

APPROVED

NOVEMBER 15, 2022

Item #G-1
November 15, 2022

RULES – CAPITAL INVESTMENT GRANT PROGRAM FOR INDEPENDENT COLLEGES

Submitted for: Action.

Summary: This item requests approval of the final rules for the Capital Investment Grant Program for Independent Colleges, pursuant to the Private Colleges and Universities Capital Distribution Formula Act. 30 ILCS 769/25-7. On June 29, 2022, the Board granted the Executive Director authority to 1) publish the proposed rules in the Illinois Register for a 45-day first notice period, where interested persons or agencies may provide comments; and 2) submit the proposed rules to the Joint Committee on Administrative Rules (JCAR) for review (specifically contemplated in 2 Ill. Admin. Code 5050.100.). Once JCAR approves the regulations, the Executive Director is to submit the final regulations to the Board for adoption, as required by 2 Ill. Admin. Code 5050.100(d).

On October 18, 2022, JCAR considered and did not object to the rules. No changes were made to the rules since the Board's June 29, 2022 approval. On October 24, 2022, the Executive Committee of the Board approved the final rules on behalf of the Board. Later on October 24, 2022, IBHE received non-substantive changes to the Rules from JCAR.

This item requests approval by the Board for the final rules and authorizes the Executive Director to seek applications and award grants for the Capital Investment Program for Independent Colleges.

Action Requested: That the Executive Committee, on behalf of the Illinois Board of Higher Education, approve the final rules as permitted by JCAR and attached as Exhibit A and authorizes the Executive Director to seek applications for and award grants under the Capital Investment Grant Program for Independent Colleges statute and approved final rules.



STATE OF ILLINOIS
BOARD OF HIGHER EDUCATION

RULES – CAPITAL INVESTMENT GRANT PROGRAM FOR INDEPENDENT COLLEGES

The Private Colleges and Universities Capital Distribution Formula Act requires the Illinois Board of Higher Education (IBHE) to “establish a Capital Investment Grant Program for independent colleges.” 30 ILCS 769/25-7 (a).

The General Assembly re-appropriated \$400,000,000 for the program in the Fiscal Year 23 Budget, which was originally appropriated as part of the Rebuild Illinois capital program in 2019. The funds come from the Build Illinois Bond Fund and are subject to the sale of bonds. It is contemplated that these funds will be administered over the course of six years as bond funds are made available, subject to continued appropriation. The program is administered jointly by IBHE and the Capital Development Board. 30 ILCS 769/25-7.

IBHE is also required by the Act to adopt rules to administer the program. 30 ILCS 769/25-7 (b). The Act defines independent colleges as “non-public, non-profit colleges and universities based in Illinois. The term does not include any institution that primarily or exclusively provided online education services as of the fall 2017 term.” 30 ILCS 769/25-5.

Illinois regulations require proposed rules drafted by IBHE to be “presented at an open public meeting of the Board prior to publication in the Illinois Register.” 2 Ill. Admin. Code 5050.100 (a). “Following Board approval, proposed rules . . . will be published in the Illinois Register” for a 45-day first notice period where “interested persons or agencies may provide comments.” 2 Ill. Admin. Code 5050.100 (b). Following first notice, the proposed rules and any public comments are reviewed by JCAR during the second notice period. 2 Ill. Admin. Code 5050.100 (c). After proposed rules have met the requirements of first and second notice, they will be resubmitted to the Board for adoption. 2 Ill. Admin. Code 5050.100 (d). At that time, IBHE will also seek Board approval to issue the grants.

At its June 29, 2022, meeting, the Board authorized the Executive Director to engage in rulemaking pursuant to the Private Colleges and Universities Capital Distribution Formula Act. 30 ILCS 769/25-7. The Executive Director was authorized 1) to make appropriate changes recommended by JCAR staff in their pre-draft technical review of the proposed rules then reviewed by the Board; 2) to publish proposed rules for the Capital Investment Grant Program for Independent Colleges in the Illinois Register for a 45-day first notice period, where interested persons or agencies may provide comments; and 3) to submit the proposed rules to the Joint Committee on Administrative Rules (JCAR) for review. 2 Ill. Admin. Code 5050.100.

The Executive Director followed these steps and on October 18, 2022, JCAR considered and did not object to the rules as submitted and made no changes.

On October 24, 2022, the Executive Committee met and approved, on behalf of the Board, the final rules. Later on October 24, 2022, IBHE received notification of non-substantive changes to the rules from JCAR. IBHE made the changes JCAR requested and on October 26, 2022

received the official notification from JCAR that no objection would be filed, as included in Exhibit B.

The Executive Director requests approval of the final rules, included in Exhibit A, and authority to seek applications for and award grants under the Capital Investment Grant Program for Independent Colleges statute and approved final rules.

Recommendation

The staff recommends the adoption of the following resolution:

The Board approves the final rules for the Capital Investment Grant Program for Independent Colleges as contained in Exhibit A that have met the requirements of first and second notice and received approval from the Joint Committee on Administrative Rules, as required by 2 Ill. Admin. Code 5050.100, and authorizes the Executive Director to seek applications for and award grants under the Capital Investment Grant Program for Independent Colleges statute and approved final rules.

EXHIBIT A