

AN ACT relating to higher education.

**Be it enacted by the People of the State of Illinois,  
represented in the General Assembly:**

Section 5. The Higher Education Student Assistance Act is amended by changing Section 35 as follows:

(110 ILCS 947/35)

Sec. 35. Monetary award program.

(a) The Commission shall, each year, receive and consider applications for grant assistance under this Section. Subject to a separate appropriation for such purposes, an applicant is eligible for a grant under this Section when the Commission finds that the applicant:

(1) is a resident of this State and a citizen or permanent resident of the United States; and

(2) in the absence of grant assistance, will be deterred by financial considerations from completing an educational program at the qualified institution of his or her choice.

(b) The Commission shall award renewals only upon the student's application and upon the Commission's finding that the applicant:

(1) has remained a student in good standing;

(2) remains a resident of this State; and

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

(c) All grants shall be applicable only to tuition and necessary fee costs. ~~for 2 semesters or 3 quarters in an academic year. Requests for summer term assistance will be made separately and shall be considered on an individual basis according to Commission policy. Each student who is awarded a grant under this Section and is enrolled in summer school classes shall be eligible for a summer school grant. The summer~~

~~school grant amount shall not exceed the lesser of 50 percent of the maximum annual grant amount authorized by this Section or the actual cost of tuition and fees at the institution at which the student is enrolled at least part-time. For the regular academic year,~~ The Commission shall determine the grant amount for each ~~full-time and part-time~~ student, which shall not exceed ~~be~~ the smallest of the following amounts:

(1) ~~\$4,968 for 2 semesters or 3 quarters of full-time undergraduate enrollment or \$2,484 for 2 semesters or 3 quarters of part-time undergraduate enrollment,~~ or such lesser amount as the Commission finds to be available, during an academic year; or

(2) the amount which equals ~~the~~ 2 semesters or 3 quarters tuition and other necessary fees required generally by the institution of all full-time undergraduate students, ~~or in the case of part-time students an amount of tuition and fees for 2 semesters or 3 quarters which shall not exceed one half the amount of tuition and necessary fees generally charged to full-time undergraduate students by the institution;~~ or

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

"Tuition and other necessary fees" as used in this Section include the customary charge for instruction and use of facilities in general, and the additional fixed fees charged for specified purposes, which are required generally of nongrant recipients for each academic period for which the grant applicant actually enrolls, but do not include fees payable only once or breakage fees and other contingent deposits which are refundable in whole or in part. The Commission may prescribe, by rule not inconsistent with this Section, detailed provisions concerning the computation of tuition and other necessary fees.

(d) No applicant, including those presently receiving scholarship assistance under this Act, is eligible for monetary

award program consideration under this Act after receiving a baccalaureate degree or the equivalent of 135 semester credit hours ~~10 semesters or 15 quarters~~ of award payments. ~~The Commission shall determine when award payments for part-time enrollment or interim or summer terms shall be counted as a partial semester or quarter of payment.~~

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

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

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

(g) The Commission shall determine the eligibility of and make grants to applicants enrolled at qualified for-profit institutions in accordance with the criteria set forth in this Section. The eligibility of applicants enrolled at such for-profit institutions shall be limited as follows:

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

(2) Beginning with the academic year 1998, only to

eligible freshmen students, transfer students who have attained an associate degree, and students who receive a grant under paragraph (1) for the academic year 1997 and whose grants are being renewed for the academic year 1998.

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

(Source: P.A. 91-249, eff. 7-22-99; 91-250, eff. 7-22-99; 91-357, eff. 7-29-99; 91-747, eff. 7-1-00; 92-45, eff. 7-1-01.)

Section 99. Effective date. This Act takes effect July 1, 2004.