

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; and

15 (2) in the absence of grant assistance, will be
16 deterred by financial considerations from completing an
17 educational program at the qualified institution of his or
18 her choice.

19 (b) The Commission shall award renewals only upon the
20 student's application and upon the Commission's finding that
21 the applicant:

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

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

1 (3) is in a financial situation that continues to
2 warrant assistance.

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

7 (1) \$4,968, or such lesser amount as the Commission
8 finds to be available, during an academic year; or

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

12 (3) such amount as the Commission finds to be
13 appropriate in view of the applicant's financial
14 resources.

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 (c-5) For an independent student, as defined by the

1 Commission, the Commission shall base a student's financial
2 resources under subsections (a), (b), and (c) of this Section
3 on an adjusted estimated family contribution amount. The
4 adjusted estimated family contribution amount shall equal
5 one-half of the student's estimated family contribution, as
6 defined by the Commission.

7 (d) No applicant, including those presently receiving
8 scholarship assistance under this Act, is eligible for monetary
9 award program consideration under this Act after receiving a
10 baccalaureate degree or the equivalent of 135 semester credit
11 hours of award payments.

12 (e) The Commission, in determining the number of grants to
13 be offered, shall take into consideration past experience with
14 the rate of grant funds unclaimed by recipients. The Commission
15 shall notify applicants that grant assistance is contingent
16 upon the availability of appropriated funds.

17 (f) The Commission may request appropriations for deposit
18 into the Monetary Award Program Reserve Fund. Monies deposited
19 into the Monetary Award Program Reserve Fund may be expended
20 exclusively for one purpose: to make Monetary Award Program
21 grants to eligible students. Amounts on deposit in the Monetary
22 Award Program Reserve Fund may not exceed 2% of the current
23 annual State appropriation for the Monetary Award Program.

24 The purpose of the Monetary Award Program Reserve Fund is
25 to enable the Commission each year to assure as many students
26 as possible of their eligibility for a Monetary Award Program

1 grant and to do so before commencement of the academic year.
2 Moneys deposited in this Reserve Fund are intended to enhance
3 the Commission's management of the Monetary Award Program,
4 minimizing the necessity, magnitude, and frequency of
5 adjusting award amounts and ensuring that the annual Monetary
6 Award Program appropriation can be fully utilized.

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 (Source: P.A. 92-45, eff. 7-1-01; 93-1032, eff. 9-2-04.)

23 Section 99. Effective date. This Act takes effect July 1,
24 2007.