

# SB1591



## 98TH GENERAL ASSEMBLY

### State of Illinois

2013 and 2014

SB1591

Introduced 2/13/2013, by Sen. Chapin Rose

#### SYNOPSIS AS INTRODUCED:

110 ILCS 947/35

Amends the Higher Education Student Assistance Act. With respect to the Monetary Award Program, removes a provision that requires the Illinois Student Assistance Commission to determine the eligibility of and make grants to applicants enrolled at qualified for-profit institutions in accordance with specified criteria. Instead, prohibits the Commission from making grants to applicants enrolled at for-profit institutions. Effective July 1, 2014.

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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 Higher Education Student Assistance Act is  
5 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 consider  
9 applications for grant assistance under this Section. Subject  
10 to a separate appropriation for such purposes, an applicant is  
11 eligible for a grant under this Section when the Commission  
12 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 or  
18 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

1           (3) is in a financial situation that continues to  
2           warrant assistance.

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

7                   (1) subject to appropriation, \$5,468 for fiscal year  
8                   2009, \$5,968 for fiscal year 2010, and \$6,468 for fiscal  
9                   year 2011 and each fiscal year thereafter, or such lesser  
10                  amount as the Commission finds to be available, during an  
11                  academic year;

12                   (2) the amount which equals 2 semesters or 3 quarters  
13                   tuition and other necessary fees required generally by the  
14                   institution of all full-time undergraduate students; or

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

18           Subject to appropriation, the maximum grant amount for  
19           students not subject to subdivision (1) of this subsection (c)  
20           must be increased by the same percentage as any increase made  
21           by law to the maximum grant amount under subdivision (1) of  
22           this subsection (c).

23           "Tuition and other necessary fees" as used in this Section  
24           include the customary charge for instruction and use of  
25           facilities in general, and the additional fixed fees charged  
26           for specified purposes, which are required generally of

1 nongrant recipients for each academic period for which the  
2 grant applicant actually enrolls, but do not include fees  
3 payable only once or breakage fees and other contingent  
4 deposits which are refundable in whole or in part. The  
5 Commission may prescribe, by rule not inconsistent with this  
6 Section, detailed provisions concerning the computation of  
7 tuition and other necessary fees.

8 (d) No applicant, including those presently receiving  
9 scholarship assistance under this Act, is eligible for monetary  
10 award program consideration under this Act after receiving a  
11 baccalaureate degree or the equivalent of 135 semester credit  
12 hours of award payments.

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

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

25 The purpose of the Monetary Award Program Reserve Fund is  
26 to enable the Commission each year to assure as many students

1 as possible of their eligibility for a Monetary Award Program  
2 grant and to do so before commencement of the academic year.  
3 Moneys deposited in this Reserve Fund are intended to enhance  
4 the Commission's management of the Monetary Award Program,  
5 minimizing the necessity, magnitude, and frequency of  
6 adjusting award amounts and ensuring that the annual Monetary  
7 Award Program appropriation can be fully utilized.

8 (g) The Commission may not make grants to applicants  
9 enrolled at for-profit institutions. ~~The Commission shall~~  
10 ~~determine the eligibility of and make grants to applicants~~  
11 ~~enrolled at qualified for-profit institutions in accordance~~  
12 ~~with the criteria set forth in this Section. The eligibility of~~  
13 ~~applicants enrolled at such for-profit institutions shall be~~  
14 ~~limited as follows:~~

15 ~~(1) Beginning with the academic year 1997, only to~~  
16 ~~eligible first time freshmen and first time transfer~~  
17 ~~students who have attained an associate degree.~~

18 ~~(2) Beginning with the academic year 1998, only to~~  
19 ~~eligible freshmen students, transfer students who have~~  
20 ~~attained an associate degree, and students who receive a~~  
21 ~~grant under paragraph (1) for the academic year 1997 and~~  
22 ~~whose grants are being renewed for the academic year 1998.~~

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

25 (Source: P.A. 95-917, eff. 8-26-08.)

26 Section 99. Effective date. This Act takes effect July 1,

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1 2014.