



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

SB2058

Introduced 2/25/2005, by Sen. Frank C. Watson - Dan Cronin

SYNOPSIS AS INTRODUCED:

New Act
30 ILCS 105/5.640 new

Creates the Illinois Dollars for Scholars Program Act and amends the State Finance Act. Establishes the Illinois Dollars for Scholars Program, to be administered by the Illinois Student Assistance Commission, to encourage local communities to develop scholarship programs that assist their residents in obtaining a higher education. Requires the Commission to award a chapter \$2,000 upon demonstration to the Commission that the chapter has raised \$2,000 for scholarships or the creation of an endowment for scholarships. Limits the total number of chapters that may operate under the Act at any one time to 28. Sets forth the maximum number of chapters that may operate at any one time within certain cities and counties of the State. Sets forth procedures to be implemented by the Commission as they relate to the maximum numbers of chapters authorized to operate. Creates the Illinois Dollars for Scholars Fund as a special fund in the State treasury. Repeals the Act on June 30, 2008. Effective immediately.

LRB094 10932 RAS 41505 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 Illinois Dollars for Scholars Program Act.

6 Section 5. Findings and purpose. The General Assembly
7 finds that making higher education opportunities available to
8 Illinois residents is of great importance to the social and
9 economic well-being of this State. The General Assembly further
10 finds that some potential students, because of family and
11 social circumstances, economic distress of their community,
12 and other reasons, do not pursue a higher education. It is in
13 the interest of the State to support the development of
14 scholarship programs that help these citizens attend a college,
15 university, or vocational-technical institute in the State.
16 The purpose of this Act is to create an Illinois Dollars for
17 Scholars Program as a pilot project, with the intent of
18 encouraging local communities to develop scholarship programs
19 that assist their residents in obtaining a higher education.

20 Section 10. Definitions. In this Act, unless the context
21 clearly requires otherwise:

22 "Chapter" means an Illinois Dollars for Scholars chapter
23 found to be eligible for State funds under Section 25 of this
24 Act.

25 "Commission" means the Illinois Student Assistance
26 Commission.

27 "Institution of higher education" means a degree-granting
28 college or university or public vocation-technical institute,
29 in this State, that is a member institution of an accrediting
30 association recognized by rule of the Commission for the
31 purposes of this Act.

1 "Program" means the Illinois Dollars for Scholars Program.

2 Section 15. Creation of Program.

3 (a) The Illinois Dollars for Scholars Program is hereby
4 established. Subject to the availability of funds, the
5 Commission shall award a chapter \$2,000 upon demonstration to
6 the Commission that the chapter has raised \$2,000 for
7 scholarships or the creation of an endowment for scholarships.

8 (b) Awards made under this Section shall be used for
9 scholarships to community residents who qualify as resident
10 students, as determined by the Commission, to attend
11 institutions of higher education.

12 Section 20. Goals.

13 (a) The goal of the Program is the development throughout
14 the State of community organizations that raise scholarship
15 funds for local residents.

16 (b) In making awards under Section 15 this Act, the
17 Commission shall take into consideration, but not be limited
18 to, the following additional goals:

19 (1) increasing higher education participation for
20 residents of economically distressed areas and other areas
21 of the State with low participation rates and enhancing
22 community support for residents of these areas who desire a
23 higher education;

24 (2) creating scholarship opportunities for students
25 who do not meet the criteria for traditional scholarships;
26 and

27 (3) creating scholarship opportunities for students
28 who plan to focus their studies in the humanities and arts.

29 Section 25. Eligibility. To qualify as an Illinois
30 Scholars for Dollars chapter eligible for State money under
31 this Act, an organization must meet the following criteria:

32 (1) have a tax-exempt status under Section 501(c) of
33 the Internal Revenue Code, be a publicly supported

1 organization under Section 170(b)(1)(A)(vi) of the
2 Internal Revenue Code, and not be a private foundation
3 under Section 509(a) of the Internal Revenue Code;

4 (2) be organized after the effective date of this Act
5 for the primary purpose of raising and awarding
6 scholarships to community residents who qualify as
7 resident students, as determined by the Commission, to
8 attend institutions of higher education;

9 (3) solicit broad-based community support in its
10 fundraising activities and be representative of the
11 community in its organization;

12 (4) not be duplicative of other organizations;

13 (5) be organized and operated by volunteers;

14 (6) grant scholarships without regard to age, sex,
15 marital status, race, creed, color, religion, national
16 origin, or the presence of any mental, sensory, or physical
17 handicap; and

18 (7) meet other criteria established by the Commission
19 to meet the goals of the Program specified in Section 20 of
20 this Act.

21 Section 30. Chapter limits. The total number of chapters
22 operating under this Act at any one time shall not exceed 28.
23 Not more than 7 chapters shall operate at any one time in any
24 city having a population exceeding 500,000; not more than 7
25 chapters shall operate at any one time in the counties of
26 DuPage, Kane, Lake, McHenry, Will, and that portion of Cook
27 County that is located outside a city having a population
28 exceeding 500,000; and not more than 14 chapters shall operate
29 at any one time in the remainder of the State.

30 For the purposes of implementing this Section, the
31 Commission shall assign a number to each chapter submission
32 that it receives under this Act for its review and
33 certification, based on the chronological order in which the
34 submission is received. The Commission shall promptly notify
35 the public when the maximum number of chapters authorized to

1 operate has been reached.

2 Section 35. Administration; rules; assistance. The
3 Commission shall administer the Program. The Commission shall
4 adopt rules as appropriate to implement the Program and shall
5 solicit assistance from public and private sources to publicize
6 the Program. The Commission may create an advisory committee to
7 assist in making determinations under this Act.

8 Section 40. Illinois Dollars for Scholars Fund. The
9 Illinois Dollars for Scholars Fund is created as a special fund
10 in the State treasury. All money appropriated for the Program
11 and all money otherwise received for this purpose shall be
12 deposited in this Fund. All money in this Fund shall be used,
13 subject to appropriation, by the Commission for awards and
14 administration of the Program.

15 Section 45. Gifts; grants; endowments. The Commission may
16 solicit and receive such gifts, grants, and endowments from
17 public or private sources as may be made from time to time, in
18 trust or otherwise, for the use and benefit of the purposes of
19 the Program and may expend the same or any income therefrom
20 according to the terms of the gifts, grants, or endowments.

21 Section 50. Report. By December 1, 2006, the Commission
22 shall submit a report to the Governor, the House of
23 Representatives Higher Education Committee, and the Senate
24 Education Committee. The report shall examine the results and
25 effectiveness of the Program and shall recommend whether the
26 Program should be continued and any modifications to the
27 Program.

28 Section 905. The State Finance Act is amended by adding
29 Section 5.640 as follows:

30 (30 ILCS 105/5.640 new)

1 Sec. 5.640. The Illinois Dollars for Scholars Fund.

2 Section 990. Repealer. This Act is repealed on June 30,
3 2008.

4 Section 999. Effective date. This Act takes effect upon
5 becoming law.