

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) \$5,466 ~~\$4,968~~, or such lesser amount as the
8 Commission finds to be available, during an academic year;
9 or

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

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

16 The maximum grant amount for students not subject to
17 subdivision (1) of this subsection (c) must be increased by the
18 same percentage as any increase made by law to the maximum
19 grant amount under subdivision (1) of this subsection (c).

20 "Tuition and other necessary fees" as used in this Section
21 include the customary charge for instruction and use of
22 facilities in general, and the additional fixed fees charged
23 for specified purposes, which are required generally of
24 nongrant recipients for each academic period for which the
25 grant applicant actually enrolls, but do not include fees
26 payable only once or breakage fees and other contingent

1 deposits which are refundable in whole or in part. The
2 Commission may prescribe, by rule not inconsistent with this
3 Section, detailed provisions concerning the computation of
4 tuition and other necessary fees.

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

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

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

22 The purpose of the Monetary Award Program Reserve Fund is
23 to enable the Commission each year to assure as many students
24 as possible of their eligibility for a Monetary Award Program
25 grant and to do so before commencement of the academic year.
26 Moneys deposited in this Reserve Fund are intended to enhance

1 the Commission's management of the Monetary Award Program,
2 minimizing the necessity, magnitude, and frequency of
3 adjusting award amounts and ensuring that the annual Monetary
4 Award Program appropriation can be fully utilized.

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

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

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

18 (3) Beginning with the academic year 1999, to all
19 eligible students.

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

21 Section 99. Effective date. This Act takes effect July 1,
22 2007.