



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB4463

by Rep. Renée Kosel

SYNOPSIS AS INTRODUCED:

110 ILCS 947/35

Amends the Higher Education Student Assistance Act. Requires the Illinois Student Assistance Commission, by rule, to determine standards for awarding Monetary Award Program grants and renewals based on financial need and academic qualifications. Provides that these rules must be adopted on or before January 1, 2015. Makes related changes concerning the eligibility of applicants. Provides that if grant assistance covers the cost of a course at an institution of higher learning and the student withdraws from or otherwise fails to complete the course prior to the end of the course, then the Commission shall proportionally reduce the amount of the grant awarded to the student or the Commission shall require the student to repay an equivalent amount to the Commission. Effective immediately.

LRB098 15325 NHT 52857 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, in accordance with standards adopted under
19 subsection (b-5) of this Section; and-

20 (3) meets those academic qualifications adopted by
21 rule under subsection (b-5) of this Section.

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

1 the applicant:

2 (1) has remained a student in good standing and meets
3 those academic qualifications adopted by rule under
4 subsection (b-5) of this Section;

5 (2) remains a resident of this State; and

6 (3) is in a financial situation that continues to
7 warrant assistance, in accordance with standards adopted
8 under subsection (b-5) of this Section.

9 (b-5) The Commission shall, by rule, determine standards
10 for awarding grants and renewals based on financial need and
11 academic qualifications. These rules must be adopted on or
12 before January 1, 2015.

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

17 (1) subject to appropriation, \$5,468 for fiscal year
18 2009, \$5,968 for fiscal year 2010, and \$6,468 for fiscal
19 year 2011 and each fiscal year thereafter, or such lesser
20 amount as the Commission finds to be available, during an
21 academic year;

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

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

1 resources.

2 Subject to appropriation, the maximum grant amount for
3 students not subject to subdivision (1) of this subsection (c)
4 must be increased by the same percentage as any increase made
5 by law to the maximum grant amount under subdivision (1) of
6 this subsection (c).

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

18 (d) No applicant, including those presently receiving
19 scholarship assistance under this Act, is eligible for monetary
20 award program consideration under this Act after receiving a
21 baccalaureate degree or the equivalent of 135 semester credit
22 hours of award payments.

23 If grant assistance under this Section covers the cost of a
24 course at an institution of higher learning and the student
25 withdraws from or otherwise fails to complete the course prior
26 to the end of the course, then the Commission shall

1 proportionally reduce the amount of the grant awarded to the
2 student or the Commission shall require the student to repay an
3 equivalent amount to the Commission.

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

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

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

25 (g) The Commission shall determine the eligibility of and
26 make grants to applicants enrolled at qualified for-profit

1 institutions in accordance with the criteria set forth in this
2 Section. The eligibility of applicants enrolled at such
3 for-profit institutions shall be limited as follows:

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

7 (2) Beginning with the academic year 1998, only to
8 eligible freshmen students, transfer students who have
9 attained an associate degree, and students who receive a
10 grant under paragraph (1) for the academic year 1997 and
11 whose grants are being renewed for the academic year 1998.

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

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

15 Section 99. Effective date. This Act takes effect upon
16 becoming law.