



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB0024

Introduced 1/9/2019, by Rep. Mary E. Flowers

SYNOPSIS AS INTRODUCED:

New Act
30 ILCS 105/5.891 new

Creates the Not-For-Profit Organization Minority Employee Assistance Act. Defines terms. Requires the Illinois Student Assistance Commission to establish and administer the Not-For-Profit Organization Minority Employee Loan Repayment Assistance Program for the primary purpose of providing loan repayment assistance to minority employees to encourage minorities to pursue careers with not-for-profit organizations; provides for the Program's eligibility requirements. Provides that the maximum amount of loan repayment assistance for each Program participant shall be \$5,000 per year, up to a maximum of \$25,000 during the participant's career; provides for the manner of fund distribution. Provides that if a Program participant becomes ineligible during the term of a loan, he or she must repay the outstanding amount of any loan received from the Commission. Amends the State Finance Act to create the Not-For-Profit Organization Minority Employee Loan Repayment Assistance Fund as a special fund in the State treasury.

LRB101 02851 AXK 47859 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 1. Short title. This Act may be cited as the
5 Not-For-Profit Organization Minority Employee Assistance Act.

6 Section 5. Definitions. In this Act:

7 "Commission" means the Illinois Student Assistance
8 Commission.

9 "Eligible debt" means outstanding principal, interest, and
10 related fees from loans obtained for undergraduate or graduate
11 educational expenses made by government or commercial lending
12 institutions or educational institutions. "Eligible debt"
13 excludes loans made by a private individual or family member.

14 "Minority employee" means a person employed by a
15 not-for-profit organization who is a citizen or lawful
16 permanent resident of the United States and who is any of the
17 following:

18 (1) American Indian or Alaska Native (a person having
19 origins in any of the original peoples of North and South
20 America, including Central America, and who maintains
21 tribal affiliation or community attachment).

22 (2) Asian (a person having origins in any of the
23 original peoples of the Far East, Southeast Asia, or the

1 Indian subcontinent, including, but not limited to,
2 Cambodia, China, India, Japan, Korea, Malaysia, Pakistan,
3 the Philippine Islands, Thailand, and Vietnam).

4 (3) Black or African American (a person having origins
5 in any of the black racial groups of Africa). Terms such as
6 "Haitian" or "Negro" can be used in addition to "Black or
7 African American".

8 (4) Hispanic or Latino (a person of Cuban, Mexican,
9 Puerto Rican, South or Central American, or other Spanish
10 culture or origin, regardless of race).

11 (5) Native Hawaiian or Other Pacific Islander (a person
12 having origins in any of the original peoples of Hawaii,
13 Guam, Samoa, or other Pacific Islands).

14 "Not-for-profit organization" means an organization
15 organized and conducted on a not-for-profit basis with no
16 personal profit inuring to anyone as a result of the operation.

17 "Program" means the Not-For-Profit Organization Minority
18 Employee Loan Repayment Assistance Program created under this
19 Act.

20 "Organization" means a corporation, agency, partnership,
21 association, firm, business, or other entity consisting of 2 or
22 more persons joined by a common interest or purpose.

23 Section 10. Not-For-Profit Organization Minority Employee
24 Loan Repayment Assistance Program.

25 (a) The Commission shall establish and administer the

1 Program for the primary purpose of providing loan repayment
2 assistance to minority employees to encourage minorities to
3 pursue careers with not-for-profit organizations.

4 (b) Subject to appropriation and any requirements under
5 this Act, the Commission shall distribute funds to eligible
6 applicants. The Commission shall, each year, consider
7 applications made by eligible minority employees for loan
8 repayment assistance under the Program. The Commission shall
9 distribute funds to an applicant if the Commission finds that
10 the applicant satisfies all of the following criteria:

11 (1) He or she has eligible debt in grace or repayment
12 status.

13 (2) He or she is a minority employee in this State.

14 The Commission shall develop criteria for prioritization
15 among eligible applicants if there are insufficient funds
16 available to make payments to all eligible applicants under
17 this Act. The prioritization criteria shall include the
18 timeliness of the application, the applicant's salary level,
19 the amount of the applicant's eligible debt, the availability
20 of other loan repayment assistance to the applicant, the
21 applicant's length of service as a minority employee, and the
22 applicant's prior participation in the Program.

23 (c) The maximum amount of loan repayment assistance for
24 each Program participant shall be \$5,000 per year, up to a
25 maximum of \$25,000 during the participant's career. The
26 distribution of funds available after administrative costs

1 must be made by the Commission to eligible minority employees
2 in the following manner:

3 (1) Loan repayment assistance must be in the form of a
4 forgivable loan.

5 (2) To have the loan forgiven, the participant shall
6 (i) complete a year of employment with a not-for-profit
7 organization and (ii) make eligible debt payments
8 (interest or principal or both) that equal at least the
9 amount of assistance received under the Program during the
10 assistance year.

11 (3) Each loan must be documented by means of a
12 promissory note executed by the borrower in a form provided
13 by the Commission and shall be forgiven when an eligible
14 participant meets the requirements set forth by the
15 Commission.

16 (d) The Not-For-Profit Organization Minority Employee Loan
17 Repayment Assistance Fund is created as a special fund in the
18 State treasury. The Fund shall consist of all moneys remitted
19 to the Commission under the terms of this Act. All money in the
20 Fund shall be used, subject to appropriation, by the Commission
21 for the purposes of this Act.

22 (e) The Commission may adopt any rules necessary to
23 implement this Act.

24 Section 15. Ineligibility and termination of funds;
25 procedures.

1 (a) If a Program participant becomes ineligible during the
2 term of a loan, he or she must repay the outstanding amount of
3 any loan received from the Commission.

4 (b) The Commission may in its discretion forgive the loan
5 of a Program participant in whole or in part in certain
6 circumstances as set forth in its written policies and
7 guidelines.

8 Section 20. Other powers. The Commission may make, enter
9 into, and execute contracts, agreements, leases, and other
10 instruments with any person, including, but not limited to, any
11 federal, State, or local governmental agency, and may take
12 other actions that may be necessary or convenient to accomplish
13 any purpose authorized by this Act.

14 Section 95. The State Finance Act is amended by adding
15 Section 5.891 as follows:

16 (30 ILCS 105/5.891 new)

17 Sec. 5.891. The Not-For-Profit Organization Minority
18 Employee Loan Repayment Assistance Fund.