

**103RD GENERAL ASSEMBLY****State of Illinois****2023 and 2024****SB0093**

Introduced 1/20/2023, by Sen. Jil Tracy

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 2023-2024 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 2024-2025 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.

LRB103 25597 RJT 51946 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;

15 (2) is enrolled or has been accepted for enrollment in
16 a qualified institution for the purpose of obtaining a
17 degree, certificate, or other credential offered by the
18 institution, as applicable; and

19 (3) in the absence of grant assistance, will be
20 deterred by financial considerations from completing an
21 educational program at the qualified institution of his or
22 her choice.

23 (b) The Commission shall award renewals only upon the

1 student's application and upon the Commission's finding that
2 the applicant:

3 (1) has remained a student in good standing;

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

5 (3) is in a financial situation that continues to
6 warrant assistance.

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

11 (1) subject to appropriation, \$5,468 for fiscal year
12 2009, \$5,968 for fiscal year 2010, \$6,468 for fiscal year
13 2011 and each fiscal year thereafter through fiscal year
14 2022, and \$8,508 for fiscal year 2023 and each fiscal year
15 thereafter, or such lesser amount as the Commission finds
16 to be available, during an academic year;

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

20 (3) such amount as the Commission finds to be
21 appropriate in view of the applicant's financial
22 resources.

23 Subject to appropriation, the maximum grant amount for
24 students not subject to subdivision (1) of this subsection (c)
25 must be increased by the same percentage as any increase made
26 by law to the maximum grant amount under subdivision (1) of

1 this subsection (c).

2 "Tuition and other necessary fees" as used in this Section
3 include the customary charge for instruction and use of
4 facilities in general, and the additional fixed fees charged
5 for specified purposes, which are required generally of
6 nongrant recipients for each academic period for which the
7 grant applicant actually enrolls, but do not include fees
8 payable only once or breakage fees and other contingent
9 deposits which are refundable in whole or in part. The
10 Commission may prescribe, by rule not inconsistent with this
11 Section, detailed provisions concerning the computation of
12 tuition and other necessary fees.

13 (d) No applicant, including those presently receiving
14 scholarship assistance under this Act, is eligible for
15 monetary award program consideration under this Act after
16 receiving a baccalaureate degree or the equivalent of 135
17 semester credit hours of award payments.

18 (d-5) In this subsection (d-5), "renewing applicant" means
19 a student attending an institution of higher learning who
20 received a Monetary Award Program grant during the prior
21 academic year. Beginning with the processing of applications
22 for the 2020-2021 academic year, the Commission shall annually
23 publish a priority deadline date for renewing applicants.
24 Subject to appropriation, a renewing applicant who files by
25 the published priority deadline date shall receive a grant if
26 he or she continues to meet the eligibility requirements under

1 this Section. A renewing applicant's failure to apply by the
2 priority deadline date established under this subsection (d-5)
3 shall not disqualify him or her from receiving a grant if
4 sufficient funding is available to provide awards after that
5 date.

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

11 (e-5) The General Assembly finds and declares that it is
12 an important purpose of the Monetary Award Program to
13 facilitate access to college both for students who pursue
14 postsecondary education immediately following high school and
15 for those who pursue postsecondary education later in life,
16 particularly Illinoisans who are dislocated workers with
17 financial need and who are seeking to improve their economic
18 position through education. For the 2015-2016 and 2016-2017
19 academic years, the Commission shall give additional and
20 specific consideration to the needs of dislocated workers with
21 the intent of allowing applicants who are dislocated workers
22 an opportunity to secure financial assistance even if applying
23 later than the general pool of applicants. The Commission's
24 consideration shall include, in determining the number of
25 grants to be offered, an estimate of the resources needed to
26 serve dislocated workers who apply after the Commission

1 initially suspends award announcements for the upcoming
2 regular academic year, but prior to the beginning of that
3 academic year. For the purposes of this subsection (e-5), a
4 dislocated worker is defined as in the federal Workforce
5 Innovation and Opportunity Act.

6 (f) (Blank).

7 (g) The Commission shall determine the eligibility of and
8 make grants to applicants enrolled at qualified for-profit
9 institutions in accordance with the criteria set forth in this
10 Section. The eligibility of applicants enrolled at such
11 for-profit institutions shall be limited as follows:

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

15 (2) Beginning with the academic year 1998, only to
16 eligible freshmen students, transfer students who have
17 attained an associate degree, and students who receive a
18 grant under paragraph (1) for the academic year 1997 and
19 whose grants are being renewed for the academic year 1998.

20 (3) Beginning with the academic year 1999, to all
21 eligible students.

22 (g-5) In addition to the eligibility requirements set
23 forth in subsection (g) for applicants enrolled at a qualified
24 for-profit institution, both of the following shall apply to
25 the qualified for-profit institution in which the applicant is
26 enrolled:

1 (1) Beginning with the 2023-2024 academic year, a
2 qualified for-profit institution may not exceed a 15%
3 national 3-year student loan cohort default rate, as
4 published by the U.S. Department of Education.

5 (2) Beginning with the 2024-2025 academic year, a
6 qualified for-profit institution must maintain an 80%
7 student success rate. For purposes of this paragraph,
8 "student success rate" means the percentage of students
9 who complete their program of study or those with
10 subsequent enrollment within 4 and one-half years after
11 entering the qualified for-profit institution.

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

26 (h) The Commission may award a grant to an eligible

1 applicant enrolled at an Illinois public institution of higher
2 learning in a program that will culminate in the award of an
3 occupational or career and technical certificate as that term
4 is defined in 23 Ill. Adm. Code 1501.301.

5 (i) The Commission may adopt rules to implement this
6 Section.

7 (Source: P.A. 101-81, eff. 7-12-19; 102-699, eff. 4-19-22.)

8 Section 99. Effective date. This Act takes effect upon
9 becoming law.