



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB2899

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, makes changes to the provisions regarding the award of grants to applicants enrolled at qualified for-profit institutions, and provides that credits earned during the 2023-2024 academic year at a qualified for-profit institution may not count toward the maximum credit-hour limitation. 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 30323 RJT 56751 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 other than a for-profit
24 institution, unless the applicant was enrolled in a

1 qualified for-profit institution during the 2022-2023
2 academic year, for the purpose of obtaining a degree,
3 certificate, or other credential offered by the
4 institution, as applicable; and

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

9 (b) The Commission shall award renewals only upon the
10 student's application and upon the Commission's finding that
11 the applicant:

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

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

14 (3) is in a financial situation that continues to
15 warrant assistance.

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

20 (1) subject to appropriation, \$5,468 for fiscal year
21 2009, \$5,968 for fiscal year 2010, \$6,468 for fiscal year
22 2011 and each fiscal year thereafter through fiscal year
23 2022, and \$8,508 for fiscal year 2023 and each fiscal year
24 thereafter, or such lesser amount as the Commission finds
25 to be available, during an academic year;

26 (2) the amount which equals 2 semesters or 3 quarters

1 tuition and other necessary fees required generally by the
2 institution of all full-time undergraduate students; or

3 (3) such amount as the Commission finds to be
4 appropriate in view of the applicant's financial
5 resources.

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

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

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

1 earned during the 2023-2024 academic year at a qualified
2 for-profit institution may not count toward this maximum
3 credit-hour limitation.

4 (d-5) In this subsection (d-5), "renewing applicant" means
5 a student attending an institution of higher learning who
6 received a Monetary Award Program grant during the prior
7 academic year. Beginning with the processing of applications
8 for the 2020-2021 academic year, the Commission shall annually
9 publish a priority deadline date for renewing applicants.
10 Subject to appropriation, a renewing applicant who files by
11 the published priority deadline date shall receive a grant if
12 he or she continues to meet the eligibility requirements under
13 this Section. A renewing applicant's failure to apply by the
14 priority deadline date established under this subsection (d-5)
15 shall not disqualify him or her from receiving a grant if
16 sufficient funding is available to provide awards after that
17 date.

18 (e) The Commission, in determining the number of grants to
19 be offered, shall take into consideration past experience with
20 the rate of grant funds unclaimed by recipients. The
21 Commission shall notify applicants that grant assistance is
22 contingent upon the availability of appropriated funds.

23 (e-5) The General Assembly finds and declares that it is
24 an important purpose of the Monetary Award Program to
25 facilitate access to college both for students who pursue
26 postsecondary education immediately following high school and

1 for those who pursue postsecondary education later in life,
2 particularly Illinoisans who are dislocated workers with
3 financial need and who are seeking to improve their economic
4 position through education. For the 2015-2016 and 2016-2017
5 academic years, the Commission shall give additional and
6 specific consideration to the needs of dislocated workers with
7 the intent of allowing applicants who are dislocated workers
8 an opportunity to secure financial assistance even if applying
9 later than the general pool of applicants. The Commission's
10 consideration shall include, in determining the number of
11 grants to be offered, an estimate of the resources needed to
12 serve dislocated workers who apply after the Commission
13 initially suspends award announcements for the upcoming
14 regular academic year, but prior to the beginning of that
15 academic year. For the purposes of this subsection (e-5), a
16 dislocated worker is defined as in the federal Workforce
17 Innovation and Opportunity Act.

18 (f) (Blank).

19 (g) The Commission shall determine the eligibility of and
20 make grants to applicants enrolled at qualified for-profit
21 institutions in accordance with the criteria set forth in this
22 Section. The eligibility of applicants enrolled at such
23 for-profit institutions shall be limited to eligible students
24 under this Section who received a monetary award program grant
25 for attendance at a for-profit institution during the
26 2022-2023 academic year and who satisfy any conditions

1 otherwise specified by the Board of Higher Education. ~~as~~
2 ~~follows:~~

3 ~~(1) Beginning with the academic year 1997, only to~~
4 ~~eligible first-time freshmen and first-time transfer~~
5 ~~students who have attained an associate degree.~~

6 ~~(2) Beginning with the academic year 1998, only to~~
7 ~~eligible freshmen students, transfer students who have~~
8 ~~attained an associate degree, and students who receive a~~
9 ~~grant under paragraph (1) for the academic year 1997 and~~
10 ~~whose grants are being renewed for the academic year 1998.~~

11 ~~(3) Beginning with the academic year 1999, to all~~
12 ~~eligible students.~~

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

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

22 If an institution received monetary award program funds at
23 a time the institution was using an unfair or deceptive
24 practice, as defined by the Federal Trade Commission, and is
25 required to reimburse students for loans taken to pay for
26 their education due to a judgment against the institution

1 after the effective date of this amendatory Act of the 103rd
2 General Assembly, then any State funds paid to the institution
3 in the time period of that judgment must be refunded to the
4 Commission, to be deposited into the MAP Refund Fund. The
5 Commission shall use funds appropriated from the MAP Refund
6 Fund to award grants to students who attended that institution
7 during the period in which the institution had a judgment
8 found against it.

9 An institution found to have been using an unfair or
10 deceptive practice must notify students who were enrolled
11 during the period of the judgment about the judgment,
12 electronically and by certified mail, within 6 months after
13 the effective date of this amendatory Act of the 103rd General
14 Assembly. Affected students may apply for a grant under this
15 subsection (h-5) following the effective date of this
16 amendatory Act of the 103rd General Assembly or notification
17 of the judgment against the institution, whichever is later.
18 The application process shall be administered by the
19 Commission and remain open until no funds remain in the MAP
20 Refund Fund, subject to the other provisions of this
21 subsection (h-5).

22 A grant under this subsection (h-5) may not exceed the
23 maximum amount for a monetary award program grant for the
24 academic year that the grant under this subsection (h-5) is
25 awarded, as determined by the Commission. A grant under this
26 subsection (h-5) may be awarded to a student in addition to a

1 monetary award program grant but may not exceed the cost of
2 attendance at the institution at which the student is
3 enrolled.

4 At the start of the third academic year following the
5 effective date of this amendatory Act of the 103rd General
6 Assembly, the remaining balance in the MAP Refund Fund shall
7 be appropriated to the Commission for the Commission's
8 operating budget for the monetary award program.

9 The MAP Refund Fund is created as a special fund in the
10 State treasury. All refunds of Monetary Award Program funds
11 shall be deposited into the MAP Refund Fund. All money in the
12 Fund shall be used, subject to appropriation, by the
13 Commission for the purposes of this subsection (h-5).

14 (i) The Commission may adopt rules to implement this
15 Section.

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

17 Section 99. Effective date. This Act takes effect upon
18 becoming law.