

# SB2405



## 99TH GENERAL ASSEMBLY

### State of Illinois

2015 and 2016

SB2405

Introduced 2/3/2016, 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, 2017.

LRB099 18406 NHT 42782 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 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 (e-5) The General Assembly finds and declares that it is an  
19 important purpose of the Monetary Award Program to facilitate  
20 access to college both for students who pursue postsecondary  
21 education immediately following high school and for those who  
22 pursue postsecondary education later in life, particularly  
23 Illinoisans who are dislocated workers with financial need and  
24 who are seeking to improve their economic position through  
25 education. For the 2015-2016 and 2016-2017 academic years, the  
26 Commission shall give additional and specific consideration to

1 the needs of dislocated workers with the intent of allowing  
2 applicants who are dislocated workers an opportunity to secure  
3 financial assistance even if applying later than the general  
4 pool of applicants. The Commission's consideration shall  
5 include, in determining the number of grants to be offered, an  
6 estimate of the resources needed to serve dislocated workers  
7 who apply after the Commission initially suspends award  
8 announcements for the upcoming regular academic year, but prior  
9 to the beginning of that academic year. For the purposes of  
10 this subsection (e-5), a dislocated worker is defined as in the  
11 federal Workforce Investment Act of 1998.

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

19 The purpose of the Monetary Award Program Reserve Fund is  
20 to enable the Commission each year to assure as many students  
21 as possible of their eligibility for a Monetary Award Program  
22 grant and to do so before commencement of the academic year.  
23 Moneys deposited in this Reserve Fund are intended to enhance  
24 the Commission's management of the Monetary Award Program,  
25 minimizing the necessity, magnitude, and frequency of  
26 adjusting award amounts and ensuring that the annual Monetary

1 Award Program appropriation can be fully utilized.

2 (g) The Commission may not make grants to applicants  
3 enrolled at for-profit institutions. ~~The Commission shall~~  
4 ~~determine the eligibility of and make grants to applicants~~  
5 ~~enrolled at qualified for profit institutions in accordance~~  
6 ~~with the criteria set forth in this Section. The eligibility of~~  
7 ~~applicants enrolled at such for profit institutions shall be~~  
8 ~~limited as follows:~~

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

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

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

19 (Source: P.A. 98-967, eff. 8-15-14.)

20 Section 99. Effective date. This Act takes effect July 1,  
21 2017.