



## 103RD GENERAL ASSEMBLY

### State of Illinois

2023 and 2024

HB2898

Introduced 2/16/2023, by Rep. Maurice A. West, II

#### SYNOPSIS AS INTRODUCED:

30 ILCS 105/5.990 new  
105 ILCS 426/35  
110 ILCS 947/35

Amends the Private Business and Vocational Schools Act of 2012. In provisions regarding institution and program approval criteria, provides that a part of the criteria for approval is fair and equitable reimbursement in the case of an unfair or deceptive practice finding. Amends the Higher Education Student Assistance Act. In provisions concerning the monetary award program, sets forth provisions concerning an institution that received monetary award program funds at a time the institution was using unfair or deceptive practices, including refunding State funds to the Illinois Student Assistance Commission and awarding grants to students who attended that institution. Amends the State Finance Act to create the MAP Refund Fund as a special fund in the State treasury. Effective immediately.

LRB103 05261 RJT 50279 b

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 State Finance Act is amended by adding  
5 Section 5.990 as follows:

6 (30 ILCS 105/5.990 new)

7 Sec. 5.990. The MAP Refund Fund.

8 Section 10. The Private Business and Vocational Schools  
9 Act of 2012 is amended by changing Section 35 as follows:

10 (105 ILCS 426/35)

11 Sec. 35. Institution and program approval criteria. Each  
12 entity seeking a permit of approval is required to demonstrate  
13 that it satisfies institution-approval criteria and that each  
14 program of study offered meets the program-approval criteria  
15 in this Act and any applicable rules. The following standard  
16 criteria are intended to measure the appropriateness of the  
17 stated educational objectives of the educational programs of a  
18 given institution and the extent to which suitable and proper  
19 processes have been developed for meeting those objectives.  
20 Information related to the satisfaction of the approval  
21 criteria outlined in this Section must be supplied to the

1 Board by institutions on forms provided by the Board.  
2 Additional information may be requested by the Board to  
3 determine the institution's ability to satisfy the criteria.  
4 The following must be considered as part of, but not  
5 necessarily all of, the criteria for approval of institutions  
6 and the programs offered under this Act:

7 (1) Qualifications of governing board members, owners,  
8 and senior administrators. At a minimum, these individuals  
9 must be of good moral character and have no felony  
10 criminal record.

11 (2) Qualifications of faculty and staff.

12 (3) Demonstration of student learning and quality of  
13 program delivery.

14 (4) Sufficiency of institutional finances. The  
15 institution must demonstrate that it has the financial  
16 resources sufficient to meet its financial obligations,  
17 including, but not limited to, refunding tuition pursuant  
18 to the institution's stated policies. The school must  
19 tender financial records, including, but not limited to,  
20 financial statements, income statements, and cash flow  
21 statements.

22 (5) Accuracy, clarity, and appropriateness of program  
23 descriptions. Institutional promotional, advertising, and  
24 recruiting materials must be clear, appropriate, and  
25 accurate.

26 (6) Sufficiency of facilities and equipment. At a

1 minimum, these must be appropriate and must meet  
2 applicable safety code requirements and ordinances.

3 (7) Fair and equitable refund policies. At a minimum,  
4 these must be fair and equitable, must satisfy any related  
5 State or federal rules, and must abide by the standards  
6 established in Section 60 of this Act and the rules  
7 adopted for the implementation of this Act.

8 (8) Appropriate and ethical admissions and recruitment  
9 practices. At a minimum, recruiting practices must be  
10 ethical and abide by any State or federal rules.

11 (9) Recognized accreditation status. Accreditation  
12 with an accrediting body approved by the U.S. Department  
13 of Education may be counted as significant evidence of the  
14 institution's ability to meet curricular approval  
15 criteria.

16 (10) Meeting employment requirements in the field of  
17 study. The institution must clearly demonstrate how a  
18 student's completion of the program of study satisfies  
19 employment requirements in the occupational field. Such  
20 information must be clearly and accurately provided to  
21 students. If licensure, certification, or their equivalent  
22 is required of program graduates to enter the field of  
23 employment, the institution must clearly demonstrate that  
24 completion of the program will allow students to achieve  
25 this status.

26 (11) Enrollment agreements that, at a minimum, meet

1 the requirements outlined in Section 40 of this Act.

2 (12) Clearly communicated tuition and fee charges.  
3 Tuition and fees and any other expense charged by the  
4 school must be appropriate to the expected income that  
5 will be earned by graduates. No school may have a tuition  
6 policy or enrollment agreement that requires that a  
7 student register for more than a single semester, quarter,  
8 term, or other such period of enrollment as a condition of  
9 the enrollment nor shall any school charge a student for  
10 multiple periods of enrollment prior to completion of the  
11 single semester, quarter, term, or other such period of  
12 enrollment.

13 (13) Legal action against the institution, its parent  
14 company, its owners, its governing board, or its board  
15 members. Any such legal action must be provided to the  
16 Board and may be considered as a reason for denial or  
17 revocation of the permit of approval.

18 (14) Fair and equitable reimbursement in the case of  
19 an unfair or deceptive practice finding. If an institution  
20 received monetary award program funds under Section 35 of  
21 the Higher Education Student Assistance Act at a time the  
22 institution was using an unfair or deceptive practice, as  
23 defined by the Federal Trade Commission, and is required  
24 to reimburse students for loans taken to pay for their  
25 education due to a judgment against the institution after  
26 the effective date of this amendatory Act of the 103rd

1 General Assembly, then any State funds paid to the  
2 institution in the time period of that judgment must be  
3 refunded to the Illinois Student Assistance Commission  
4 under Section 35 of the Higher Education Student  
5 Assistance Act. In this paragraph (14), "unfair or  
6 deceptive practice" means an act or practice in which a  
7 representation, omission, or practice misleads or is  
8 likely to mislead a consumer as determined by the Federal  
9 Trade Commission.

10 (Source: P.A. 102-1046, eff. 6-7-22.)

11 Section 15. The Higher Education Student Assistance Act is  
12 amended by changing Section 35 as follows:

13 (110 ILCS 947/35)

14 Sec. 35. Monetary award program.

15 (a) The Commission shall, each year, receive and consider  
16 applications for grant assistance under this Section. Subject  
17 to a separate appropriation for such purposes, an applicant is  
18 eligible for a grant under this Section when the Commission  
19 finds that the applicant:

20 (1) is a resident of this State and a citizen or  
21 permanent resident of the United States;

22 (2) is enrolled or has been accepted for enrollment in  
23 a qualified institution for the purpose of obtaining a  
24 degree, certificate, or other credential offered by the

1 institution, as applicable; and

2 (3) in the absence of grant assistance, will be  
3 deterred by financial considerations from completing an  
4 educational program at the qualified institution of his or  
5 her choice.

6 (b) The Commission shall award renewals only upon the  
7 student's application and upon the Commission's finding that  
8 the applicant:

9 (1) has remained a student in good standing;

10 (2) remains a resident of this State; and

11 (3) is in a financial situation that continues to  
12 warrant assistance.

13 (c) All grants shall be applicable only to tuition and  
14 necessary fee costs. The Commission shall determine the grant  
15 amount for each student, which shall not exceed the smallest  
16 of the following amounts:

17 (1) subject to appropriation, \$5,468 for fiscal year  
18 2009, \$5,968 for fiscal year 2010, \$6,468 for fiscal year  
19 2011 and each fiscal year thereafter through fiscal year  
20 2022, and \$8,508 for fiscal year 2023 and each fiscal year  
21 thereafter, or such lesser amount as the Commission finds  
22 to be available, during an academic year;

23 (2) the amount which equals 2 semesters or 3 quarters  
24 tuition and other necessary fees required generally by the  
25 institution of all full-time undergraduate students; or

26 (3) such amount as the Commission finds to be

1 appropriate in view of the applicant's financial  
2 resources.

3 Subject to appropriation, the maximum grant amount for  
4 students not subject to subdivision (1) of this subsection (c)  
5 must be increased by the same percentage as any increase made  
6 by law to the maximum grant amount under subdivision (1) of  
7 this subsection (c).

8 "Tuition and other necessary fees" as used in this Section  
9 include the customary charge for instruction and use of  
10 facilities in general, and the additional fixed fees charged  
11 for specified purposes, which are required generally of  
12 nongrant recipients for each academic period for which the  
13 grant applicant actually enrolls, but do not include fees  
14 payable only once or breakage fees and other contingent  
15 deposits which are refundable in whole or in part. The  
16 Commission may prescribe, by rule not inconsistent with this  
17 Section, detailed provisions concerning the computation of  
18 tuition and other necessary fees.

19 (d) No applicant, including those presently receiving  
20 scholarship assistance under this Act, is eligible for  
21 monetary award program consideration under this Act after  
22 receiving a baccalaureate degree or the equivalent of 135  
23 semester credit hours of award payments.

24 (d-5) In this subsection (d-5), "renewing applicant" means  
25 a student attending an institution of higher learning who  
26 received a Monetary Award Program grant during the prior



1 academic year. Beginning with the processing of applications  
2 for the 2020-2021 academic year, the Commission shall annually  
3 publish a priority deadline date for renewing applicants.  
4 Subject to appropriation, a renewing applicant who files by  
5 the published priority deadline date shall receive a grant if  
6 he or she continues to meet the eligibility requirements under  
7 this Section. A renewing applicant's failure to apply by the  
8 priority deadline date established under this subsection (d-5)  
9 shall not disqualify him or her from receiving a grant if  
10 sufficient funding is available to provide awards after that  
11 date.

12 (e) The Commission, in determining the number of grants to  
13 be offered, shall take into consideration past experience with  
14 the rate of grant funds unclaimed by recipients. The  
15 Commission shall notify applicants that grant assistance is  
16 contingent upon the availability of appropriated funds.

17 (e-5) The General Assembly finds and declares that it is  
18 an important purpose of the Monetary Award Program to  
19 facilitate access to college both for students who pursue  
20 postsecondary education immediately following high school and  
21 for those who pursue postsecondary education later in life,  
22 particularly Illinoisans who are dislocated workers with  
23 financial need and who are seeking to improve their economic  
24 position through education. For the 2015-2016 and 2016-2017  
25 academic years, the Commission shall give additional and  
26 specific consideration to the needs of dislocated workers with

1 the intent of allowing applicants who are dislocated workers  
2 an opportunity to secure financial assistance even if applying  
3 later than the general pool of applicants. The Commission's  
4 consideration shall include, in determining the number of  
5 grants to be offered, an estimate of the resources needed to  
6 serve dislocated workers who apply after the Commission  
7 initially suspends award announcements for the upcoming  
8 regular academic year, but prior to the beginning of that  
9 academic year. For the purposes of this subsection (e-5), a  
10 dislocated worker is defined as in the federal Workforce  
11 Innovation and Opportunity Act.

12 (f) (Blank).

13 (g) The Commission shall determine the eligibility of and  
14 make grants to applicants enrolled at qualified for-profit  
15 institutions in accordance with the criteria set forth in this  
16 Section. The eligibility of applicants enrolled at such  
17 for-profit institutions shall be limited as follows:

18 (1) Beginning with the academic year 1997, only to  
19 eligible first-time freshmen and first-time transfer  
20 students who have attained an associate degree.

21 (2) Beginning with the academic year 1998, only to  
22 eligible freshmen students, transfer students who have  
23 attained an associate degree, and students who receive a  
24 grant under paragraph (1) for the academic year 1997 and  
25 whose grants are being renewed for the academic year 1998.

26 (3) Beginning with the academic year 1999, to all

1 eligible students.

2 (h) The Commission may award a grant to an eligible  
3 applicant enrolled at an Illinois public institution of higher  
4 learning in a program that will culminate in the award of an  
5 occupational or career and technical certificate as that term  
6 is defined in 23 Ill. Adm. Code 1501.301.

7 (h-5) In this subsection (h-5), "unfair or deceptive  
8 practice" means an act or practice in which a representation,  
9 omission, or practice misleads or is likely to mislead a  
10 consumer as determined by the Federal Trade Commission.

11 If an institution received monetary award program funds at  
12 a time the institution was using an unfair or deceptive  
13 practice, as defined by the Federal Trade Commission, and is  
14 required to reimburse students for loans taken to pay for  
15 their education due to a judgment against the institution  
16 after the effective date of this amendatory Act of the 103rd  
17 General Assembly, then any State funds paid to the institution  
18 in the time period of that judgment must be refunded to the  
19 Commission, to be deposited into the MAP Refund Fund. The  
20 Commission shall use funds appropriated from the MAP Refund  
21 Fund to award grants to students who attended that institution  
22 during the period in which the institution had a judgment  
23 found against it.

24 An institution found to have been using an unfair or  
25 deceptive practice must notify students who were enrolled  
26 during the period of the judgment about the judgment,

1 electronically and by certified mail, within 6 months after  
2 the effective date of this amendatory Act of the 103rd General  
3 Assembly. Affected students may apply for a grant under this  
4 subsection (h-5) following the effective date of this  
5 amendatory Act of the 103rd General Assembly or notification  
6 of the judgment against the institution, whichever is later.  
7 The application process shall be administered by the  
8 Commission and remain open until no funds remain in the MAP  
9 Refund Fund, subject to the other provisions of this  
10 subsection (h-5).

11 A grant under this subsection (h-5) may not exceed the  
12 maximum amount for a monetary award program grant for the  
13 academic year that the grant under this subsection (h-5) is  
14 awarded, as determined by the Commission. A grant under this  
15 subsection (h-5) may be awarded to a student in addition to a  
16 monetary award program grant but may not exceed the cost of  
17 attendance at the institution at which the student is  
18 enrolled.

19 At the start of the third academic year following the  
20 effective date of this amendatory Act of the 103rd General  
21 Assembly, the remaining balance in the MAP Refund Fund shall  
22 be appropriated to the Commission for the Commission's  
23 operating budget for the monetary award program.

24 The MAP Refund Fund is created as a special fund in the  
25 State treasury. All refunds of Monetary Award Program funds  
26 shall be deposited into the MAP Refund Fund. All money in the

1 Fund shall be used, subject to appropriation, by the  
2 Commission for the purposes of this subsection (h-5).

3 (i) The Commission may adopt rules to implement this  
4 Section.

5 (Source: P.A. 101-81, eff. 7-12-19; 102-699, eff. 4-19-22.)

6 Section 99. Effective date. This Act takes effect upon  
7 becoming law.