

1 AN ACT regarding higher education student assistance.

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
5 is amended by changing Section 35 as follows:

6 (110 ILCS 947/35)

7 Sec. 35. Monetary award program.

8 (a) The Commission shall, each year, receive and
9 consider applications for grant assistance under this
10 Section. Subject to a separate appropriation for such
11 purposes, an applicant is eligible for a grant under this
12 Section when the Commission finds that the applicant:

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

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

19 (b) The Commission shall award renewals only upon the
20 student's application and upon the Commission's finding that
21 the applicant:

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

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

24 (3) is in a financial situation that continues to
25 warrant assistance.

26 (c) All grants shall be applicable only to tuition and
27 necessary fee costs for 2 semesters or 3 quarters in an
28 academic year. Requests for summer term assistance will be
29 made separately and shall be considered on an individual
30 basis according to Commission policy. Each student who is
31 awarded a grant under this Section and is enrolled in summer

1 school classes shall be eligible for a summer school grant.
2 The summer school grant amount shall not exceed the lesser of
3 50 percent of the maximum annual grant amount authorized by
4 this Section or the actual cost of tuition and fees at the
5 institution at which the student is enrolled at least
6 part-time. For the regular academic year, the Commission
7 shall determine the grant amount for each full-time and
8 part-time student, which shall be the smallest of the
9 following amounts:

10 (1) \$5,166 ~~\$4,968~~ for 2 semesters or 3 quarters of
11 full-time undergraduate enrollment or \$2,583 ~~\$2,484~~ for 2
12 semesters or 3 quarters of part-time undergraduate
13 enrollment, or such lesser amount as the Commission finds
14 to be available; or

15 (2) the amount which equals the 2 semesters or 3
16 quarters tuition and other necessary fees required
17 generally by the institution of all full-time
18 undergraduate students, or in the case of part-time
19 students an amount of tuition and fees for 2 semesters or
20 3 quarters which shall not exceed one-half the amount of
21 tuition and necessary fees generally charged to full-time
22 undergraduate students by the institution; or

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

26 "Tuition and other necessary fees" as used in this Section
27 include the customary charge for instruction and use of
28 facilities in general, and the additional fixed fees charged
29 for specified purposes, which are required generally of
30 nongrant recipients for each academic period for which the
31 grant applicant actually enrolls, but do not include fees
32 payable only once or breakage fees and other contingent
33 deposits which are refundable in whole or in part. The
34 Commission may prescribe, by rule not inconsistent with this

1 Section, detailed provisions concerning the computation of
2 tuition and other necessary fees.

3 (d) No applicant, including those presently receiving
4 scholarship assistance under this Act, is eligible for
5 monetary award program consideration under this Act after
6 receiving a baccalaureate degree or the equivalent of 10
7 semesters or 15 quarters of award payments. The Commission
8 shall determine when award payments for part-time enrollment
9 or interim or summer terms shall be counted as a partial
10 semester or quarter of payment.

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

16 (f) The Commission may request appropriations for
17 deposit into the Monetary Award Program Reserve Fund. Monies
18 deposited into the Monetary Award Program Reserve Fund may be
19 expended exclusively for one purpose: to make Monetary Award
20 Program grants to eligible students. Amounts on deposit in
21 the Monetary Award Program Reserve Fund may not exceed 2% of
22 the current annual State appropriation for the Monetary Award
23 Program.

24 The purpose of the Monetary Award Program Reserve Fund is
25 to enable the Commission each year to assure as many students
26 as possible of their eligibility for a Monetary Award Program
27 grant and to do so before commencement of the academic year.
28 Moneys deposited in this Reserve Fund are intended to enhance
29 the Commission's management of the Monetary Award Program,
30 minimizing the necessity, magnitude, and frequency of
31 adjusting award amounts and ensuring that the annual Monetary
32 Award Program appropriation can be fully utilized.

33 (g) The Commission shall determine the eligibility of
34 and make grants to applicants enrolled at qualified

1 for-profit institutions in accordance with the criteria set
2 forth in this Section. The eligibility of applicants
3 enrolled at such for-profit institutions shall be limited as
4 follows:

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

8 (2) Beginning with the academic year 1998, only to
9 eligible freshmen students, transfer students who have
10 attained an associate degree, and students who receive a
11 grant under paragraph (1) for the academic year 1997 and
12 whose grants are being renewed for the academic year
13 1998.

14 (3) Beginning with the academic year 1999, to all
15 eligible students.

16 (Source: P.A. 91-249, eff. 7-22-99; 91-250, eff. 7-22-99;
17 91-357, eff. 7-29-99; 91-747, eff. 7-1-00; 92-45, eff.
18 7-1-01.)

19 Section 99. Effective date. This Act takes effect on
20 July 1, 2003.