



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

HB4697

by Rep. Jack D. Franks

#### SYNOPSIS AS INTRODUCED:

110 ILCS 920/8

from Ch. 144, par. 2408

Amends the Baccalaureate Savings Act. In a Section concerning the administration of a grant program, provides that no limit may be placed on the number of bonds that may be purchased under the program on an annual basis. Provides that while all grants awarded under the program are subject to annual appropriation of funds by the General Assembly, there shall be no expiration date placed on the grants and any person who is denied disbursement of a grant due to a lack of funding shall remain eligible for disbursement of that grant until such time as funding becomes available, provided that he or she properly applies for disbursement of the grant on an annual basis.

LRB096 16000 MJR 31245 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 Baccalaureate Savings Act is amended by  
5 changing Section 8 as follows:

6 (110 ILCS 920/8) (from Ch. 144, par. 2408)

7 Sec. 8. Grant Program. The proceedings of the Governor and  
8 the Director of the Governor's Office of Management and Budget  
9 authorizing the issuance of College Savings Bonds shall also  
10 provide for a grant program of additional financial incentives  
11 to be provided to holders of such Bonds to encourage the  
12 enrollment of students at Institutions of Higher Education  
13 located in the State of Illinois. The Grant Program of  
14 financial incentives shall be administered by the State  
15 Scholarship Commission pursuant to administrative rules  
16 promulgated by the Commission. Such financial incentives shall  
17 be in such forms as determined by the Governor and the Director  
18 of the Governor's Office of Management and Budget at the time  
19 of the authorization of such College Savings Bonds and may  
20 include, among others, supplemental payments to the holders of  
21 such Bonds at maturity to be applied to tuition costs at  
22 institutions of higher education located in the State of  
23 Illinois. The Commission may establish, by rule,

1 administrative procedures and eligibility criteria for the  
2 Grant Program, provided that such rules are consistent with the  
3 purposes of this Act and that no limit may be placed on the  
4 number of bonds that may be purchased on an annual basis. The  
5 Commission may require bond holders, institutions of higher  
6 education and other necessary parties to assist in the  
7 determination of eligibility for financial incentives under  
8 the Grant Program. All grants shall be subject to annual  
9 appropriation of funds for such purpose by the General  
10 Assembly; however, there shall be no expiration date placed on  
11 grants awarded under this Section and any person who is denied  
12 disbursement of a grant due to a lack of funding shall remain  
13 eligible for disbursement of that grant until such time as  
14 funding becomes available, provided that he or she properly  
15 applies for disbursement of the grant on an annual basis. Such  
16 financial incentives shall be provided only if, in the sole  
17 judgment of the Director of the Governor's Office of Management  
18 and Budget, the cost of such incentives shall not cause the  
19 cost to the State of the proceeds of the College Savings Bonds  
20 being sold to be increased by more than 1/2 of 1%. No such  
21 financial incentives shall be paid to assist in the financing  
22 of the education of a student (i) in a school or department of  
23 divinity for any religious denomination or (ii) pursuing a  
24 course of study consisting of training to become a minister,  
25 priest, rabbi or other professional person in the field of  
26 religion.

1 (Source: P.A. 94-793, eff. 5-19-06.)