



Sen. Martin A. Sandoval

Filed: 5/17/2007

09500SB0856sam001

LRB095 05592 NHT 36528 a

1 AMENDMENT TO SENATE BILL 856

2 AMENDMENT NO. _____. Amend Senate Bill 856 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The State Finance Act is amended by adding
5 Section 5.675 as follows:

6 (30 ILCS 105/5.675 new)

7 Sec. 5.675. The Higher Education Revolving Loan Fund.

8 Section 10. The Higher Education Student Assistance Act is
9 amended by adding Section 65.85 as follows:

10 (110 ILCS 947/65.85 new)

11 Sec. 65.85. Higher education revolving loans.

12 (a) In this Section, "eligible student" means a student
13 enrolled at the undergraduate level at an institution of higher
14 learning who (i) if the student has not yet completed one term

1 at an institution of higher learning, had a 3.0 cumulative
2 grade point average or its equivalent after graduating from an
3 approved high school; (ii) if the student has completed at
4 least one term at an institution of higher learning, has a 3.0
5 post-secondary cumulative grade point average or its
6 equivalent; (iii) is a resident of this State and a citizen or
7 permanent resident of the United States; and (iv) is from a
8 family that has an adjusted gross income not to exceed 250% of
9 the federal poverty guidelines as published in the Federal
10 Register by the U.S. Department of Health and Human Services.

11 (b) The Commission shall, subject to appropriation,
12 implement and administer a higher education revolving loan
13 program to provide loans to eligible students, as defined in
14 this Act and as determined by the Commission, for the costs of
15 attending an institution of higher learning in this State.
16 These loans must be offered at a low interest rate to be
17 determined by the Commission, taking into account in its
18 deliberations both program sustainability and affordability
19 for loan recipients.

20 (c) An individual may not receive loans under this Section
21 in excess of \$5,000 or the student's tuition and mandatory
22 fees, whichever is less, per academic year. Loan funds must be
23 paid directly to the institution of higher learning.

24 (d) The repayment period for a loan made under this Section
25 may not exceed 15 years. A person who receives a loan under
26 this Section shall begin repaying the loan beginning 6 months

1 after the person no longer attends an institution of higher
2 learning. The loan recipient shall repay at a minimum 5% of the
3 principal each year or the remaining balance of the loan.
4 Additionally, in each month, the loan recipient shall repay a
5 minimum of \$50 or the remaining balance of the loan. All
6 repayments of loans shall be deposited into the Higher
7 Education Revolving Loan Fund.

8 (e) The Higher Education Revolving Loan Fund is created as
9 a special fund in the State treasury. All money in the Fund
10 shall be used, subject to appropriation, by the Commission for
11 making loans under this Section. The Fund shall consist of any
12 moneys transferred or appropriated into the Fund, as well as
13 all repayments of loans made under the higher education
14 revolving loan program. The Fund shall be used for the purposes
15 of this Section and for no other purpose. All interest earned
16 on moneys in the Fund shall be deposited into the Fund.

17 (f) The Commission shall adopt any rules necessary to
18 implement and administer this Section.

19 Section 99. Effective date. This Act takes effect July 1,
20 2007.".