarships. Renames the ITEACH Teacher Shortage Scholarship Program the Illinois Future Teacher Corps Program and makes other changes regarding who may receive a scholarship, the scholarship amount, and where a recipient must agree to teach. Other provisions. Effective July 1, 2003.

Senate Bill 774 (amended), Link (Madigan)      Public Act 93-0022

Fiscal year 2004 budget implementation bill. Amends the Retailers' Occupation Tax Act. Makes changes concerning the filing of statements by retailers of alcoholic liquor and by licensed distributors, importing distributors, or manufacturers of alcoholic liquor. Increases the retail liquor license fee. Amends the Cigarette Use Tax Act. Provides that, in fiscal year 2004 and thereafter, the first \$4,800,000 from the one-half mill tax shall no longer be paid into the Statewide Economic Development Fund. Effective immediately.

Senate Bill 841 (amended), Trotter (Madigan)      Public Act 93-0023

Fiscal year 2004 budget implementation bill. Amends the Illinois Income Tax Act to create the transportation employee income tax credit. Amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act to make changes to the rolling stock exemption. Other provisions. Effective immediately.

Senate Bill 842 (amended), Link (Madigan)      Public Act 93-0024

Fiscal year 2004 budget implementation bill. Creates the Aircraft Use Tax Law. Imposes a tax on the privilege of using aircraft acquired by gift, transfer, or purchase after June 30, 2003. Amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act concerning pollution control facilities and the manufacturer's purchase credit. Terminates exemptions concerning replacement vehicles, graphic arts machinery, oil field machinery, coal exploration equipment, distillation equipment,

vending machines, and aggregate manufacturing. Amends the Retailers' Occupation Tax Act concerning tax prepayments by motor fuel retailers. Amends the Illinois Vehicle Code to terminate a tax on certain passenger car purchases by insurance companies to replace an insured car in settlement of a total loss claim. Makes other changes. Effective immediately.

Senate Bill 874 (amended), Trotter (Madigan)      Public Act 93-0025

Creates the FY2004 Budget Implementation (State Finance-Administration) Act. Amends various Acts. Transfers information technology functions (e.g., Illinois Century Network and Advanced Technology Grants) to Department of Central Management Services. Provides for business processing reengineering through the Department to provide savings through the efficiency initiatives.

Senate Bill 969 (amended), Link (Colvin)      Public Act 93-0026

Fiscal year 2004 budget implementation bill. Creates the Tax Delinquency Amnesty Act to provide an amnesty program for the payment of certain taxes due to the State for any taxable period ending after June 30, 1983, and prior to July 1, 2002, without interest and penalties. The amnesty period is from October 1, 2003, through November 15, 2003. Excludes taxpayers who are parties to criminal investigations and certain others. Half of the monies collected shall be deposited into the Common School Fund and half into the General Revenue Fund (subject to two percent being deposited into the Tax Compliance and Administration Fund). Repeals the Act on January 1, 2005. Amends the Penalty and Interest Act to impose additional penalties and interest on taxpayers who fail to satisfy their tax liability during the amnesty period. Effective immediately.

Senate Bill 1239 (amended), Welch (Hannig)      Sent to the Governor

Makes new capital appropriations and capital reappropriations for fiscal year 2004.

Senate Bill 1606 (amended), Welch (Hoffman)      Public Act 93-0027

Fiscal year 2004 budget implementation bill. Amends the Riverboat Gambling Act. Increases the admission tax to \$4 per person by a licensee that admitted 2,300,000 or fewer persons in the previous calendar year and \$5 per person by a licensee that admitted more than 2,300,000 persons in the previous calendar year. Increases the wagering tax from July 1, 2003, until the earlier of (1) July 1, 2005; (2) the first date after the effective date of this amendatory Act that riverboat gambling operations are conducted pursuant to a dormant license, or (3) the first day that riverboat gambling operations are conducted under the authority of an owner's license that is in addition to the ten owners' licenses initially authorized under the Act. Effective immediately.

Senate Bill 1607 (amended), Link (Madigan)      Public Act 93-0028

Fiscal year 2004 budget implementation bill. Amends the Riverboat Gambling Act. Authorizes licensees that operate from home docks on the Mississippi River (now one licensee) to relocate to new locations that meet certain requirements. Provides that if an owner's license terminates or expires without renewal or the Board revokes or determines not to renew an owner's license, it may reissue the owner's license pursuant to a competitive bidding process. Authorizes the State to set up its own casino if private industry does not bid high enough and the Gaming Board determines the highest prospective revenue would be derived from the State's

operation of the casino. Allows an eleventh license to be issued until the outcome of the tenth license is determined. Provides that proceeds from the tenth license currently earmarked for the State Universities Athletic Capital Improvement Fund shall be paid to Chicago State University. Changes the admissions tax to a graduated rate based on admissions in the previous year. Effective immediately.

Senate Bill 1634 (amended), Link (Madigan)      Public Act 93-0029

Fiscal year 2004 budget implementation bill. Amends the Illinois Income Tax Act concerning a rate reduction for certain foreign insurers, the credit for personal property tax replacement income tax, the training expense credit, the research and development credit, the standard exemption for corporations, and net loss carryback and carryover. Amends the Illinois Insurance Code to increase the surplus line tax. Amends the Illinois Insurance Code and the Health Maintenance Organization Act concerning tax offsets. Effective immediately.

Senate Bill 1725 (amended), Trotter (Madigan)      Public Act 93-0030

Fiscal year 2004 budget implementation bill. Amends the Illinois Estate and Generation-Skipping Transfer Tax Act. Decouples the Illinois estate tax from the federal tax. Defines "State tax credit" to be the amount calculable under the Internal Revenue Code as it would have been computed and allowed on December 31, 2001, for persons dying on or before December 31, 2009, and the credit allowable under the Internal Revenue Code for persons dying thereafter. Provides that the applicable exclusion amount, however, is equal to the current amount in the Internal Revenue Code for persons dying on or after January 1, 2003, and through December 31, 2005, and \$2,000,000 for persons dying thereafter and through December 31, 2009. Provides that persons dying after December 31, 2005, who do not have to file a federal return but who do have to file an Illinois return shall file with the Attorney General schedules of assets as required by the Attorney General. Makes other changes. Effective immediately.

Senate Bill 1733 (amended), Ronen (Madigan)      Public Act 93-0031

Fiscal year 2004 budget implementation bill. Creates the Gas Use Tax Law. Beginning October 1, 2003, imposes a tax upon the privilege of using in Illinois gas purchased of out-of-state; tax imposed at the rate of 2.4 cents per therm or five percent of the purchase price for the billing period, whichever is the lower rate. Includes other provisions relating to the implementation of the tax. Effective October 1, 2003.

Senate Bill 1757, Schoenberg (Madigan)      Sent to the Governor

Creates the Budget Stabilization Act and amends the State Finance Act. Limits general funds appropriations in fiscal years when estimated general funds revenues exceed certain prior fiscal years' general funds revenues. Requires the State Comptroller to transfer from the General Revenue Fund into the Budget Stabilization Fund or Early Debt Retirement Fund the fiscal year's unappropriated general funds revenues. Establishes appropriation limits and a transfer schedule. Creates the Early Debt Retirement Fund. Effective immediately.

Senate Bill 1759, Schoenberg (Hannig)      Sent to the Governor

Amends the State Budget Law of the Civil Administrative Code of Illinois. Provides that beginning in fiscal year 2005, the budget must contain one or more line item appropriations to

pay liabilities incurred in the previous fiscal year pursuant to Section 25 of the State Finance Act. Makes other changes. Effective immediately.

Senate Bill 1789, Demuzio (Hannig)

Sent to the Governor

Amends the State Finance Act. Provides for the transfer of specified amount from various special funds to the Audit Expense Fund for use by the Auditor General in auditing the special funds. Includes transfers from the Monetary Award Program Reserve Fund, the University of Illinois Hospital Services Fund, and the Illinois Mathematics and Science Academy Income Fund. Effective immediately.

Senate Bill 1903 (amended), Welch (Madigan)

Public Act 93-0032

Creates the FY2004 Budget Implementation (State Finance-Revenues) Act. Makes transfers from various funds into the General Revenue Fund and other funds. Amends numerous Acts by increasing and changing the disposition of specified fees, charges, taxes, and penalties. Increases Capital Development Board administration fee from 1.5 percent to 3.0 percent. Makes other changes to implement the fiscal year 2004 budget.

### **Community Colleges-Related Bills**

House Bill 60 (amended), Acevedo (Munoz)

Public Act 93-0007

As amended, amends various Acts governing public universities and the Public Community College Act. For tuition purposes, requires a governing board to deem an individual an Illinois resident, until the individual establishes a residence outside Illinois, if the individual (1) resided with his or her parent or guardian while attending a public high school in Illinois; (2) graduated from a public or private high school or received the equivalent of a high school diploma in Illinois; (3) attended school in Illinois at least three years as of the date the individual graduated from high school or received the equivalent of a high school diploma; (4) registers as an entering student not earlier than the 2003 fall semester; and (5) in the case of an individual who is not a citizen or a permanent resident of the United States, provides an affidavit stating that the individual will file an application to become a permanent resident of the United States at the earliest opportunity. Provides that any revenue lost by a university in implementing the provisions of the Act shall be absorbed by the university's income fund. Effective immediately.

House Bill 761 (amended), Flider (Crotty)

Sent to the Governor

As amended by Senate Amendment 1, amends the School Code, various Acts relating to the governance of public universities, and the Public Community College Act. Prohibits a school district, university, or community college from providing a student's name, address, telephone number, social security number, e-mail address, or other personal identifying information to a business organization or financial institution that issues credit or debit cards, unless the student is 21 years of age or older. Effective July 1, 2003.

House Bill 1387, McCarthy (Collins)

Public Act 93-0163

Amends the Public Community College Act. Makes the penalty of the bond of the treasurer of the Chicago community college district the same as that of other community college district treasurers. Effective immediately.

House Bill 1457, O'Brien (Ronen)

Public Act 93-0314

Amends the Illinois Educational Labor Relations Act. Provides that the term "part-time academic employees of community colleges" means those who provide less than 3 (now 6) credit hours of instruction per semester. Removes the provision excluding part-time academic employees of community colleges from the definition of "educational employee" and "employee."

Senate Bill 744 (amended), Trotter (Madigan)

Public Act 93-0021

Creates the FY2004 Budget Implementation (Education) Act to make changes relating to education. Amends the School Code, the Adult Education Act, and the Public Community College Act. Makes changes concerning reimbursement to community college districts for adult education classes. Makes changes concerning which courses are eligible for reimbursement under the Public Community College Act. Adds requirements addressing local tax rates and tuition and fee efforts that a community college district must meet to qualify for equalization funding. Limits the award of deferred maintenance grants for fiscal year 2004 to City Colleges of Chicago for the district's general purposes. Changes base operating grant formula to exclude restricted revenue sources, other than Department of Corrections funding, from residual formula calculations. Amends the Higher Education Students Assistance Act to repeal a Section concerning Illinois Future Teacher Corps Scholarships. Renames the ITEACH Teacher Shortage Scholarship Program the Illinois Future Teacher Corps Program and makes other changes regarding who may receive a scholarship, the scholarship amount, and where a recipient must agree to teach. Other provisions. Effective July 1, 2003.

Senate Bill 777 (amended), Crotty (Osmond)

Sent to the Governor

Creates the Physical Fitness Facility Medical Emergency Preparedness Act. Requires indoor physical fitness facilities to develop and implement a plan for responding to medical emergencies and to file a copy of the plan with the Department of Public Health. Requires each facility to have at least one automated external defibrillator (AED) on the premises and to have a trained AED user on staff. Requires the Department to adopt rules to ensure coordination with local emergency medical services systems regarding the placement and use of AEDs in physical fitness facilities. Authorized the Department to inspect facilities to investigate complaints and ensure compliance with the Act. Authorizes civil monetary penalties for violations. Other provisions with regard to liability and tax exemptions. Similar to House Bill 43.

Senate Bill 1375, Demuzio (McCarthy)

Public Act 93-0153

Amends the Public Community College Act to create the ICCB Federal Trust Fund. Provides that the Illinois Community College Board shall deposit into it funds it recovers from federal programs for general administration of the programs. Subject to appropriation, provides that the Board may use the fund for its ordinary and contingent expenses. Effective upon becoming law.

Senate Bill 1980 (amended), Demuzio (Hannig)

Sent to the Governor

Amends the Public Community College Act. As amended provides for the election of board of trustee members by trustee district rather than at large in Community College District No. 526 (Lincoln Land).

### **Pensions-Related Bills**

House Bill 3183, Smith (Clayborne)

Public Act 93-0347

Amends the State Universities and General Provisions Articles of the Illinois Pension Code. Makes changes relating to provisions of Qualified Illinois Domestic Relations Orders and to calculating the contribution for certain military credit. Specifies the allocation of monies received from the repayment of a refund under the portable benefit package. Makes changes relating to ability of participants to plan estates for adult disabled children. Specifies that employer contributions and interest are not included in any refund payable to a person who has lost pension benefits due to a felony conviction. Other provisions. Effective immediately.

### **Public Universities-Related Bills**

House Bill 60 (amended), Acevedo (Munoz)

Public Act 93-0007

As amended, amends various Acts governing public universities and the Public Community College Act. For tuition purposes, requires a governing board to deem an individual an Illinois resident, until the individual establishes a residence outside Illinois, if the individual (1) resided with his or her parent or guardian while attending a public high school in Illinois; (2) graduated from a public or private high school or received the equivalent of a high school diploma in Illinois; (3) attended school in Illinois at least three years as of the date the individual graduated from high school or received the equivalent of a high school diploma; (4) registers as an entering student not earlier than the 2003 fall semester; and (5) in the case of an individual who is not a citizen or a permanent resident of the United States, provides an affidavit stating that the individual will file an application to become a permanent resident of the United States at the earliest opportunity. Provides that any revenue lost by a university in implementing the provisions of the Act shall be absorbed by the university's income fund. Effective immediately.

House Bill 761 (amended), Flider (Crotty)

Sent to the Governor

As amended by Senate Amendment 1, amends the School Code, various Acts relating to the governance of public universities, and the Public Community College Act. Prohibits a school district, university, or community college from providing a student's name, address, telephone number, social security number, e-mail address, or other personal identifying information to a business organization or financial institution that issues credit or debit cards, unless the student is 21 years of age or older. Effective July 1, 2003.

House Bill 1032 (amended), Reitz (Martinez)

Sent to the Governor

As amended by Senate Amendment 1, amends the University of Illinois Act and various other acts. Provides that the Board of Trustees of the University of Illinois may issue shields or other distinctive identification to employees (in addition to those exercising the powers of a peace officer) who need the shield or other identification to carry out his or her duties. As amended, identical to House Bill 2481 as amended. Effective immediately.

House Bill 1118 (amended), Joyce (Maloney)

Public Act 93-0228

Amends various Acts relating to the governance of public universities. As amended by Senate Amendment 1, provides that for four continuous academic years following initial

enrollment or for the normal time to complete undergraduate programs that require more than four years, the tuition charged an undergraduate student who is an Illinois resident shall not exceed the amount the student was charged at the time he or she first enrolled in the university. Applies only to students who first enroll after the 2003-2004 academic year.

House Bill 1121, Smith (John O. Jones)

Public Act 93-0135

Creates the Illinois Equine Research and Promotion Act. Requires the University of Illinois Extension to conduct a referendum among Illinois equine owners as to the collection and use of an assessment (set at \$2 per ton or 5 cents per 50-pound bag) on the purchase of commercial horse feed for research and promotion of the equine industry. If the referendum passes, requires an industry organization to appoint an Illinois Equine Industry Research and Promotion Board to levy and determine the use of the assessment. Establishes procedures for the collection and refund of the assessment and for the Board's operations. Identical to Senate Bill 93. Effective immediately.

House Bill 1437 (amended), Flider (Hunter)

Public Act 93-0238

Amends the Voluntary Payroll Deductions Act of 1983. As amended, allows (rather than requires) the solicitation of State and university employees hired after the official solicitation period, by providing them with the most recent campaign information. Effective immediately.

House Bill 1543 (amended), Granberg  
(del Valle)

Public Act 93-0229

Amends the State Finance Act. As amended by Senate Amendment 2, requires appropriations for operations for public universities to be by separate line items and not by lump sums. Requires each public higher education institution to provide to the Governor and General Assembly, through the Illinois Board of Higher Education, within 120 days after the conclusion of each fiscal year, a financial report documenting the institution's revenues and expenditures of funds for that fiscal year ending June 30 for all funds. Effective immediately.

House Resolution 222, Flider

House Adopted

Directs the Department of Commerce and Economic Opportunity to assess energy conservation measures taken at each of the State's public universities since 1995 and report its findings to the General Assembly by January 1, 2004.

House Resolution 357, Osterman

House Adopted

Supports the University of Illinois at Chicago's application to the National Institutes of Health for a National Biocontainment Laboratory to be located within the Illinois Medical District in Chicago.

Senate Bill 777 (amended), Crotty (Osmond)

Sent to the Governor

Creates the Physical Fitness Facility Medical Emergency Preparedness Act. Requires indoor physical fitness facilities to develop and implement a plan for responding to medical emergencies and to file a copy of the plan with the Department of Public Health. Requires each facility to have at least one automated external defibrillator (AED) on the premises and to have a trained AED user on staff. Requires the Department to adopt rules to ensure coordination with

local emergency medical services systems regarding the placement and use of AEDs in physical fitness facilities. Authorized the Department to inspect facilities to investigate complaints and ensure compliance with the Act. Authorizes civil monetary penalties for violations. Other provisions with regard to liability and tax exemptions. Similar to House Bill 43.

Senate Bill 989 (amended), Obama (Daniels)      Sent to the Governor

Amends the Illinois Public Aid Code. Requires the Department of Public Aid, in conjunction with the Department of Human Services and the Division of Specialized Care of Children, University of Illinois-Chicago, to report to the Governor and the General Assembly no later than January 1, 2004, regarding the status of existing services offered under the Medicaid program to disabled children. Effective immediately.

Senate Bill 1360 (amended), Maloney (McKeon)      Sent to the Governor

Amends the Illinois Educational Labor Relations Act. As amended, provides that the bargaining unit for academic faculty at the University of Illinois is for tenured and tenure-track academic faculty and that each campus of the University as well as the College of Medicine, the College of Pharmacy, the College of Dentistry, the College of Law, and the College of Veterinary Medicine shall have a separate bargaining unit.

Senate Bill 1607 (amended), Link (Madigan)      Public Act 93-0028

Fiscal year 2004 budget implementation bill. Amends the Riverboat Gambling Act. Authorizes licensees that operate from home docks on the Mississippi River (now one licensee) to relocate to new home dock locations that meet certain requirements. Provides that if an owner's license terminates or expires without renewal or the Board revokes or determines not to renew an owner's license, it may reissue the owner's license pursuant to a competitive bidding process. Authorizes the State to set up its own casino if private industry does not bid high enough and the Gaming Board determines the highest prospective revenue would be derived from the State's operation of the casino. Allows an eleventh license to be issued until the outcome of the tenth license is determined. Provides that proceeds from the tenth license currently earmarked for the State Universities Athletic Capital Improvement Fund shall be paid to Chicago State University. Changes the admissions tax to a graduated rate based on admissions in the previous year. Effective immediately.

### **Teacher Preparation and Retention-Related Bills**

House Bill 1185, Reitz (Brady)

Vetoed – Provisions included in  
Senate Bill 195 (Public Act 93-0320)

Amends the Downstate Teacher Article of the Pension Code. Allows certain retired teachers to remain in retirement status and continue to receive their retirement annuities while teaching in a designated subject shortage area. Other provisions. Identical to Senate Bill 195. Effective immediately.

House Bill 3587 (amended), Mendoza  
(Lightford)

Sent to the Governor

Amends the School Code. Removes a deadline for obtaining U.S. citizenship from provisions concerning requirements for a teaching certificate. In provisions concerning certificates for equivalent qualifications in other jurisdictions, adds that, as an alternative to U.S. citizenship, the applicant must be legally present and authorized for employment. As amended by Senate Amendment 1, provides that an applicant for a certificate who is not a U.S. citizen must sign and file with the State Board of Education a letter of intent indicating that he or she will apply for U.S. citizenship within ten years after the date that the letter is filed or at the earliest opportunity after the person becomes eligible to apply for citizenship

Senate Bill 195, Jacobs (Reitz)

Public Act 93-0320

Amends the Downstate Teacher Article of the Pension Code. Allows certain retired teachers to remain in retirement status and continue to receive their retirement annuities while teaching in a designated subject shortage area. Other provisions. Identical to House Bill 1185. Effective immediately.

Senate Bill 533 (amended), Maloney (Coulson)      Public Act 93-0355

Amends the School Code. Requires a public school to implement a teacher induction and mentoring program to assist new teachers in developing the skills and strategies necessary for instructional excellence. For each new teacher participating in a teacher induction and mentoring program, requires the State Board of Education to pay the public school \$1,200 annually for each of two school years, subject to appropriation. Provides that the Board may retain up to \$1,000,000 of the appropriation for purposes related to the program. Includes provisions concerning program requirements and the evaluation of programs. As introduced, identical to Senate Bill 346.

### **Other Miscellaneous Higher Education Bills**

House Bill 274, Soto (Martinez)

Sent to the Governor

Creates the Inclusion of Women and Minorities in Clinical Research Act. Provides that a grantee receiving State funds must ensure that women and members of minority groups are included as subjects in clinical research projects. Provides that a grantee must conduct or support outreach programs for the recruitment of women and members of minority groups as subjects in clinical research projects. Provides exceptions. Identical to Senate Bill 560.

House Bill 362, Novak (Clayborne)

Public Act 93-0190

Amends the Capital Development Board Act. Requires the Board to adopt an energy code for the construction or repair of facilities funded by state appropriations. Effective immediately.

House Bill 1448 (amended), Eddy (Righter)

Public Act 93-0239

Amends the Criminal Code. As amended, provides that it is a Class A misdemeanor for a person to knowingly manufacture or produce for profit or sale a false academic degree or to

knowingly use a false academic degree to obtain employment or admission to an advanced degree program at an institution of higher learning or to obtain a promotion or higher compensation in employment. Defines “institution of higher learning” as a public or private college, university, or community college located in Illinois that is authorized by the Illinois Board of Higher Education or the Illinois Community College Board to issue post-secondary degrees, or a public or private college, university, or community college located anywhere in the United States that is or has been legally constituted to offer degrees and instruction in its state of origin or incorporation. Effective immediately.

House Bill 2339, McKeon (Ronen)

Public Act 93-0331

Amends the Illinois Workforce Investment Board Act. Requires the Board to implement a benchmarking system for the State’s workforce development system, establish a mechanism to collect data and track the benchmarks annually, and then use the results to set goals for each benchmark, inform planning, and ensure effective use of State resources.

House Bill 2352 (amended), Jerry Mitchell  
(del Valle)

Sent to the Governor

Amends the School Code. As amended, provides that beginning no later than the 2005-2006 school year the State Board of Education shall annually test (1) all pupils enrolled in the 3<sup>rd</sup>, 4<sup>th</sup>, 5<sup>th</sup>, 6<sup>th</sup>, 7<sup>th</sup>, and 8<sup>th</sup> grades in reading and mathematics; (2) all pupils enrolled in 3<sup>rd</sup>, 4<sup>th</sup>, 6<sup>th</sup>, and 8<sup>th</sup> grades in writing; (3) all pupils enrolled in the 4<sup>th</sup> and 7<sup>th</sup> grades in the biological and physical sciences; and (4) all pupils enrolled in 5<sup>th</sup> and 8<sup>th</sup> grades in the social sciences. Also requires the State Board to sample student performance in the learning area of physical development and health in 4<sup>th</sup> and 7<sup>th</sup> grades through the science tests and in the learning area of fine arts in 5<sup>th</sup> and 8<sup>th</sup> grades. Makes changes concerning the maximum time allowed for testing, students with individualized education programs, students in transitional bilingual education programs or transitional programs of instruction, students who receive Prairie State Achievement Awards, the time period within which State testing must occur, the use of short answer questions, and the provision of additional tests and assessment resources that may be used by school districts for local diagnostic purposes. Includes pupils enrolled in a public school administered by a local public agency or the Department of Human Services. Excludes pupils enrolled in a public university laboratory school, Department of Corrections School District 428, a residential school operated by a State agency, or the Illinois Mathematics and Science Academy. Effective immediately.

House Bill 2805 (amended), McCarthy  
(Demuzio)

Sent to the Governor

Amends the Board of Higher Education Act. As amended by Senate Amendment 1, provides that beginning on July 1, 2005, one of the ten members of the Board who is appointed by the Governor, by and with the advice of the Senate, must be a faculty member at an Illinois public university.

House Bill 2955, Michael Smith (Martinez)

Sent to the Governor

Amends the State Finance Act. Provides that a retiring or resigning State employee’s payout for vacation, overtime, and sick leave need not be paid in a single lump sum if otherwise provided for in a college bargaining agreement entered into under the Illinois Educational Labor Relations Act. Effective immediately.

House Bill 3313 (amended), Slone  
(Schoenberg)

Sent to the Governor

Amends the State Budget Law of the Civil Administrative Code, the Bureau of the Budget Act, and the State Comptroller Act. Requires the Bureau of the Budget to develop program objectives and performance measures for State programs and agencies. Provides that the objectives and measures must incorporate specified performance management practices and must be used in budgets prepared for fiscal years 2007 and thereafter. Provides that the Comptroller shall, in cooperation with the Bureau of the Budget, compile and publish the data developed under the specified performance management practices. Effective immediately.

House Bill 3412 (amended), Cross (Garrett)

Sent to the Governor

Creates the State Officials and Employees Ethics Act. Prohibits State officers and employees of the executive and legislative branch of State government and the Auditor General and his or her employees from engaging in political activities while at work. Requires the implementation and maintenance of personnel policies for those officers and employees. Requires annual ethics training for those officers and employees. Prohibits certain practices with respect to campaign activities. Creates protection for whistle-blowers. Prohibits lobbyists from serving on state boards and commission. Requires the Illinois Board of Higher Education to adopt and implement ethical conduct policies for public institutions (except community colleges); requires the Illinois Community College Board to adopt and implement policies for state employees of community colleges. Preempts home rule and requires units of local government and school districts to adopt similar provisions. Amends various Acts to make corresponding changes. Repeals the State Employees Political Activity Act. Effective immediately.

House Resolution 64, Brady

House Adopted

Recognizes the value and importance of TRIO programs for low-income Americans and commends participating Illinois colleges, universities, and community agencies for support of TRIO programs.

Senate Bill 78 (amended), del Valle (Soto)

Sent to the Governor

Amends the Nursing and Advanced Practice Nursing Act. As amended, provides that the Department of Professional Regulations shall work with various boards, including the Illinois Board of Higher Education and the Illinois Student Assistance Commission, to develop a list of accredited nursing programs and other educational resources related to the Test of English as a Foreign Language and the Commission on Graduates of Foreign Nursing Schools Examinations. Requires the Department to provide a link to a list of these resources, in English and Spanish, on its website. Effective immediately.

Senate Bill 553 (amended), Harmon (Howard)

Public Act 93-0306

As amended, creates the Data Security on State Computers Act and amends the Public Utilities Act. Provides for the establishment and implementation of a policy concerning State-owned computers to mandate that all hard drives of surplus electronic data processing equipment be cleared of all data and software before being prepared for sale, donation, or transfer. Adds provisions concerning protection and preservation of State data on State-owned electronic data processing equipment necessary for the continuity of government functions upon relinquishment

of the equipment to a successor executive administration. Other provisions. Effective immediately.

Senate Bill 565 (amended), Harmon (Graham)      Public Act 93-0380

Creates the Illinois Early Learning Council Act. Establishes the Council to coordinate existing State programs and services for children from birth to five years of age. Provides for the appointment of Council members who represent both public and private organizations and who shall serve on a voluntary, unpaid basis. As amended, includes the chief administrators of the Illinois Board of Higher Education and Illinois Community College Board as members of the Council. Effective immediately.

Senate Bill 600 (amended), Lightford (Madigan)      Sent to the Governor

Amends the Minimum Wage Law. Provides that from January 1, 2004, through December 31, 2004, every employer shall pay each employee who is 18 years of age or older at least \$5.50 per hour. Provides that on and after January 1, 2005, every employer shall pay each employee who is 18 years of age or older at least \$6.50 per hour. Deletes language providing that wages paid to employees may not be less than the federal minimum hourly wage (currently \$5.15 per hour for nonexempt employees). Effective January 1, 2004.

Senate Bill 1075 (amended), Demuzio (Hannig)      Public Act 93-0205

Creates the Illinois Finance Authority Act. Consolidates the following into the new Authority: Illinois Development Finance Authority, Illinois Farm Development Authority, Illinois Health Facilities Authority, Illinois Research Park Authority, Illinois Rural Bond Bank, Illinois Educational Facilities Authority, and Illinois Community Development Finance Corporation. Includes provisions regarding industrial revenue bonds, venture investments, land bank funds, local government, motion picture production, agricultural assistance, health facilities development and other provisions. Repeals Acts establishing the entities being consolidated. Effective January 1, 2004.

Senate Bill 1586 (amended), Obama (Currie)      Sent to the Governor

Amends the Open Meetings Act. As amended, requires public bodies to make a verbatim audio or video recording of closed meetings. Establishes procedures for the availability of the closed meeting minutes and recordings to the public and the court. Establishes procedures for destroying the recordings.

Senate Bill 1601 (amended), Cullerton (Hannig)      Public Act 93-0009

Amends the State Finance Act and the General Obligation Bond Act. With respect to the issuance of general obligation bonds, authorizes variable interest rates and certain credit or liquidity enhancement arrangements, including interest rate protection or exchange agreements and guarantees. Provides that the net payments required of the State for such arrangements shall be certified by the Director of the Office of Management and Budget and treated as interest. Effective immediately.

Senate Bill 1765 (amended), Obama (Currie)      Sent to the Governor

Creates the Tax Expenditures Commission Act. As amended, creates the Commission, composed of the Directors of the Governor's Office of Management and Budget and the Department of Revenue, two members of the House of Representatives, two members of the Senate, the State Comptroller and Executive Director of the Illinois Economic and Fiscal Commission (as non-voting members), and one member appointed by the Governor to serve as chairman, to consider tax expenditures that reduce tax revenue to the State and make recommendations designed to reduce the revenue loss or promote economic development or both. Provides that the Commission shall report its findings to the General Assembly and Governor no later than December 31, 2003, and is abolished on July 1, 2004. Effective immediately.

Senate Bill 2003 (amended), Demuzio      Sent to the Governor  
(Madigan)

As amended by House Amendment 4, amends certain Acts creating boards. With regard to the Educational Labor Relations Board, provides that the term of each appointed member of the Board who is in office on June 30, 2003, shall terminate on that date or when all the new members to be initially appointed under the Act have been appointed by the Governor, whichever occurs later. Effective July 1, 2003, reduces the number of members from seven to five with no more than three from the same political party (now four). Requires members to be Illinois residents. Requires each board member to devote his entire time to the duties of the office and provides that he shall hold no other office of position of profit, nor engage in any other business, employment or vocation. Provides that three (now four) members constitute a quorum. Effective immediately.

Senate Joint Resolution 36, Collins (Morrow)      Adopted by Both Chambers

Creates the Commission on Opportunity in State Public Construction to undertake a comprehensive study to determine the existence and the extent of racial and gender discrimination on public construction projects in the State with a report to be delivered to the Governor and the General Assembly by June 30, 2004.