



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

SB1342

Introduced 2/7/2019, by Sen. Martin A. Sandoval

SYNOPSIS AS INTRODUCED:

110 ILCS 947/71 new

Amends the Higher Education Student Assistance Act. Requires the Illinois Student Assistance Commission to establish a student loan refinancing program for the purpose of purchasing any outstanding federal, State, or private student loans of an applicant who meets specified criteria, including Illinois residency. Provides that if the Commission refinances the loan of an applicant, the applicant must be charged the lowest possible interest rate for student loans in this State on the date the Commission approves the application. Provides that if at any time an individual who is participating in the refinancing program is no longer a resident of this State, the Commission may increase his or her loan interest rate. Requires the Commission to adopt rules.

LRB101 07553 AXK 52598 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 5. The Higher Education Student Assistance Act is
5 amended by adding Section 71 as follows:

6 (110 ILCS 947/71 new)

7 Sec. 71. Student loan refinancing program.

8 (a) The Commission must establish and, each year, receive
9 and consider applications under a student loan refinancing
10 program for the purpose of purchasing any outstanding federal,
11 State, or private student loans of an applicant who meets all
12 of the following qualifications:

13 (1) He or she is a resident of this State.

14 (2) He or she has graduated from an institution of
15 higher learning or any other public or private
16 postsecondary institution in the United States.

17 (3) He or she is not in default on any student loan and
18 does not owe a refund or repayment on any State or federal
19 grant or scholarship.

20 (4) Any other criteria established by the Commission.

21 (b) If the Commission refinances the loan of an applicant
22 under this Section, the applicant must be charged the lowest
23 possible interest rate for student loans in this State on the

1 date the Commission approves the application. If at any time an
2 individual who is participating in the refinancing program is
3 no longer a resident of this State, the Commission may increase
4 his or her loan interest rate.

5 (c) All applications under this Section must be made to the
6 Commission on forms that the Commission shall provide. The
7 Commission shall determine the form of application and the
8 information required to be set forth in the application, and
9 the Commission shall require applicants to submit with their
10 applications any supporting documents that the Commission
11 deems necessary.

12 (d) The Commission must adopt rules to implement this
13 Section.