



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

SB3539

Introduced 2/14/2020, by Sen. Chapin Rose

SYNOPSIS AS INTRODUCED:

110 ILCS 947/35

Amends the Higher Education Student Assistance Act. With regard to the Monetary Award Program, provides that, in addition to other eligibility requirements for applicants of the grant program enrolled at a qualified for-profit institution, the following shall apply to the qualified for-profit institution in which the applicant is enrolled: (i) beginning with the 2020-2021 academic year, a qualified for-profit institution may not exceed a 15% national 3-year student loan cohort default rate, as published by the U.S. Department of Education, and (ii) beginning with the 2021-2022 academic year, a qualified for-profit institution must maintain an 80% student success rate; defines "student success rate". Provides that a for-profit institution's failure to meet those eligibility requirements shall result in a probationary academic year during which the institution is required to notify all current and prospective students eligible for Monetary Award Program grants of the student's possibility of losing that eligibility. Provides that if the institution fails to meet the for-profit institution eligibility requirements for 2 consecutive academic years, an applicant enrolled at the institution must lose Monetary Award Program grant eligibility and for a student to regain Monetary Award Program grant eligibility at that institution, the institution must meet the for-profit institution eligibility requirements for at least 2 consecutive academic years. Effective immediately.

LRB101 20129 CMG 70299 b

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 (d-5) In this subsection (d-5), "renewing applicant" means
14 a student attending an institution of higher learning who
15 received a Monetary Award Program grant during the prior
16 academic year. Beginning with the processing of applications
17 for the 2020-2021 academic year, the Commission shall annually
18 publish a priority deadline date for renewing applicants.
19 Subject to appropriation, a renewing applicant who files by the
20 published priority deadline date shall receive a grant if he or
21 she continues to meet the eligibility requirements under this
22 Section. A renewing applicant's failure to apply by the
23 priority deadline date established under this subsection (d-5)
24 shall not disqualify him or her from receiving a grant if
25 sufficient funding is available to provide awards after that
26 date.

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

6 (e-5) The General Assembly finds and declares that it is an
7 important purpose of the Monetary Award Program to facilitate
8 access to college both for students who pursue postsecondary
9 education immediately following high school and for those who
10 pursue postsecondary education later in life, particularly
11 Illinoisans who are dislocated workers with financial need and
12 who are seeking to improve their economic position through
13 education. For the 2015-2016 and 2016-2017 academic years, the
14 Commission shall give additional and specific consideration to
15 the needs of dislocated workers with the intent of allowing
16 applicants who are dislocated workers an opportunity to secure
17 financial assistance even if applying later than the general
18 pool of applicants. The Commission's consideration shall
19 include, in determining the number of grants to be offered, an
20 estimate of the resources needed to serve dislocated workers
21 who apply after the Commission initially suspends award
22 announcements for the upcoming regular academic year, but prior
23 to the beginning of that academic year. For the purposes of
24 this subsection (e-5), a dislocated worker is defined as in the
25 federal Workforce Innovation and Opportunity Act.

26 (f) (Blank).

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

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

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

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

16 (g-5) In addition to the eligibility requirements set forth
17 in subsection (g) for applicants enrolled at a qualified
18 for-profit institution, both of the following shall apply to
19 the qualified for-profit institution in which the applicant is
20 enrolled:

21 (1) Beginning with the 2020-2021 academic year, a
22 qualified for-profit institution may not exceed a 15%
23 national 3-year student loan cohort default rate, as
24 published by the U.S. Department of Education.

25 (2) Beginning with the 2021-2022 academic year, a
26 qualified for-profit institution must maintain an 80%

1 student success rate. For purposes of this paragraph,
2 "student success rate" means the percentage of students who
3 complete their program of study or those with subsequent
4 enrollment within 4 and one-half years after entering the
5 qualified for-profit institution.

6 A for-profit institution's failure to meet the eligibility
7 requirements under paragraph (1) or (2) shall result in a
8 probationary academic year during which the institution is
9 required to notify all current and prospective students
10 eligible for Monetary Award Program grants of the student's
11 possibility of losing that eligibility. If the institution
12 fails to meet the for-profit institution eligibility
13 requirements under this subsection for 2 consecutive academic
14 years, an applicant enrolled at the institution must lose
15 Monetary Award Program grant eligibility. For a student to
16 regain Monetary Award Program grant eligibility at that
17 institution, the institution must meet the for-profit
18 institution eligibility requirements under this subsection for
19 at least 2 consecutive academic years.

20 (h) The Commission may adopt rules to implement this
21 Section.

22 (Source: P.A. 100-477, eff. 9-8-17; 100-621, eff. 7-20-18;
23 100-823, eff. 8-13-18; 101-81, eff. 7-12-19.)

24 Section 99. Effective date. This Act takes effect upon
25 becoming law.