



Rep. Renée Kosel

Filed: 4/7/2014

09800HB4463ham001

LRB098 15325 RPM 58304 a

1 AMENDMENT TO HOUSE BILL 4463

2 AMENDMENT NO. _____. Amend House Bill 4463 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Higher Education Student Assistance Act is
5 amended by changing Sections 35 and 70 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

1 educational program at the qualified institution of his or
2 her choice.

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

6 (1) has remained a student in good standing, in
7 accordance with the institution's academic policy adopted
8 in compliance with subsection (b-5) of this Section;

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

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

12 (b-5) Qualified institutions participating in the Monetary
13 Award Program must adopt standards related to grant recipients'
14 academic achievement and progress towards a degree. These
15 standards must be at least as strict as those applied to
16 students who are not recipients of grant aid under this
17 Section. Each institution shall annually provide to the
18 Commission a copy of the institution's policy outlining these
19 academic standards and, if the policy is revised, shall provide
20 the revised policy to the Commission.

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

25 (1) subject to appropriation, \$5,468 for fiscal year
26 2009, \$5,968 for fiscal year 2010, and \$6,468 for fiscal

1 year 2011 and each fiscal year thereafter, or such lesser
2 amount as the Commission finds to be available, during an
3 academic year;

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

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

10 Subject to appropriation, the maximum grant amount for
11 students not subject to subdivision (1) of this subsection (c)
12 must be increased by the same percentage as any increase made
13 by law to the maximum grant amount under subdivision (1) of
14 this subsection (c).

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

26 (d) No applicant, including those presently receiving

1 scholarship assistance under this Act, is eligible for monetary
2 award program consideration under this Act after receiving a
3 baccalaureate degree or the equivalent of 135 semester credit
4 hours of award payments.

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

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

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

26 (g) The Commission shall determine the eligibility of and

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

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

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

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

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

16 (110 ILCS 947/70)

17 Sec. 70. Administration of scholarship and grant programs.

18 (a) An applicant to whom the Commission has awarded a
19 scholarship or grant under this Act may apply for enrollment as
20 a student in any qualified institution of higher learning. The
21 institution is not required to accept the applicant for
22 enrollment, but is free to exact compliance with its own
23 admissions requirements, standards, and policies. The
24 institution may receive the payments of tuition and other
25 necessary fees provided by the scholarship or grant, for credit

1 against the student's obligation for such tuition and fees, and
2 for no other purpose, and shall be contractually obligated:

3 (1) to provide facilities and instruction to the
4 student on the same terms as to other students generally;

5 (2) to provide the notices and information described in
6 this Act; and to maintain records and documents which
7 demonstrate the eligibility of the students for whom
8 scholarships and grants are claimed.

9 (b) If, in the course of any academic period, any student
10 enrolled in any institution pursuant to a scholarship or grant
11 awarded under this Act for any reason ceases to be a student in
12 good standing, the institution shall promptly give written
13 notice to the Commission concerning that change of status and
14 the reason therefor. For purposes of this Section, a student
15 does not cease to be a student in good standing merely because
16 he or she is not classified as a full-time student.

17 (c) A student to whom a renewal scholarship or grant has
18 been awarded may either re-enroll in the institution which he
19 or she attended during the preceding year, or enroll in any
20 other qualified institution of higher learning; and in either
21 event, the institution accepting the student for enrollment or
22 re-enrollment shall notify the Commission of that acceptance
23 and may receive payments and shall be contractually obligated
24 as provided with respect to a first-year scholarship or grant.

25 (d) The Commission shall administer the scholarship and
26 grant accounts and related records of each student who is

1 attending an institution of higher learning under financial
2 assistance awarded pursuant to this Act, and at each proper
3 time shall certify to the State Comptroller, in the manner
4 prescribed by law, the current payment to be made to the
5 institution on account of such financial assistance, in
6 accordance with an appropriate certificate from the
7 institution. The Commission may require the participating
8 institution of higher learning to perform specific eligibility
9 evaluation procedures as a condition of participation.

10 (e) The Commission shall conduct on-site audits of
11 educational institutions participating in Commission
12 administered programs. When institutions have claimed and
13 received funds on behalf of ineligible recipients, the
14 Commission may adjust subsequent institutional payments to
15 recover those funds.

16 (f) The Commission may, upon the request of any institution
17 which received payment for scholarship and grant awards for
18 each of the last 5 years, certify to the Comptroller an advance
19 payment for the current term to be made to the institution on
20 account of such financial assistance in an amount not to exceed
21 75% of announced awards for the institution for such financial
22 assistance for the current term, adjusted for attrition over
23 the last 5 years. For the purposes of this Section, "attrition"
24 is the number of announced award winners enrolled on the 10th
25 class day as a percentage of the total announced awards. The
26 request for an advance payment for the current term shall not

1 be submitted until 10 class days after the last day for
2 registration for that term. Upon appropriate certification
3 from the institution presented for each payment period, after
4 the standard tuition and mandatory fees have been established
5 for all students for the term of payment and the award
6 recipient has enrolled, the Commission shall certify to the
7 State Comptroller the balance of the current payment to be made
8 to the institution on account of such financial assistance. If
9 an advance payment received by an institution exceeds the
10 payment to which that institution is entitled, the Commission
11 shall reduce subsequent payments to that institution for later
12 terms within the same academic year as the overpayment by an
13 amount equal to the overpayment; if the reduction cannot be
14 made, the institution shall refund the overpayment to the
15 Commission. The Commission may deny or reduce the advance
16 payment provided to any institution under this Section if it
17 has reason to believe that the advance payment for the current
18 term may exceed the full payment the institution is entitled to
19 receive for such assistance for that term.

20 (g) If an institution of higher learning has credible
21 information indicating that funds awarded by the Commission
22 were falsely or fraudulently acquired, then the institution
23 shall immediately report such information to the Commission
24 and, as needed, to the proper law enforcement agency or
25 prosecutor.

26 (Source: P.A. 92-713, eff. 7-23-02.)

1 Section 99. Effective date. This Act takes effect upon
2 becoming law.".