

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 Illinois Prepaid Tuition Act is amended by
5 changing Sections 10, 30, 35, 45, 50, and 65 as follows:

6 (110 ILCS 979/10)

7 Sec. 10. Definitions. In this Act:

8 "Illinois public university" means the University of
9 Illinois, Illinois State University, Chicago State University,
10 Governors State University, Southern Illinois University,
11 Northern Illinois University, Eastern Illinois University,
12 Western Illinois University, or Northeastern Illinois
13 University.

14 "Illinois community college" means a public community
15 college as defined in Section 1-2 of the Public Community
16 College Act.

17 "Eligible ~~MAP eligible~~ institution" means an institution
18 of higher learning, as defined in Section 10 of the Higher
19 Education Student Assistance Act, a public institution of
20 ~~higher education or a nonpublic institution of higher education~~
21 ~~whose students are eligible to receive need based student~~
22 ~~financial assistance through State Monetary Award Program~~
23 ~~(MAP) grants administered by the Illinois Student Assistance~~

1 ~~Commission under the Higher Education Student Assistance Act~~
2 ~~and~~ whose students ~~also~~ are eligible to receive benefits under
3 Section 529(a) of the Internal Revenue Code of 1986, as
4 specified by the federal Small Business Act of 1996 and
5 subsequent amendments to this federal law.

6 "Illinois prepaid tuition contract" or "contract" means a
7 contract entered into between the State and a Purchaser under
8 Section 45 to provide for the higher education of a qualified
9 beneficiary.

10 "Illinois prepaid tuition program" or "program" means the
11 program created in Section 15.

12 "Purchaser" means a person who makes or has contracted to
13 make payments under an Illinois prepaid tuition contract.

14 "Public institution of higher education" means an Illinois
15 public university or Illinois community college.

16 "Nonpublic institution of higher education" means any
17 eligible institution ~~MAP eligible educational organization,~~
18 other than a public institution of higher education, ~~that~~
19 ~~provides a minimum of an organized 2 year program at the~~
20 ~~postsecondary level and that operates in conformity with~~
21 ~~standards substantially equivalent to those of public~~
22 ~~institutions of higher education.~~

23 "Qualified beneficiary" means (i) anyone who has been a
24 resident of this State for at least 12 months prior to the date
25 of the contract, or (ii) a nonresident, so long as the
26 purchaser has been a resident of the State for at least 12

1 months prior to the date of the contract, or (iii) any person
2 less than one year of age whose parent or legal guardian has
3 been a resident of this State for at least 12 months prior to
4 the date of the contract.

5 "Tuition" means the quarter or semester charges imposed on
6 a qualified beneficiary to attend an eligible ~~a MAP eligible~~
7 institution.

8 "Mandatory Fees" means those quarter or semester fees
9 imposed upon all students enrolled at an eligible ~~a~~
10 ~~MAP eligible~~ institution.

11 "Registration Fees" means the charges derived by combining
12 tuition and mandatory fees.

13 "Contract Unit" means 15 credit hours of instruction at an
14 eligible ~~a MAP eligible~~ institution.

15 "Panel" means the investment advisory panel created under
16 Section 20.

17 "Commission" means the Illinois Student Assistance
18 Commission.

19 (Source: P.A. 93-56, eff. 7-1-03.)

20 (110 ILCS 979/30)

21 Sec. 30. Investment Advisory Panel duties and
22 responsibilities.

23 (a) Advice and review. The panel shall offer advice and
24 counseling regarding the investments of the Illinois prepaid
25 tuition program with the objective of obtaining the best

1 possible return on investments consistent with actuarial
2 soundness of the program. The panel is required to annually
3 review and advise the Commission on provisions of the strategic
4 investment plan for the prepaid tuition program. The panel is
5 also charged with reviewing and advising the Commission with
6 regard to the annual report that describes the current
7 financial condition of the program. The panel at its own
8 discretion also may advise the Commission on other aspects of
9 the program.

10 (b) Investment plan. The Commission annually shall adopt a
11 comprehensive investment plan for purposes of this Section. The
12 comprehensive investment plan shall specify the investment
13 policies to be utilized by the Commission in its administration
14 of the Illinois Prepaid Tuition Trust Fund created by Section
15 35. The Commission may direct that assets of those Funds be
16 placed in savings accounts or may use the same to purchase
17 fixed or variable life insurance or annuity contracts,
18 securities, evidence of indebtedness, or other investment
19 products pursuant to the comprehensive investment plan and in
20 such proportions as may be designated or approved under that
21 plan. The Commission shall invest such assets with the care,
22 skill, prudence, and diligence under the circumstances then
23 prevailing that a prudent man acting in a like capacity and
24 familiar with such matters would use in the conduct of an
25 enterprise of a like character with like aims, and the
26 Commission shall diversify the investments of such assets so as

1 to minimize the risk of large losses, unless under the
2 circumstances it is clearly prudent not to do so. Those
3 insurance, annuity, savings, and investment products shall be
4 underwritten and offered in compliance with applicable federal
5 and State laws, rules, and regulations by persons who are
6 authorized thereunder to provide those services. The
7 Commission shall delegate responsibility for preparing the
8 comprehensive investment plan to the Executive Director of the
9 Commission. Nothing in this Section shall preclude the
10 Commission from contracting with a private corporation or
11 institution to provide such services as may be a part of the
12 comprehensive investment plan or as may be deemed necessary for
13 implementation of the comprehensive investment plan,
14 including, but not limited to, providing consolidated billing,
15 individual and collective record keeping and accounting, and
16 asset purchase, control, and safekeeping.

17 (c) Program management. The Commission may not delegate its
18 management functions, but may arrange to compensate for
19 personalized investment advisory services rendered with
20 respect to any or all of the investments under its control an
21 investment advisor registered under Section 8 of the Illinois
22 Securities Law of 1953 or any bank or other entity authorized
23 by law to provide those services. Nothing contained herein
24 shall preclude the Commission from subscribing to general
25 investment research services available for purchase or use by
26 others. The Commission also shall have authority to compensate

1 for accounting, computing, and other necessary services.

2 (d) Annual report. The Commission shall annually prepare or
3 cause to be prepared a report setting forth in appropriate
4 detail an accounting of all Illinois prepaid tuition program
5 funds and a description of the financial condition of the
6 program at the close of each fiscal year. Included in this
7 report shall be an evaluation by at least one nationally
8 recognized actuary of the financial viability of the program.
9 This report shall be submitted to the Governor, the President
10 of the Senate, the Speaker of the House of Representatives, the
11 Auditor General, and the Board of Higher Education on or before
12 March 1 of the subsequent fiscal year. This report also shall
13 be made available to purchasers of Illinois prepaid tuition
14 contracts and shall contain complete Illinois prepaid tuition
15 contract sales information, including, but not limited to,
16 projected postsecondary enrollment data for qualified
17 beneficiaries.

18 (e) Marketing plan. Selection of a marketing agent for the
19 Illinois prepaid tuition program must be approved by the
20 Commission. At least once every 3 years, the Commission shall
21 solicit proposals for marketing of the Illinois prepaid tuition
22 program in accordance with the Illinois Securities Law of 1953
23 and any applicable provisions of federal law. The entity
24 designated pursuant to this paragraph shall serve as a
25 centralized marketing agent for the program and shall have
26 exclusive responsibility for marketing the program. No

1 contract for marketing the Illinois prepaid tuition program
2 shall extend for longer than 3 years. Any materials produced
3 for the purpose of marketing the program shall be submitted to
4 the Executive Director of the Commission for approval before
5 they are made public. Any eligible ~~Illinois MAP eligible~~
6 institution may distribute marketing materials produced for
7 the program, so long as the Executive Director of the
8 Commission approves the distribution in advance. Neither the
9 State nor the Commission shall be liable for misrepresentation
10 of the program by a marketing agent.

11 (f) Accounting and audit. The Commission shall annually
12 cause to be prepared an accounting of the trust and shall
13 transmit a copy of the accounting to the Governor, the
14 President of the Senate, the Speaker of the House, and the
15 minority leaders of the Senate and House of Representatives.
16 The Commission shall also make available this accounting of the
17 trust to any purchaser of an Illinois prepaid tuition contract,
18 upon request. The accounts of the Illinois prepaid tuition
19 program shall be subject to annual audits by the Auditor
20 General or a certified public accountant appointed by the
21 Auditor General.

22 (Source: P.A. 90-546, eff. 12-1-97; 91-669, eff. 1-1-00.)

23 (110 ILCS 979/35)

24 Sec. 35. Illinois Prepaid Tuition Trust Fund.

25 (a) The Illinois Prepaid Tuition Trust Fund is created as

1 the repository of all moneys received by the Commission in
2 conjunction with the Illinois prepaid tuition program. The
3 Illinois Prepaid Tuition Trust Fund also shall be the official
4 repository of all contributions, appropriations, interest and
5 dividend payments, gifts, or other financial assets received by
6 the Commission in connection with operation of the Illinois
7 prepaid tuition program. All such moneys shall be deposited in
8 the Illinois Prepaid Tuition Trust Fund and held by the State
9 Treasurer as ex-officio custodian thereof, outside of the State
10 Treasury, separate and apart from all public moneys or funds of
11 this State.

12 All interest or other earnings accruing or received on
13 amounts in the Illinois Prepaid Tuition Trust Fund shall be
14 credited to and retained by the Fund. Moneys, interest, or
15 other earnings paid into the Fund shall not be transferred or
16 allocated by the Commission, the State Treasurer, or the State
17 Comptroller to any other fund, nor shall the Governor authorize
18 any such transfer or allocation, while any contracts are
19 outstanding. The State Comptroller shall not offset moneys paid
20 to institutions from the Illinois Prepaid Tuition Trust Fund
21 (unless the Trust Fund moneys are used for child support). In
22 addition, no moneys, interest, or other earnings paid into the
23 Fund shall be used, temporarily or otherwise, for interfund
24 borrowing or be otherwise used or appropriated except as
25 expressly authorized in this Act.

26 The Illinois Prepaid Tuition Trust Fund and each individual

1 participant account that may be created in that Fund in
2 conjunction with the Illinois prepaid tuition program shall be
3 subject to audit in the same manner as funds and accounts
4 belonging to the State of Illinois and shall be protected by
5 the official bond given by the State Treasurer.

6 (b) The Commission from time to time shall direct the State
7 Treasurer to invest moneys in the Illinois Prepaid Tuition
8 Trust Fund that are not needed for immediate disbursement, in
9 accordance with provisions of the investment plan approved by
10 the Commission.

11 (c) The Executive Director of the Commission shall, at such
12 times and in such amounts as shall be necessary, prepare and
13 send to the State Comptroller vouchers requesting payment from
14 the Illinois Prepaid Tuition Trust Fund for: (i) registration
15 ~~tuition and~~ fee payments to eligible ~~MAP-eligible~~ institutions
16 on behalf of qualified beneficiaries of Illinois prepaid
17 tuition contracts, and (ii) payments associated with
18 administration of the Illinois prepaid tuition program.

19 (d) The Governor shall indicate in a separate document
20 submitted concurrent with each annual State budget the
21 estimated amount of moneys in the Illinois Prepaid Tuition
22 Trust Fund which shall be necessary and sufficient, during that
23 State fiscal year, to discharge all obligations anticipated
24 under Illinois prepaid tuition contracts. The Governor also
25 shall indicate in a separate document submitted concurrent with
26 each annual State budget the amount of moneys from the Illinois

1 Prepaid Tuition Trust Fund necessary to cover anticipated
2 expenses associated with administration of the program. The
3 Commission shall obtain concurrence from a nationally
4 recognized actuary as to all amounts necessary for the program
5 to meet its obligations. These amounts shall be certified
6 annually to the Governor by the Commission no later than
7 January 30.

8 During the first 18 months of operation of the Illinois
9 prepaid tuition program, the Governor shall request an
10 appropriation to the Commission from general funds sufficient
11 to pay for start-up costs associated with establishment of the
12 program. This appropriation constitutes a loan that shall be
13 repaid to the General Revenue Fund within 5 years by the
14 Commission from prepaid tuition program contributions.
15 Subsequent program administrative costs shall be provided from
16 reasonable fees and charges equitably assessed to purchasers of
17 prepaid tuition contracts.

18 (e) If the Commission determines that there are
19 insufficient moneys in the Illinois Prepaid Tuition Trust Fund
20 to pay contractual obligations in the next succeeding fiscal
21 year, the Commission shall certify the amount necessary to meet
22 these obligations to the Board of Higher Education, the
23 Governor, the President of the Senate, and the Speaker of the
24 House of Representatives. The Governor shall submit the amount
25 so certified to the General Assembly as soon as practicable,
26 but no later than the end of the current State fiscal year.

1 (f) In the event the Commission, with the concurrence of
2 the Governor, determines the program to be financially
3 infeasible, the Commission may discontinue, prospectively, the
4 operation of the program. Any qualified beneficiary who has
5 been accepted by and is enrolled or will within 5 years enroll
6 at an eligible ~~a MAP-eligible~~ institution shall be entitled to
7 exercise the complete benefits specified in the Illinois
8 prepaid tuition contract. All other contract holders shall
9 receive an appropriate refund of all contributions and accrued
10 interest up to the time that the program is discontinued.
11 (Source: P.A. 93-56, eff. 7-1-03.)

12 (110 ILCS 979/45)

13 Sec. 45. Illinois prepaid tuition contracts.

14 (a) The Commission may enter into an Illinois prepaid
15 tuition contract with a purchaser under which the Commission
16 contracts on behalf of the State to pay full tuition and
17 mandatory fees at an Illinois public university or Illinois
18 community college for a qualified beneficiary to attend the
19 eligible ~~MAP-eligible~~ institution to which the qualified
20 beneficiary is admitted. Each contract shall contain terms,
21 conditions, and provisions that the Commission determines to be
22 necessary for ensuring the educational objectives and
23 sustainable financial viability of the Illinois prepaid
24 tuition program.

25 (b) Each contract shall have one designated purchaser and

1 one designated qualified beneficiary. Unless otherwise
2 specified in the contract, the purchaser owns the contract and
3 retains any tax liability for its assets only until the first
4 distribution of benefits. Contracts shall be purchased in units
5 of 15 credit hours ~~at any MAP-eligible institution.~~

6 (c) Without exception, benefits may be received by a
7 qualified beneficiary of an Illinois prepaid tuition contract
8 no earlier than 3 years from the date the contract is
9 purchased.

10 (d) A prepaid tuition contract shall contain, but is not
11 limited to, provisions for (i) refunds or withdrawals in
12 certain circumstances, with or without interest or penalties;
13 (ii) conversion of the contract at the time of distribution
14 from accrued prepayment value at one type of eligible
15 ~~MAP-eligible~~ institution to the accrued prepayment value at a
16 different type of eligible ~~MAP-eligible~~ institution; (iii)
17 portability of the accrued value of the prepayment value for
18 use at an eligible institution located outside this State
19 ~~out of state higher education institution;~~ (iv)
20 transferability of the contract benefits within the qualified
21 beneficiary's immediate family; and (v) a specified benefit
22 period during which the contract may be redeemed.

23 (e) Each Illinois prepaid tuition contract also shall
24 contain, at minimum, all of the following:

25 (1) The amount of payment or payments and the number of
26 payments required from a purchaser on behalf of a qualified

1 beneficiary.

2 (2) The terms and conditions under which purchasers
3 shall remit payments, including, but not limited to, the
4 date or dates upon which each payment shall be due.

5 (3) Provisions for late payment charges and for
6 default.

7 (4) Provisions for penalty fees payable incident to an
8 authorized withdrawal.

9 (5) The name, date of birth, and social security number
10 of the qualified beneficiary on whose behalf the contract
11 is drawn and the terms and conditions under which the
12 contract may be transferred to another qualified
13 beneficiary.

14 (6) The name and social security number of any person
15 who may terminate the contract, together with terms that
16 specify whether the contract may be terminated by the
17 purchaser, the qualified beneficiary, a specific
18 designated person, or any combination of these persons.

19 (7) The terms and conditions under which a contract may
20 be terminated, the name and social security number of the
21 person entitled to any refund due as a result of the
22 termination of the contract pursuant to those terms and
23 conditions, and the method for determining the amount of a
24 refund.

25 (8) The time limitations, if any, within which the
26 qualified beneficiary must claim his or her benefits

1 through the program.

2 (9) Other terms and conditions determined by the
3 Commission to be appropriate.

4 (f) In addition to the contract provisions set forth in
5 subsection (e), each Illinois prepaid tuition contract shall
6 include:

7 (1) The number of credit hours contracted by the
8 purchaser.

9 (2) The type of eligible ~~MAP-eligible~~ institution and
10 the prepaid tuition plan toward which the credit hours
11 shall be applied.

12 (3) The explicit contractual obligation of the
13 Commission to the qualified beneficiary to provide a
14 specific number of credit hours of undergraduate
15 instruction at an eligible ~~a MAP-eligible~~ institution, not
16 to exceed the maximum number of credit hours required for
17 the conference of a degree that corresponds to the plan
18 purchased on behalf of the qualified beneficiary.

19 (g) The Commission shall indicate by rule the conditions
20 under which refunds are payable to a contract purchaser.
21 Generally, no refund shall exceed the amount paid into the
22 Illinois Prepaid Tuition Trust Fund by the purchaser. In the
23 event that a contract is converted from a Public University
24 Plan described in subsection (j) of this Section to a Community
25 College Plan described in subsection (k) of this Section, the
26 refund amount shall be reduced by the amount transferred to the

1 Illinois community college on behalf of the qualified
2 beneficiary. Except where the Commission may otherwise rule,
3 refunds may exceed the amount paid into the Illinois Prepaid
4 Tuition Trust Fund only under the following circumstances:

5 (1) If the qualified beneficiary is awarded a grant or
6 scholarship at a public institution of higher education,
7 the terms of which duplicate the benefits included in the
8 Illinois prepaid tuition contract, then moneys paid for the
9 purchase of the contract shall be returned to the
10 purchaser, upon request, in semester installments that
11 coincide with the matriculation by the qualified
12 beneficiary, in an amount equal to the current cost of
13 tuition and mandatory fees at the public institution of
14 higher education ~~MAP-eligible institution~~ where the
15 qualified beneficiary is enrolled.

16 (1.5) If the qualified beneficiary is awarded a grant
17 or scholarship while enrolled at either an eligible a
18 ~~MAP-eligible~~ nonpublic institution of higher education or
19 an eligible public or private out-of-state higher
20 education institution, the terms of which duplicate the
21 benefits included in the Illinois prepaid tuition
22 contract, then money paid for the purchase of the contract
23 shall be returned to the purchaser, upon request, in
24 semester installments that coincide with the matriculation
25 by the qualified beneficiary. The amount paid shall not
26 exceed the current average mean-weighted credit hour value

1 of the registration fees purchased under the contract.

2 (2) In the event of the death or total disability of
3 the qualified beneficiary, moneys paid for the purchase of
4 the Illinois prepaid tuition contract shall be returned to
5 the purchaser together with all accrued earnings.

6 (3) If an Illinois prepaid tuition contract is
7 converted from a Public University Plan to a Community
8 College Plan, then the amount refunded shall be the value
9 of the original Illinois prepaid tuition contract minus the
10 value of the contract after conversion.

11 No refund shall be authorized under an Illinois prepaid
12 tuition contract for any semester partially attended but not
13 completed.

14 The Commission, by rule, shall set forth specific
15 procedures for making contract payments in conjunction with
16 grants and scholarships awarded to contract beneficiaries.

17 Moneys paid into or out of the Illinois Prepaid Tuition
18 Trust Fund by or on behalf of the purchaser or the qualified
19 beneficiary of an Illinois prepaid tuition contract are exempt
20 from all claims of creditors of the purchaser or beneficiary,
21 so long as the contract has not been terminated.

22 The State or any State agency, county, municipality, or
23 other political subdivision, by contract or collective
24 bargaining agreement, may agree with any employee to remit
25 payments toward the purchase of Illinois prepaid tuition
26 contracts through payroll deductions made by the appropriate

1 officer or officers of the entity making the payments. Such
2 payments shall be held and administered in accordance with this
3 Act.

4 (h) Nothing in this Act shall be construed as a promise or
5 guarantee that a qualified beneficiary will be admitted to an
6 eligible ~~a MAP-eligible~~ institution or to a particular eligible
7 ~~MAP-eligible~~ institution, will be allowed to continue
8 enrollment at an eligible ~~a MAP-eligible~~ institution after
9 admission, or will be graduated from an eligible ~~a MAP-eligible~~
10 institution.

11 (i) The Commission shall develop and make prepaid tuition
12 contracts available under a minimum of at least 2 independent
13 plans to be known as the Public University Plan and the
14 Community College Plan.

15 Contracts shall be purchased in units of 15 credit hours at
16 either an Illinois public university or an Illinois community
17 college. The minimum purchase amount per qualified beneficiary
18 shall be one unit or 15 credit hours. The maximum purchase
19 amount shall be 9 units (or 135 credit hours) for the Public
20 University Plan and 4 units (or 60 credit hours) for the
21 Community College Plan.

22 (j) Public University Plan. Through the Public University
23 Plan, the Illinois prepaid tuition contract shall provide
24 prepaid registration fees, which include full tuition costs as
25 well as mandatory fees, for a specified number of undergraduate
26 credit hours, not to exceed the maximum number of credit hours

1 required for the conference of a baccalaureate degree. In
2 determining the cost of participation in the Public University
3 Plan, the Commission shall reference the combined
4 mean-weighted current registration fees from ~~all~~ Illinois
5 public universities.

6 In the event that a qualified beneficiary for whatever
7 reason chooses to attend an Illinois community college, the
8 qualified beneficiary may convert the average number of credit
9 hours required for the conference of an associate degree from
10 the Public University Plan to the Community College Plan and
11 may retain the remaining Public University Plan credit hours or
12 may request a refund for prepaid credit hours in excess of
13 those required for conference of an associate degree. In
14 determining the amount of any refund, the Commission also shall
15 recognize the current relative credit hour cost of the 2 plans
16 when making any conversion.

17 Qualified beneficiaries shall bear the cost of any
18 laboratory or other non-mandatory fees associated with
19 enrollment in specific courses. Qualified beneficiaries who
20 are not Illinois residents shall bear the difference in cost
21 between in-state registration fees guaranteed by the prepaid
22 tuition contract and tuition and other charges assessed upon
23 out-of-state students by the eligible ~~MAP-eligible~~
24 institution.

25 (k) Community College Plan. Through the Community College
26 Plan, the Illinois prepaid tuition contract shall provide

1 prepaid registration fees, which include full tuition costs as
2 well as mandatory fees, for a specified number of undergraduate
3 credit hours, not to exceed the maximum number of credit hours
4 required for the conference of an associate degree. In
5 determining the cost of participation in the Community College
6 Plan, the Commission shall reference the combined
7 mean-weighted current registration fees from all Illinois
8 community colleges.

9 In the event that a qualified beneficiary for whatever
10 reason chooses to attend an Illinois public university, the
11 qualified beneficiary's prepaid tuition contract shall be
12 converted for use at that Illinois public university by
13 referencing the current average mean-weighted credit hour
14 value of registration fees at Illinois community colleges
15 relative to the corresponding value of registration fees at
16 Illinois public universities.

17 Qualified beneficiaries shall bear the cost of any
18 laboratory or other non-mandatory fees associated with
19 enrollment in specific courses. Qualified beneficiaries who
20 are not Illinois residents shall bear the difference in cost
21 between in-state registration fees guaranteed by the prepaid
22 tuition contract and tuition and other charges assessed upon
23 out-of-state students by the eligible ~~MAP-eligible~~
24 institution.

25 (1) A qualified beneficiary may apply the benefits of any
26 Illinois prepaid tuition contract toward a nonpublic

1 institution of higher education. In the event that a qualified
2 beneficiary for whatever reason chooses to attend a nonpublic
3 institution of higher education, the qualified beneficiary's
4 prepaid tuition contract shall be converted for use at that
5 nonpublic institution of higher education by referencing the
6 current average mean-weighted credit hour value of
7 registration fees purchased under the contract. The Commission
8 shall transfer, or cause to have transferred, this amount, less
9 a transfer fee, to the nonpublic institution on behalf of the
10 beneficiary. In the event that the cost of registration charged
11 to the beneficiary at the nonpublic institution of higher
12 education is less than the aggregate value of the Illinois
13 prepaid tuition contract, any remaining amount shall be
14 transferred in subsequent semesters until the transfer value is
15 fully depleted.

16 (m) A qualified beneficiary may apply the benefits of any
17 Illinois prepaid tuition contract toward an eligible
18 out-of-state college or university. Institutional eligibility
19 for out-of-state colleges and universities shall be determined
20 by the Commission according to standards substantially
21 equivalent to those for an eligible institution located in this
22 State, as described in the definition of "institution of higher
23 learning" in Section 10 of the Higher Education Student
24 Assistance Act, ~~but in making those determinations the~~
25 ~~Commission shall recognize that the benefits of an Illinois~~
26 ~~prepaid tuition contract may not be used at any postsecondary~~

1 ~~educational institution that is both operated for profit and~~
2 ~~located outside of Illinois.~~ In the event that a qualified
3 beneficiary for whatever reason chooses to attend an eligible
4 out-of-state college or university, the qualified
5 beneficiary's prepaid tuition contract shall be converted for
6 use at that college or university by referencing the current
7 average mean-weighted credit hour value of registration fees
8 purchased under the contract. The Commission shall transfer, or
9 cause to have transferred, this amount, less a transfer fee, to
10 the college or university on behalf of the beneficiary. In the
11 event that the cost of registration charged to the beneficiary
12 at the eligible out-of-state college or university is less than
13 the aggregate value of the Illinois prepaid tuition contract,
14 any remaining amount shall be transferred in subsequent
15 semesters until the transfer value is fully depleted.

16 (n) Illinois prepaid tuition contracts may be purchased
17 either by lump sum or by installments. No penalty shall be
18 assessed for early payment of installment contracts.

19 (o) The Commission shall annually adjust the price of new
20 contracts, in accordance with the annual changes in
21 registration fees at Illinois public universities and
22 community colleges.

23 (Source: P.A. 95-217, eff. 8-16-07.)

24 (110 ILCS 979/50)

25 Sec. 50. Confidentiality and disclosure. Information that

1 (i) identifies the purchasers or qualified beneficiaries of any
2 Illinois prepaid tuition contract or any terms or provisions of
3 any such contract as those terms and provisions relate to a
4 particular purchaser or qualified beneficiary, or (ii)
5 discloses any other matter relating to the participation of any
6 such purchaser or qualified beneficiary in the Illinois prepaid
7 tuition program or in any independent plan under which that
8 program is administered, is exempt from inspection, copying, or
9 disclosure under the Freedom of Information Act. The Commission
10 may authorize the program's records administrator to release
11 such information to appropriate personnel at the eligible
12 ~~MAP-eligible~~ institution at which the beneficiary may enroll or
13 is enrolled or to another state or federal agency, for purposes
14 that the Commission deems appropriate, in accordance with
15 applicable state and federal law. However, any such institution
16 or agency to which that information is released shall ensure
17 the continued confidentiality of the information.

18 (Source: P.A. 90-546, eff. 12-1-97.)

19 (110 ILCS 979/65)

20 Sec. 65. Construction. Nothing in this Act or in an
21 Illinois prepaid tuition contract shall be construed as a
22 promise or guarantee by the Program or the State that a person
23 will be admitted to any eligible ~~MAP-eligible~~ institution or to
24 a particular eligible ~~MAP-eligible~~ institution, will be
25 allowed to continue to attend an eligible ~~a MAP-eligible~~

1 institution after having been admitted, or will be graduated
2 from an eligible ~~a MAP-eligible~~ institution.

3 (Source: P.A. 90-546, eff. 12-1-97.)

4 Section 99. Effective date. This Act takes effect July 1,
5 2010.