**Section 582.165 Suspension or Termination of Loan Repayment Funding**

a) Availability of Appropriation or Sufficiency of Funds

1) The agreement is contingent upon and subject to the availability of funds. The Department may terminate or suspend the agreement, in whole or in part, without penalty or further payment being required, if:

A) The Illinois General Assembly or the federal funding source fails to make an appropriation sufficient to pay the obligation, or if funds needed are insufficient for any reason;

B) The Governor decreases the Department's funding by reserving some or all of the Department's appropriation or appropriations pursuant to power delegated to the Governor by the Illinois General Assembly; or

C) The Department or the Governor determines that a reduction is necessary or advisable based upon actual or projected budgetary considerations.

2) The recipient will be notified in writing of the lack of appropriation or a reduction or decrease.

b) Termination for Cause

1) The Department may immediately terminate the agreement, in whole or in part, upon notice to the recipient, if:

A) The recipient is convicted of committing any illegal act other than a minor traffic violation (or similar offenses);

B) The Department determines that the actions or inactions of the recipient have caused, or reasonably could cause, jeopardy to health, safety or property of any person or the Department itself;

C) The Department has notified the recipient that the Department is unable or unwilling to perform the agreement; or

D) The Department has reasonable cause to believe that the recipient cannot lawfully perform the agreement.

2) If the recipient breaches any material term, condition or provision of the agreement or violates a material provision of the agreement, the Department may cancel the agreement, upon 15 calendar days prior written notice to the recipient. For termination for any of the causes contained in this Section, the Department retains its right to seek any available legal or equitable remedies and damages.

(Source: Amended at 47 Ill. Reg. 13300, effective August 29, 2023)