



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

SB2486

Introduced 5/30/2011, by Sen. Larry K. Bomke

SYNOPSIS AS INTRODUCED:

15 ILCS 505/16.5
105 ILCS 5/21-25 from Ch. 122, par. 21-25
110 ILCS 947/67 rep.
110 ILCS 947/75
110 ILCS 979/45

If and only if Senate Bill 2185 of the 97th General Assembly becomes law in the form in which it passed the Senate, amends the State Treasurer Act, the School Code, the Higher Education Student Assistance Act, and the Illinois Prepaid Tuition Act by deleting or repealing all language added by Senate Bill 2185 and restoring all language deleted by Senate Bill 2185. (Senate Bill 2185, as it passed the Senate, contained provisions amending the State Treasurer Act, the School Code, the Higher Education Student Assistance Act, and the Illinois Prepaid Tuition Act in relation to: the State Treasurer's College Savings Pool; school service personnel certificates; establishment of an Illinois DREAM Fund and Illinois DREAM Fund Commission; college savings programs; college savings instruments; and other matters.) Effective immediately.

LRB097 12201 NHT 56489 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning education.

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

4 Section 1. If and only if Senate Bill 2185 of the 97th
5 General Assembly becomes law in the form in which it passed the
6 Senate, then the State Treasurer Act is amended by changing
7 Section 16.5 as follows:

8 (15 ILCS 505/16.5)

9 Sec. 16.5. College Savings Pool. The State Treasurer may
10 establish and administer a College Savings Pool to supplement
11 and enhance the investment opportunities otherwise available
12 to persons seeking to finance the costs of higher education.
13 The State Treasurer, in administering the College Savings Pool,
14 may receive moneys paid into the pool by a participant and may
15 serve as the fiscal agent of that participant for the purpose
16 of holding and investing those moneys.

17 "Participant", as used in this Section, means any person
18 who has authority to withdraw funds, change the designated
19 beneficiary, or otherwise exercise control over an account.
20 "Donor", as used in this Section, means any person who makes
21 investments in the pool. "Designated beneficiary", as used in
22 this Section, means any person on whose behalf an account is
23 established in the College Savings Pool by a participant. Both

1 in-state and out-of-state persons may be participants, donors,
2 and designated beneficiaries in the College Savings Pool. ~~The~~
3 ~~College Savings Pool must be available to any individual with a~~
4 ~~valid social security number or taxpayer identification number~~
5 ~~for the benefit of any individual with a valid social security~~
6 ~~number or taxpayer identification number, unless a contract in~~
7 ~~effect on the effective date of this amendatory Act of the 97th~~
8 ~~General Assembly does not allow for taxpayer identification~~
9 ~~numbers, in which case taxpayer identification numbers must be~~
10 ~~allowed upon the expiration of the contract.~~

11 New accounts in the College Savings Pool may be processed
12 through participating financial institutions. "Participating
13 financial institution", as used in this Section, means any
14 financial institution insured by the Federal Deposit Insurance
15 Corporation and lawfully doing business in the State of
16 Illinois and any credit union approved by the State Treasurer
17 and lawfully doing business in the State of Illinois that
18 agrees to process new accounts in the College Savings Pool.
19 Participating financial institutions may charge a processing
20 fee to participants to open an account in the pool that shall
21 not exceed \$30 until the year 2001. Beginning in 2001 and every
22 year thereafter, the maximum fee limit shall be adjusted by the
23 Treasurer based on the Consumer Price Index for the North
24 Central Region as published by the United States Department of
25 Labor, Bureau of Labor Statistics for the immediately preceding
26 calendar year. Every contribution received by a financial

1 institution for investment in the College Savings Pool shall be
2 transferred from the financial institution to a location
3 selected by the State Treasurer within one business day
4 following the day that the funds must be made available in
5 accordance with federal law. All communications from the State
6 Treasurer to participants and donors shall reference the
7 participating financial institution at which the account was
8 processed.

9 The Treasurer may invest the moneys in the College Savings
10 Pool in the same manner and in the same types of investments
11 provided for the investment of moneys by the Illinois State
12 Board of Investment. To enhance the safety and liquidity of the
13 College Savings Pool, to ensure the diversification of the
14 investment portfolio of the pool, and in an effort to keep
15 investment dollars in the State of Illinois, the State
16 Treasurer may make a percentage of each account available for
17 investment in participating financial institutions doing
18 business in the State. The State Treasurer may deposit with the
19 participating financial institution at which the account was
20 processed the following percentage of each account at a
21 prevailing rate offered by the institution, provided that the
22 deposit is federally insured or fully collateralized and the
23 institution accepts the deposit: 10% of the total amount of
24 each account for which the current age of the beneficiary is
25 less than 7 years of age, 20% of the total amount of each
26 account for which the beneficiary is at least 7 years of age

1 and less than 12 years of age, and 50% of the total amount of
2 each account for which the current age of the beneficiary is at
3 least 12 years of age. The Treasurer shall develop, publish,
4 and implement an investment policy covering the investment of
5 the moneys in the College Savings Pool. The policy shall be
6 published (i) at least once each year in at least one newspaper
7 of general circulation in both Springfield and Chicago and (ii)
8 each year as part of the audit of the College Savings Pool by
9 the Auditor General, which shall be distributed to all
10 participants. The Treasurer shall notify all participants in
11 writing, and the Treasurer shall publish in a newspaper of
12 general circulation in both Chicago and Springfield, any
13 changes to the previously published investment policy at least
14 30 calendar days before implementing the policy. Any investment
15 policy adopted by the Treasurer shall be reviewed and updated
16 if necessary within 90 days following the date that the State
17 Treasurer takes office.

18 Participants shall be required to use moneys distributed
19 from the College Savings Pool for qualified expenses at
20 eligible educational institutions. "Qualified expenses", as
21 used in this Section, means the following: (i) tuition, fees,
22 and the costs of books, supplies, and equipment required for
23 enrollment or attendance at an eligible educational
24 institution and (ii) certain room and board expenses incurred
25 while attending an eligible educational institution at least
26 half-time. "Eligible educational institutions", as used in

1 this Section, means public and private colleges, junior
2 colleges, graduate schools, and certain vocational
3 institutions that are described in Section 481 of the Higher
4 Education Act of 1965 (20 U.S.C. 1088) and that are eligible to
5 participate in Department of Education student aid programs. A
6 student shall be considered to be enrolled at least half-time
7 if the student is enrolled for at least half the full-time
8 academic work load for the course of study the student is
9 pursuing as determined under the standards of the institution
10 at which the student is enrolled. Distributions made from the
11 pool for qualified expenses shall be made directly to the
12 eligible educational institution, directly to a vendor, or in
13 the form of a check payable to both the beneficiary and the
14 institution or vendor. Any moneys that are distributed in any
15 other manner or that are used for expenses other than qualified
16 expenses at an eligible educational institution shall be
17 subject to a penalty of 10% of the earnings unless the
18 beneficiary dies, becomes disabled, or receives a scholarship
19 that equals or exceeds the distribution. Penalties shall be
20 withheld at the time the distribution is made.

21 The Treasurer shall limit the contributions that may be
22 made on behalf of a designated beneficiary based on the
23 limitations established by the Internal Revenue Service. The
24 contributions made on behalf of a beneficiary who is also a
25 beneficiary under the Illinois Prepaid Tuition Program shall be
26 further restricted to ensure that the contributions in both

1 programs combined do not exceed the limit established for the
2 College Savings Pool. The Treasurer shall provide the Illinois
3 Student Assistance Commission each year at a time designated by
4 the Commission, an electronic report of all participant
5 accounts in the Treasurer's College Savings Pool, listing total
6 contributions and disbursements from each individual account
7 during the previous calendar year. As soon thereafter as is
8 possible following receipt of the Treasurer's report, the
9 Illinois Student Assistance Commission shall, in turn, provide
10 the Treasurer with an electronic report listing those College
11 Savings Pool participants who also participate in the State's
12 prepaid tuition program, administered by the Commission. The
13 Commission shall be responsible for filing any combined tax
14 reports regarding State qualified savings programs required by
15 the United States Internal Revenue Service. The Treasurer shall
16 work with the Illinois Student Assistance Commission to
17 coordinate the marketing of the College Savings Pool and the
18 Illinois Prepaid Tuition Program when considered beneficial by
19 the Treasurer and the Director of the Illinois Student
20 Assistance Commission. The Treasurer's office shall not
21 publicize or otherwise market the College Savings Pool or
22 accept any moneys into the College Savings Pool prior to March
23 1, 2000. The Treasurer shall provide a separate accounting for
24 each designated beneficiary to each participant, the Illinois
25 Student Assistance Commission, and the participating financial
26 institution at which the account was processed. No interest in

1 the program may be pledged as security for a loan. Moneys held
2 in an account invested in the Illinois College Savings Pool
3 shall be exempt from all claims of the creditors of the
4 participant, donor, or designated beneficiary of that account,
5 except for the non-exempt College Savings Pool transfers to or
6 from the account as defined under subsection (j) of Section
7 12-1001 of the Code of Civil Procedure (735 ILCS 5/12-1001(j)).

8 The assets of the College Savings Pool and its income and
9 operation shall be exempt from all taxation by the State of
10 Illinois and any of its subdivisions. The accrued earnings on
11 investments in the Pool once disbursed on behalf of a
12 designated beneficiary shall be similarly exempt from all
13 taxation by the State of Illinois and its subdivisions, so long
14 as they are used for qualified expenses. Contributions to a
15 College Savings Pool account during the taxable year may be
16 deducted from adjusted gross income as provided in Section 203
17 of the Illinois Income Tax Act. The provisions of this
18 paragraph are exempt from Section 250 of the Illinois Income
19 Tax Act.

20 The Treasurer shall adopt rules he or she considers
21 necessary for the efficient administration of the College
22 Savings Pool. The rules shall provide whatever additional
23 parameters and restrictions are necessary to ensure that the
24 College Savings Pool meets all of the requirements for a
25 qualified state tuition program under Section 529 of the
26 Internal Revenue Code (26 U.S.C. 529). The rules shall provide

1 for the administration expenses of the pool to be paid from its
2 earnings and for the investment earnings in excess of the
3 expenses and all moneys collected as penalties to be credited
4 or paid monthly to the several participants in the pool in a
5 manner which equitably reflects the differing amounts of their
6 respective investments in the pool and the differing periods of
7 time for which those amounts were in the custody of the pool.
8 Also, the rules shall require the maintenance of records that
9 enable the Treasurer's office to produce a report for each
10 account in the pool at least annually that documents the
11 account balance and investment earnings. Notice of any proposed
12 amendments to the rules and regulations shall be provided to
13 all participants prior to adoption. Amendments to rules and
14 regulations shall apply only to contributions made after the
15 adoption of the amendment.

16 Upon creating the College Savings Pool, the State Treasurer
17 shall give bond with 2 or more sufficient sureties, payable to
18 and for the benefit of the participants in the College Savings
19 Pool, in the penal sum of \$1,000,000, conditioned upon the
20 faithful discharge of his or her duties in relation to the
21 College Savings Pool.

22 (Source: P.A. 95-23, eff. 8-3-07; 95-306, eff. 1-1-08; 95-521,
23 eff. 8-28-07; 95-876, eff. 8-21-08; 09700SB2185eng.)

24 Section 3. If and only if Senate Bill 2185 of the 97th
25 General Assembly becomes law in the form in which it passed the

1 Senate, then the School Code is amended by changing Section
2 21-25 as follows:

3 (105 ILCS 5/21-25) (from Ch. 122, par. 21-25)

4 Sec. 21-25. School service personnel certificate.

5 (a) For purposes of this Section, "school service
6 personnel" means persons employed and performing appropriate
7 services in an Illinois public or State-operated elementary
8 school, secondary school, or cooperative or joint agreement
9 with a governing body or board of control or a charter school
10 operating in compliance with the Charter Schools Law in a
11 position requiring a school service personnel certificate.

12 Subject to the provisions of Section 21-1a, a school
13 service personnel certificate shall be issued to those
14 applicants of good character, good health, a citizen of the
15 United States and at least 19 years of age who have a
16 Bachelor's degree with not fewer than 120 semester hours from a
17 regionally accredited institution of higher learning and who
18 meets the requirements established by the State Superintendent
19 of Education in consultation with the State Teacher
20 Certification Board. A school service personnel certificate
21 with a school nurse endorsement may be issued to a person who
22 holds a bachelor of science degree from an institution of
23 higher learning accredited by the North Central Association or
24 other comparable regional accrediting association. Persons
25 seeking any other endorsement on the school service personnel

1 certificate shall be recommended for the endorsement by a
2 recognized teacher education institution as having completed a
3 program of preparation approved by the State Superintendent of
4 Education in consultation with the State Teacher Certification
5 Board.

6 (b) Until August 30, 2002, a school service personnel
7 certificate endorsed for school social work may be issued to a
8 student who has completed a school social work program that has
9 not been approved by the State Superintendent of Education,
10 provided that each of the following conditions is met:

11 (1) The program was offered by a recognized, public
12 teacher education institution that first enrolled students
13 in its master's degree program in social work in 1998;

14 (2) The student applying for the school service
15 personnel certificate was enrolled in the institution's
16 master's degree program in social work on or after May 11,
17 1998;

18 (3) The State Superintendent verifies that the student
19 has completed coursework that is substantially similar to
20 that required in approved school social work programs,
21 including (i) not fewer than 600 clock hours of a
22 supervised internship in a school setting or (ii) if the
23 student has completed part of a supervised internship in a
24 school setting prior to the effective date of this
25 amendatory Act of the 92nd General Assembly and receives
26 the prior approval of the State Superintendent, not fewer

1 than 300 additional clock hours of supervised work in a
2 public school setting under the supervision of a certified
3 school social worker who certifies that the supervised work
4 was completed in a satisfactory manner; and

5 (4) The student has passed a test of basic skills and
6 the test of subject matter knowledge required by Section
7 21-1a.

8 This subsection (b) does not apply after August 29, 2002.

9 (c) A school service personnel certificate shall be
10 endorsed with the area of Service as determined by the State
11 Superintendent of Education in consultation with the State
12 Teacher Certification Board.

13 The holder of such certificate shall be entitled to all of
14 the rights and privileges granted holders of a valid teaching
15 certificate, including teacher benefits, compensation and
16 working conditions.

17 When the holder of such certificate has earned a master's
18 degree, including 8 semester hours of graduate professional
19 education from a recognized institution of higher learning, and
20 has at least 2 years of successful school experience while
21 holding such certificate, the certificate may be endorsed for
22 supervision.

23 (d) Persons who have successfully achieved National Board
24 certification through the National Board for Professional
25 Teaching Standards shall be issued a Master School Service
26 Personnel Certificate, valid for 10 years and renewable

1 thereafter every 10 years through compliance with requirements
2 set forth by the State Board of Education, in consultation with
3 the State Teacher Certification Board. However, each holder of
4 a Master School Service Personnel Certificate shall be eligible
5 for a corresponding position in this State in the areas for
6 which he or she holds a Master Certificate without satisfying
7 any other requirements of this Code, except for those
8 requirements pertaining to criminal background checks.

9 (e) School service personnel certificates are renewable
10 every 5 years and may be renewed as provided in this Section.
11 Requests for renewals must be submitted, in a format prescribed
12 by the State Board of Education, to the regional office of
13 education responsible for the school where the holder is
14 employed.

15 Upon completion of at least 80 hours of continuing
16 professional development as provided in this subsection (e), a
17 person who holds a valid school service personnel certificate
18 shall have his or her certificate renewed for a period of 5
19 years. A person who (i) holds an active license issued by the
20 State as a clinical professional counselor, a professional
21 counselor, a clinical social worker, a social worker, or a
22 speech-language pathologist; (ii) holds national certification
23 as a Nationally Certified School Psychologist from the National
24 School Psychology Certification Board; (iii) is nationally
25 certified as a National Certified School Nurse from the
26 National Board for Certification of School Nurses; (iv) is

1 nationally certified as a National Certified Counselor or
2 National Certified School Counselor from the National Board for
3 Certified Counselors; or (v) holds a Certificate of Clinical
4 Competence from the American Speech-Language-Hearing
5 Association shall be deemed to have satisfied the continuing
6 professional development requirements established by the State
7 Board of Education and the State Teacher Certification Board to
8 renew a school service personnel certificate.

9 School service personnel certificates may be renewed by the
10 State Teacher Certification Board based upon proof of
11 continuing professional development. The State Board of
12 Education shall (i) establish a procedure for renewing school
13 service personnel certificates, which shall include without
14 limitation annual timelines for the renewal process and the
15 components set forth in this Section; (ii) approve or
16 disapprove the providers of continuing professional
17 development activities; and (iii) provide, on a timely basis to
18 all school service personnel certificate holders, regional
19 superintendents of schools, school districts, and others with
20 an interest in continuing professional development,
21 information about the standards and requirements established
22 pursuant to this subsection (e).

23 Any school service personnel certificate held by an
24 individual employed and performing services in an Illinois
25 public or State-operated elementary school, secondary school,
26 or cooperative or joint agreement with a governing body or

1 board of control in a certificated school service personnel
2 position or in a charter school in compliance with the Charter
3 Schools Law must be maintained Valid and Active through
4 certificate renewal activities specified in the certificate
5 renewal procedure established pursuant to this Section,
6 provided that a holder of a Valid and Active certificate who is
7 only employed on either a part-time basis or day-to-day basis
8 as a substitute shall pay only the required registration fee to
9 renew his or her certificate and maintain it as Valid and
10 Active. All other school service personnel certificates held
11 may be maintained as Valid and Exempt through the registration
12 process provided for in the certificate renewal procedure
13 established pursuant to Section 21-14 of this Code. A Valid and
14 Exempt certificate must be immediately activated, through
15 procedures developed by the State Board of Education upon the
16 certificate holder becoming employed and performing services
17 in an Illinois public or State-operated elementary school,
18 secondary school, or cooperative or joint agreement with a
19 governing body or board of control in a certificated school
20 service personnel position or in a charter school operating in
21 compliance with the Charter Schools Law. A holder of a Valid
22 and Exempt certificate may activate his or her certificate
23 through procedures provided for in the certificate renewal
24 procedure established pursuant to this Section.

25 A school service personnel certificate that has been
26 maintained as Valid and Active for the 5 years of the

1 certificate's validity shall be renewed as Valid and Active
2 upon the certificate holder (i) completing the National Board
3 for Professional Teaching Standards process in an area of
4 concentration comparable to the holder's school service
5 personnel certificate of endorsement or (ii) earning 80
6 continuing professional development units as described in this
7 Section. If, however, the certificate holder has maintained the
8 certificate as Valid and Exempt for a portion of the 5-year
9 period of validity, the number of continuing professional
10 development units needed to renew the certificate as Valid and
11 Active must be proportionately reduced by the amount of time
12 the certificate was Valid and Exempt. If a certificate holder
13 is employed and performs services requiring the holder's school
14 service personnel certificate on a part-time basis for all or a
15 portion of the certificate's 5-year period of validity, the
16 number of continuing professional development units needed to
17 renew the certificate as Valid and Active shall be reduced by
18 50% for the amount of time the certificate holder has been
19 employed and performing such services on a part-time basis.
20 "Part-time" means less than 50% of the school day or school
21 term.

22 Beginning July 1, 2008, in order to satisfy the
23 requirements for continuing professional development provided
24 for in this Section, each Valid and Active school service
25 personnel certificate holder shall complete professional
26 development activities that address the certificate or those

1 certificates that are required of his or her certificated
2 position, if the certificate holder is employed and performing
3 services in an Illinois public or State operated elementary
4 school, secondary school, or cooperative or joint agreement
5 with a governing body or board of control, or that certificate
6 or those certificates most closely related to his or her
7 teaching position, if the certificate holder is employed in a
8 charter school. Except as otherwise provided in this subsection
9 (e), the certificate holder's activities must address and must
10 reflect the following continuing professional development
11 purposes:

12 (1) Advance both the certificate holder's knowledge
13 and skills consistent with the Illinois Standards for the
14 service area in which the certificate is endorsed in order
15 to keep the certificate holder current in that area.

16 (2) Develop the certificate holder's knowledge and
17 skills in areas determined by the State Board of Education
18 to be critical for all school service personnel.

19 (3) Address the knowledge, skills, and goals of the
20 certificate holder's local school improvement plan, if the
21 certificate holder is employed in an Illinois public or
22 State-operated elementary school, secondary school, or
23 cooperative or joint agreement with a governing body or
24 board of control.

25 (4) Address the needs of serving students with
26 disabilities, including adapting and modifying clinical or

1 professional practices to meet the needs of students with
2 disabilities and serving such students in the least
3 restrictive environment.

4 ~~(5) Address the needs of serving students who are the~~
5 ~~children of immigrants, including, if the certificate~~
6 ~~holder is employed as a counselor in an Illinois public or~~
7 ~~State operated secondary school, opportunities for higher~~
8 ~~education for students who are undocumented immigrants.~~

9 The coursework or continuing professional development
10 units ("CPDU") required under this subsection (e) must total 80
11 CPDUs or the equivalent and must address ~~4~~ 3 of the ~~5~~ 4
12 purposes described in items (1) through ~~(5)~~ (4) of this
13 subsection (e). Holders of school service personnel
14 certificates may fulfill this obligation with any combination
15 of semester hours or CPDUs as follows:

16 (A) Collaboration and partnership activities related
17 to improving the school service personnel certificate
18 holder's knowledge and skills, including (i) participating
19 on collaborative planning and professional improvement
20 teams and committees; (ii) peer review and coaching; (iii)
21 mentoring in a formal mentoring program, including service
22 as a consulting teacher participating in a remediation
23 process formulated under Section 24A-5 of this Code; (iv)
24 participating in site-based management or decision-making
25 teams, relevant committees, boards, or task forces
26 directly related to school improvement plans; (v)

1 coordinating community resources in schools, if the
2 project is a specific goal of the school improvement plan;
3 (vi) facilitating parent education programs for a school,
4 school district, or regional office of education directly
5 related to student achievement or school improvement
6 plans; (vii) participating in business, school, or
7 community partnerships directly related to student
8 achievement or school improvement plans; or (viii)
9 supervising a student teacher (student services personnel)
10 or teacher education candidate in clinical supervision,
11 provided that the supervision may be counted only once
12 during the course of 5 years.

13 (B) Coursework from a regionally accredited
14 institution of higher learning related to one of the
15 purposes listed in items (1) through (4) of this subsection
16 (e), which shall apply at the rate of 15 continuing
17 professional development units per semester hour of credit
18 earned during the previous 5-year period when the status of
19 the holder's school service personnel certificate was
20 Valid and Active. Proportionate reductions shall apply
21 when the holder's status was Valid and Active for less than
22 the 5-year period preceding the renewal.

23 (C) Teaching college or university courses in areas
24 relevant to the certificate area being renewed, provided
25 that the teaching may be counted only once during the
26 course of 5 years.

1 (D) Conferences, workshops, institutes, seminars, or
2 symposiums designed to improve the certificate holder's
3 knowledge and skills in the service area and applicable to
4 the purposes listed in items (1) through ~~(5)~~ (4) of this
5 subsection (e). One CPDU shall be awarded for each hour of
6 attendance. No one shall receive credit for conferences,
7 workshops, institutes, seminars, or symposiums that are
8 designed for entertainment, promotional, or commercial
9 purposes or that are solely inspirational or motivational.
10 The State Superintendent of Education and regional
11 superintendents of schools are authorized to review the
12 activities and events provided or to be provided under this
13 subdivision (D) and to investigate complaints regarding
14 those activities and events. Either the State
15 Superintendent of Education or a regional superintendent
16 of schools may recommend that the State Board of Education
17 disapprove those activities and events considered to be
18 inconsistent with this subdivision (D).

19 (E) Completing non-university credit directly related
20 to student achievement, school improvement plans, or State
21 priorities.

22 (F) Participating in or presenting at workshops,
23 seminars, conferences, institutes, or symposiums.

24 (G) Training as external reviewers for quality
25 assurance.

26 (H) Training as reviewers of university teacher

1 preparation programs.

2 (I) Other educational experiences related to improving
3 the school service personnel's knowledge and skills as a
4 teacher, including (i) participating in action research
5 and inquiry projects; (ii) traveling related to one's
6 assignment and directly related to school service
7 personnel achievement or school improvement plans and
8 approved by the regional superintendent of schools or his
9 or her designee at least 30 days prior to the travel
10 experience, provided that the traveling shall not include
11 time spent commuting to destinations where the learning
12 experience will occur; (iii) participating in study groups
13 related to student achievement or school improvement
14 plans; (iv) serving on a statewide education-related
15 committee, including without limitation the State Teacher
16 Certification Board, State Board of Education strategic
17 agenda teams, or the State Advisory Council on Education of
18 Children with Disabilities; (v) participating in
19 work/learn programs or internships; or (vi) developing a
20 portfolio of student and teacher work.

21 (J) Professional leadership experiences related to
22 improving the teacher's knowledge and skills as a teacher,
23 including (i) participating in curriculum development or
24 assessment activities at the school, school district,
25 regional office of education, State, or national level;
26 (ii) participating in team or department leadership in a

1 school or school district; (iii) participating on external
2 or internal school or school district review teams; (iv)
3 publishing educational articles, columns, or books
4 relevant to the certificate area being renewed; or (v)
5 participating in non-strike-related professional
6 association or labor organization service or activities
7 related to professional development.

8 (Source: P.A. 94-105, eff. 7-1-05; 95-592, eff. 7-1-08;
9 09700SB2185eng.)

10 (110 ILCS 947/67 rep.)

11 Section 4. If and only if Senate Bill 2185 of the 97th
12 General Assembly becomes law in the form in which it passed the
13 Senate, then the Higher Education Student Assistance Act is
14 amended by repealing Section 67.

15 Section 5. If and only if Senate Bill 2185 of the 97th
16 General Assembly becomes law in the form in which it passed the
17 Senate, then the Higher Education Student Assistance Act is
18 amended by changing Section 75 as follows:

19 (110 ILCS 947/75)

20 Sec. 75. College savings programs.

21 (a) Purpose. The General Assembly finds and hereby declares
22 that for the benefit of the people of the State of Illinois,
23 the conduct and increase of their commerce, the protection and

1 enhancement of their welfare, the development of continued
2 prosperity and the improvement of their health and living
3 conditions, it is essential that all citizens with the
4 intellectual ability and motivation be able to obtain a higher
5 education. The General Assembly further finds that rising
6 tuition costs, increasingly restrictive eligibility criteria
7 for existing federal and State student aid programs and other
8 trends in higher education finance have impeded access to a
9 higher education for many middle-income families; and that to
10 remedy these concerns, it is of utmost importance that families
11 be provided with investment alternatives to enhance their
12 financial access to institutions of higher education. It is the
13 intent of this Section to establish College Savings Programs
14 appropriate for families from various income groups, to
15 encourage Illinois families to save and invest in anticipation
16 of their children's education, and to encourage enrollment in
17 institutions of higher education, all in execution of the
18 public policy set forth above and elsewhere in this Act.
19 ~~College Savings Programs established under this Section must be~~
20 ~~available to any individual with a valid social security number~~
21 ~~or taxpayer identification number for the benefit of any~~
22 ~~individual with a valid social security number or taxpayer~~
23 ~~identification number.~~

24 (b) The Commission is authorized to develop and provide a
25 program of college savings instruments to ~~qualifying~~ Illinois
26 ~~residents~~ citizens. The program shall be structured to

1 encourage parents to plan ahead for the college education of
2 their children and to permit the long-term accumulation of
3 savings which can be used to finance the family's share of the
4 cost of a higher education. Income, up to \$2,000 annually per
5 account, which is derived by individuals from investments made
6 in accordance with College Savings Programs established under
7 this Section shall be free from all taxation by the State and
8 its political subdivisions, except for estate, transfer, and
9 inheritance taxes.

10 (c) The Commission is authorized to contract with private
11 financial institutions and other businesses, individuals, and
12 other appropriate parties to establish and operate the College
13 Savings Programs. The Commission may negotiate contracts with
14 private financial and investment companies, establish College
15 Savings Programs, and monitor the vendors administering the
16 programs in whichever manner the Commission determines is best
17 suited to accomplish the purposes of this Section. The Auditor
18 General shall periodically review the operation of the College
19 Savings Programs and shall advise the Commission and the
20 General Assembly of his findings.

21 (d) In determining the type of instruments to be offered,
22 the Commission shall consult with, and receive the assistance
23 of, the Illinois Board of Higher Education, the Governor's
24 Office of Management and Budget, the State Board of
25 Investments, the Governor, and other appropriate State
26 agencies and private parties.

1 (e) The Commission shall market and promote the College
2 Savings Programs to the citizens of Illinois.

3 (f) The Commission shall assist the State Comptroller and
4 State Treasurer in establishing a payroll deduction plan
5 through which State employees may participate in the College
6 Savings Programs. The Department of Labor, Department of
7 Employment Security, Department of Revenue, and other
8 appropriate agencies shall assist the Commission in educating
9 Illinois employers about the College Savings Programs, and
10 shall assist the Commission in securing employers'
11 participation in a payroll deduction plan and other initiatives
12 which maximize participation in the College Savings Programs.

13 (g) The Commission shall examine means by which the State,
14 through a series of matching contributions or other incentives,
15 may most effectively encourage Illinois families to
16 participate in the College Savings Programs. The Commission
17 shall report its conclusions and recommendations to the
18 Governor and General Assembly no later than February 15, 1990.

19 (h) The College Savings Programs established pursuant to
20 this Section shall not be subject to the provisions of the
21 Illinois Administrative Procedure Act. The Commission shall
22 provide that appropriate disclosures are provided to all
23 citizens who participate in the College Savings Programs.

24 (Source: P.A. 94-793, eff. 5-19-06; 09700SB2185eng.)

25 Section 10. If and only if Senate Bill 2185 of the 97th

1 General Assembly becomes law in the form in which it passed the
2 Senate, then the Illinois Prepaid Tuition Act is amended by
3 changing Section 45 as follows:

4 (110 ILCS 979/45)

5 Sec. 45. Illinois prepaid tuition contracts.

6 (a) The Commission may enter into an Illinois prepaid
7 tuition contract with a purchaser under which the Commission
8 contracts on behalf of the State to pay full tuition and
9 mandatory fees at an Illinois public university or Illinois
10 community college for a qualified beneficiary to attend the
11 eligible institution to which the qualified beneficiary is
12 admitted. Each contract shall contain terms, conditions, and
13 provisions that the Commission determines to be necessary for
14 ensuring the educational objectives and sustainable financial
15 viability of the Illinois prepaid tuition program.

16 (b) Each contract shall have one designated purchaser and
17 one designated qualified beneficiary. Unless otherwise
18 specified in the contract, the purchaser owns the contract and
19 retains any tax liability for its assets only until the first
20 distribution of benefits. Contracts shall be purchased in units
21 of 15 credit hours.

22 (c) Without exception, benefits may be received by a
23 qualified beneficiary of an Illinois prepaid tuition contract
24 no earlier than 3 years from the date the contract is
25 purchased.

1 (d) A prepaid tuition contract shall contain, but is not
2 limited to, provisions for (i) refunds or withdrawals in
3 certain circumstances, with or without interest or penalties;
4 (ii) conversion of the contract at the time of distribution
5 from accrued prepayment value at one type of eligible
6 institution to the accrued prepayment value at a different type
7 of eligible institution; (iii) portability of the accrued value
8 of the prepayment value for use at an eligible institution
9 located outside this State; (iv) transferability of the
10 contract benefits within the qualified beneficiary's immediate
11 family; and (v) a specified benefit period during which the
12 contract may be redeemed.

13 (e) Each Illinois prepaid tuition contract also shall
14 contain, at minimum, all of the following:

15 (1) The amount of payment or payments and the number of
16 payments required from a purchaser on behalf of a qualified
17 beneficiary.

18 (2) The terms and conditions under which purchasers
19 shall remit payments, including, but not limited to, the
20 date or dates upon which each payment shall be due.

21 (3) Provisions for late payment charges and for
22 default.

23 (4) Provisions for penalty fees payable incident to an
24 authorized withdrawal.

25 (5) The name, date of birth, and social security number
26 ~~or taxpayer identification number~~ of the qualified

1 beneficiary on whose behalf the contract is drawn and the
2 terms and conditions under which the contract may be
3 transferred to another qualified beneficiary.

4 (6) The name and social security number ~~or taxpayer~~
5 ~~identification number~~ of any person who may terminate the
6 contract, together with terms that specify whether the
7 contract may be terminated by the purchaser, the qualified
8 beneficiary, a specific designated person, or any
9 combination of these persons.

10 (7) The terms and conditions under which a contract may
11 be terminated, the name and social security number ~~or~~
12 ~~taxpayer identification number~~ of the person entitled to
13 any refund due as a result of the termination of the
14 contract pursuant to those terms and conditions, and the
15 method for determining the amount of a refund.

16 (8) The time limitations, if any, within which the
17 qualified beneficiary must claim his or her benefits
18 through the program.

19 (9) Other terms and conditions determined by the
20 Commission to be appropriate.

21 (f) In addition to the contract provisions set forth in
22 subsection (e), each Illinois prepaid tuition contract shall
23 include:

24 (1) The number of credit hours contracted by the
25 purchaser.

26 (2) The type of eligible institution and the prepaid

1 tuition plan toward which the credit hours shall be
2 applied.

3 (3) The explicit contractual obligation of the
4 Commission to the qualified beneficiary to provide a
5 specific number of credit hours of undergraduate
6 instruction at an eligible institution, not to exceed the
7 maximum number of credit hours required for the conference
8 of a degree that corresponds to the plan purchased on
9 behalf of the qualified beneficiary.

10 (g) The Commission shall indicate by rule the conditions
11 under which refunds are payable to a contract purchaser.
12 Generally, no refund shall exceed the amount paid into the
13 Illinois Prepaid Tuition Trust Fund by the purchaser. In the
14 event that a contract is converted from a Public University
15 Plan described in subsection (j) of this Section to a Community
16 College Plan described in subsection (k) of this Section, the
17 refund amount shall be reduced by the amount transferred to the
18 Illinois community college on behalf of the qualified
19 beneficiary. Except where the Commission may otherwise rule,
20 refunds may exceed the amount paid into the Illinois Prepaid
21 Tuition Trust Fund only under the following circumstances:

22 (1) If the qualified beneficiary is awarded a grant or
23 scholarship at a public institution of higher education,
24 the terms of which duplicate the benefits included in the
25 Illinois prepaid tuition contract, then moneys paid for the
26 purchase of the contract shall be returned to the

1 purchaser, upon request, in semester installments that
2 coincide with the matriculation by the qualified
3 beneficiary, in an amount equal to the current cost of
4 tuition and mandatory fees at the public institution of
5 higher education where the qualified beneficiary is
6 enrolled.

7 (1.5) If the qualified beneficiary is awarded a grant
8 or scholarship while enrolled at either an eligible
9 nonpublic institution of higher education or an eligible
10 public or private out-of-state higher education
11 institution, the terms of which duplicate the benefits
12 included in the Illinois prepaid tuition contract, then
13 money paid for the purchase of the contract shall be
14 returned to the purchaser, upon request, in semester
15 installments that coincide with the matriculation by the
16 qualified beneficiary. The amount paid shall not exceed the
17 current average mean-weighted credit hour value of the
18 registration fees purchased under the contract.

19 (2) In the event of the death or total disability of
20 the qualified beneficiary, moneys paid for the purchase of
21 the Illinois prepaid tuition contract shall be returned to
22 the purchaser together with all accrued earnings.

23 (3) If an Illinois prepaid tuition contract is
24 converted from a Public University Plan to a Community
25 College Plan, then the amount refunded shall be the value
26 of the original Illinois prepaid tuition contract minus the

1 value of the contract after conversion.

2 No refund shall be authorized under an Illinois prepaid
3 tuition contract for any semester partially attended but not
4 completed.

5 The Commission, by rule, shall set forth specific
6 procedures for making contract payments in conjunction with
7 grants and scholarships awarded to contract beneficiaries.

8 Moneys paid into or out of the Illinois Prepaid Tuition
9 Trust Fund by or on behalf of the purchaser or the qualified
10 beneficiary of an Illinois prepaid tuition contract are exempt
11 from all claims of creditors of the purchaser or beneficiary,
12 so long as the contract has not been terminated.

13 The State or any State agency, county, municipality, or
14 other political subdivision, by contract or collective
15 bargaining agreement, may agree with any employee to remit
16 payments toward the purchase of Illinois prepaid tuition
17 contracts through payroll deductions made by the appropriate
18 officer or officers of the entity making the payments. Such
19 payments shall be held and administered in accordance with this
20 Act.

21 (h) Nothing in this Act shall be construed as a promise or
22 guarantee that a qualified beneficiary will be admitted to an
23 eligible institution or to a particular eligible institution,
24 will be allowed to continue enrollment at an eligible
25 institution after admission, or will be graduated from an
26 eligible institution.

1 (i) The Commission shall develop and make prepaid tuition
2 contracts available under a minimum of at least 2 independent
3 plans to be known as the Public University Plan and the
4 Community College Plan.

5 Contracts shall be purchased in units of 15 credit hours at
6 either an Illinois public university or an Illinois community
7 college. The minimum purchase amount per qualified beneficiary
8 shall be one unit or 15 credit hours. The maximum purchase
9 amount shall be 9 units (or 135 credit hours) for the Public
10 University Plan and 4 units (or 60 credit hours) for the
11 Community College Plan.

12 (j) Public University Plan. Through the Public University
13 Plan, the Illinois prepaid tuition contract shall provide
14 prepaid registration fees, which include full tuition costs as
15 well as mandatory fees, for a specified number of undergraduate
16 credit hours, not to exceed the maximum number of credit hours
17 required for the conference of a baccalaureate degree. In
18 determining the cost of participation in the Public University
19 Plan, the Commission shall reference the combined
20 mean-weighted current registration fees from Illinois public
21 universities.

22 In the event that a qualified beneficiary for whatever
23 reason chooses to attend an Illinois community college, the
24 qualified beneficiary may convert the average number of credit
25 hours required for the conference of an associate degree from
26 the Public University Plan to the Community College Plan and

1 may retain the remaining Public University Plan credit hours or
2 may request a refund for prepaid credit hours in excess of
3 those required for conference of an associate degree. In
4 determining the amount of any refund, the Commission also shall
5 recognize the current relative credit hour cost of the 2 plans
6 when making any conversion.

7 Qualified beneficiaries shall bear the cost of any
8 laboratory or other non-mandatory fees associated with
9 enrollment in specific courses. Qualified beneficiaries who
10 are not Illinois residents shall bear the difference in cost
11 between in-state registration fees guaranteed by the prepaid
12 tuition contract and tuition and other charges assessed upon
13 out-of-state students by the eligible institution.

14 (k) Community College Plan. Through the Community College
15 Plan, the Illinois prepaid tuition contract shall provide
16 prepaid registration fees, which include full tuition costs as
17 well as mandatory fees, for a specified number of undergraduate
18 credit hours, not to exceed the maximum number of credit hours
19 required for the conference of an associate degree. In
20 determining the cost of participation in the Community College
21 Plan, the Commission shall reference the combined
22 mean-weighted current registration fees from all Illinois
23 community colleges.

24 In the event that a qualified beneficiary for whatever
25 reason chooses to attend an Illinois public university, the
26 qualified beneficiary's prepaid tuition contract shall be

1 converted for use at that Illinois public university by
2 referencing the current average mean-weighted credit hour
3 value of registration fees at Illinois community colleges
4 relative to the corresponding value of registration fees at
5 Illinois public universities.

6 Qualified beneficiaries shall bear the cost of any
7 laboratory or other non-mandatory fees associated with
8 enrollment in specific courses. Qualified beneficiaries who
9 are not Illinois residents shall bear the difference in cost
10 between in-state registration fees guaranteed by the prepaid
11 tuition contract and tuition and other charges assessed upon
12 out-of-state students by the eligible institution.

13 (1) A qualified beneficiary may apply the benefits of any
14 Illinois prepaid tuition contract toward a nonpublic
15 institution of higher education. In the event that a qualified
16 beneficiary for whatever reason chooses to attend a nonpublic
17 institution of higher education, the qualified beneficiary's
18 prepaid tuition contract shall be converted for use at that
19 nonpublic institution of higher education by referencing the
20 current average mean-weighted credit hour value of
21 registration fees purchased under the contract. The Commission
22 shall transfer, or cause to have transferred, this amount, less
23 a transfer fee, to the nonpublic institution on behalf of the
24 beneficiary. In the event that the cost of registration charged
25 to the beneficiary at the nonpublic institution of higher
26 education is less than the aggregate value of the Illinois

1 prepaid tuition contract, any remaining amount shall be
2 transferred in subsequent semesters until the transfer value is
3 fully depleted.

4 (m) A qualified beneficiary may apply the benefits of any
5 Illinois prepaid tuition contract toward an eligible
6 out-of-state college or university. Institutional eligibility
7 for out-of-state colleges and universities shall be determined
8 by the Commission according to standards substantially
9 equivalent to those for an eligible institution located in this
10 State, as described in the definition of "institution of higher
11 learning" in Section 10 of the Higher Education Student
12 Assistance Act. In the event that a qualified beneficiary for
13 whatever reason chooses to attend an eligible out-of-state
14 college or university, the qualified beneficiary's prepaid
15 tuition contract shall be converted for use at that college or
16 university by referencing the current average mean-weighted
17 credit hour value of registration fees purchased under the
18 contract. The Commission shall transfer, or cause to have
19 transferred, this amount, less a transfer fee, to the college
20 or university on behalf of the beneficiary. In the event that
21 the cost of registration charged to the beneficiary at the
22 eligible out-of-state college or university is less than the
23 aggregate value of the Illinois prepaid tuition contract, any
24 remaining amount shall be transferred in subsequent semesters
25 until the transfer value is fully depleted.

26 (n) Illinois prepaid tuition contracts may be purchased

1 either by lump sum or by installments. No penalty shall be
2 assessed for early payment of installment contracts.

3 (o) The Commission shall annually adjust the price of new
4 contracts, in accordance with the annual changes in
5 registration fees at Illinois public universities and
6 community colleges.

7 (Source: P.A. 95-217, eff. 8-16-07; 96-1282, eff. 7-26-10;
8 09700SB2185eng.)

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