



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB4156

by Rep. Jack D. Franks

SYNOPSIS AS INTRODUCED:

110 ILCS 920/8

from Ch. 144, par. 2408

Amends the Baccalaureate Savings Act. In a Section concerning the administration of a grant program, provides that no limit may be placed on the number of bonds that may be purchased under the program on an annual basis. Provides that while all grants awarded under the program are subject to annual appropriation of funds by the General Assembly, there shall be no expiration date placed on the grants and any person who is denied disbursement of a grant due to a lack of funding shall remain eligible for disbursement of that grant until such time as funding becomes available, provided that he or she properly applies for disbursement of the grant on an annual basis.

LRB095 13924 RAS 39709 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 Baccalaureate Savings Act is amended by
5 changing Section 8 as follows:

6 (110 ILCS 920/8) (from Ch. 144, par. 2408)

7 Sec. 8. Grant Program. The proceedings of the Governor and
8 the Director of the Governor's Office of Management and Budget
9 authorizing the issuance of College Savings Bonds shall also
10 provide for a grant program of additional financial incentives
11 to be provided to holders of such Bonds to encourage the
12 enrollment of students at Institutions of Higher Education
13 located in the State of Illinois. The Grant Program of
14 financial incentives shall be administered by the State
15 Scholarship Commission pursuant to administrative rules
16 promulgated by the Commission. Such financial incentives shall
17 be in such forms as determined by the Governor and the Director
18 of the Governor's Office of Management and Budget at the time
19 of the authorization of such College Savings Bonds and may
20 include, among others, supplemental payments to the holders of
21 such Bonds at maturity to be applied to tuition costs at
22 institutions of higher education located in the State of
23 Illinois. The Commission may establish, by rule,

1 administrative procedures and eligibility criteria for the
2 Grant Program, provided that such rules are consistent with the
3 purposes of this Act and that no limit may be placed on the
4 number of bonds that may be purchased on an annual basis. The
5 Commission may require bond holders, institutions of higher
6 education and other necessary parties to assist in the
7 determination of eligibility for financial incentives under
8 the Grant Program. All grants shall be subject to annual
9 appropriation of funds for such purpose by the General
10 Assembly; however, there shall be no expiration date placed on
11 grants awarded under this Section and any person who is denied
12 disbursement of a grant due to a lack of funding shall remain
13 eligible for disbursement of that grant until such time as
14 funding becomes available, provided that he or she properly
15 applies for disbursement of the grant on an annual basis. Such
16 financial incentives shall be provided only if, in the sole
17 judgment of the Director of the Governor's Office of Management
18 and Budget, the cost of such incentives shall not cause the
19 cost to the State of the proceeds of the College Savings Bonds
20 being sold to be increased by more than 1/2 of 1%. No such
21 financial incentives shall be paid to assist in the financing
22 of the education of a student (i) in a school or department of
23 divinity for any religious denomination or (ii) pursuing a
24 course of study consisting of training to become a minister,
25 priest, rabbi or other professional person in the field of
26 religion.

1 (Source: P.A. 94-793, eff. 5-19-06.)