



Rep. Bob Morgan

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10100HB0897ham001

LRB101 07589 AXK 54454 a

1 AMENDMENT TO HOUSE BILL 897

2 AMENDMENT NO. _____. Amend House Bill 897 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the
5 Scholars of Service Act.

6 Section 5. Definitions. In this Act:

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

9 "Student loan servicer" has the meaning given to that term
10 in the Student Loan Servicing Rights Act.

11 Section 10. Public service loan forgiveness grant program.

12 (a) The Commission must, each year, receive and consider
13 applications for grant assistance under this Section. An
14 applicant is eligible for a grant under subsection (c) if the
15 Commission finds that the applicant meets all of the following

1 qualifications:

2 (1) He or she is a resident of this State and a United
3 States citizen or eligible noncitizen.

4 (2) He or she has outstanding federal student loan
5 debt.

6 (3) He or she was enrolled in the federal Public
7 Service Loan Forgiveness Program and has (i) attested, to
8 the best of his or her knowledge and ability, that he or
9 she made a good faith effort to comply with the Program,
10 (ii) made 120 qualifying monthly payments under a
11 qualifying repayment plan during his or her participation
12 in the Program, and (iii) been denied federal student loan
13 forgiveness.

14 (b) All applications for grant assistance to be awarded
15 under this Section shall be made to the Commission in a form as
16 set forth by the Commission. The form of application and the
17 information required to be set forth in the application shall
18 be determined by the Commission, and the Commission shall
19 require eligible applicants to submit with their applications
20 any supporting documents that the Commission deems necessary.

21 (c) After receiving an application from an eligible
22 applicant under this Section, the Commission must evaluate if
23 the applicant is eligible to receive financial assistance
24 through any loan forgiveness program of this State and, if
25 eligible, must assist the applicant in applying for that
26 financial assistance, to be used toward his or her federal

1 student loan debt. After all eligible financial assistance has
2 been awarded to the applicant, the Commission must award the
3 applicant a grant to be used toward any remaining federal
4 student loan debt. The grant amount awarded under this
5 subsection may not exceed the applicant's federal student loan
6 debt and must be used toward the payment of that debt.

7 Section 15. Student loan servicer; misleading an
8 applicant. If the Commission finds that a student loan
9 servicer (i) has negligently or intentionally misinformed or
10 misrepresented certain information to an applicant under this
11 Act and (ii) the misinformation or misrepresentation led to the
12 applicant's denial of federal student loan forgiveness under
13 the federal Public Service Loan Forgiveness Program, then the
14 Commission must report this finding to the Office of the
15 Attorney General, who may pursue legal action against the
16 student loan servicer. The Attorney General may deposit any
17 funds recovered through legal action under this Section into
18 the Scholars of Service Fund.

19 Section 20. The Scholars of Service Fund. The Scholars of
20 Service Fund is created as a special fund in the State
21 treasury. All money in the Scholars of Service Fund shall be
22 used, subject to appropriation, by the Commission to award
23 grants under this Act.

1 Section 90. Rules. The Commission must adopt rules to
2 implement this Act.

3 Section 95. The State Finance Act is amended by adding
4 Section 5.891 as follows:

5 (30 ILCS 105/5.891 new)

6 Sec. 5.891. The Scholars of Service Fund."