

1 AN ACT regarding higher education student assistance.

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  
5 is amended by changing Section 70 as follows:

6 (110 ILCS 947/70)

7 Sec. 70. Administration of scholarship and grant  
8 programs.

9 (a) An applicant to whom the Commission has awarded a  
10 scholarship or grant under this Act may apply for enrollment  
11 as a student in any qualified institution of higher learning.  
12 The institution is not required to accept the applicant for  
13 enrollment, but is free to exact compliance with its own  
14 admissions requirements, standards, and policies. The  
15 institution may receive the payments of tuition and other  
16 necessary fees provided by the scholarship or grant, for  
17 credit against the student's obligation for such tuition and  
18 fees, and for no other purpose, and shall be contractually  
19 obligated:

20 (1) to provide facilities and instruction to the  
21 student on the same terms as to other students generally;

22 (2) to provide the notices and information  
23 described in this Act; and to maintain records and  
24 documents which demonstrate the eligibility of the  
25 students for whom scholarships and grants are claimed.

26 (b) If, in the course of any academic period, any  
27 student enrolled in any institution pursuant to a scholarship  
28 or grant awarded under this Act for any reason ceases to be a  
29 student in good standing, the institution shall promptly give  
30 written notice to the Commission concerning that change of  
31 status and the reason therefor. For purposes of this Section,

1 a student does not cease to be a student in good standing  
 2 merely because he or she is not classified as a full-time  
 3 student. ~~In any case, a student must be enrolled for at least~~  
 4 ~~6 semester or 6 quarter hours for the term to maintain any~~  
 5 ~~eligibility for grant benefits under subsection (e) of~~  
 6 ~~Section 35.~~

7 (c) A student to whom a renewal scholarship or grant has  
 8 been awarded may either re-enroll in the institution which he  
 9 or she attended during the preceding year, or enroll in any  
 10 other qualified institution of higher learning; and in either  
 11 event, the institution accepting the student for enrollment  
 12 or re-enrollment shall notify the Commission of that  
 13 acceptance and may receive payments and shall be  
 14 contractually obligated as provided with respect to a  
 15 first-year scholarship or grant.

16 (d) The Commission shall administer the scholarship and  
 17 grant accounts and related records of each student who is  
 18 attending an institution of higher learning under financial  
 19 assistance awarded pursuant to this Act, and at each proper  
 20 time shall certify to the State Comptroller, in the manner  
 21 prescribed by law, the current payment to be made to the  
 22 institution on account of such financial assistance, in  
 23 accordance with an appropriate certificate from the  
 24 institution. The Commission may require the participating  
 25 institution of higher learning to perform specific  
 26 eligibility evaluation procedures as a condition of  
 27 participation.

28 (e) The Commission shall conduct on-site audits of  
 29 educational institutions participating in Commission  
 30 administered programs. When institutions have claimed and  
 31 received funds on behalf of ineligible recipients, the  
 32 Commission may adjust subsequent institutional payments to  
 33 recover those funds.

34 (f) The Commission may shall, upon the request of any

1 institution which received payment for scholarship and grant  
2 awards for each of the last 5 years, certify to the  
3 Comptroller an advance payment for the current term to be  
4 made to the institution on account of such financial  
5 assistance in an amount not to exceed 75% of announced awards  
6 for the institution for such financial assistance for the  
7 current term, adjusted for attrition over the last 5 years.  
8 For the purposes of this Section, "attrition" is the number  
9 of announced award winners enrolled on the 10th class day as  
10 a percentage of the total announced awards. The request for  
11 an advance payment for the current term shall not be  
12 submitted until 10 class days after the last day for  
13 registration for that term. Upon appropriate certification  
14 from the institution presented for each payment period, after  
15 the standard tuition and mandatory fees have been established  
16 for all students for the term of payment and the award  
17 recipient has enrolled, the Commission shall certify to the  
18 State Comptroller the balance of the current payment to be  
19 made to the institution on account of such financial  
20 assistance. If an advance payment received by an institution  
21 exceeds the payment to which that institution is entitled,  
22 the Commission shall reduce subsequent payments to that  
23 institution for later terms within the same academic year as  
24 the overpayment by an amount equal to the overpayment; if the  
25 reduction cannot be made, the institution shall refund the  
26 overpayment to the Commission. The Commission may deny or  
27 reduce the advance payment provided to any institution under  
28 this Section if it has reason to believe that the advance  
29 payment for the current term may exceed the full payment the  
30 institution is entitled to receive for such assistance for  
31 that term.

32 (Source: P.A. 87-997.)

33 Section 99. Effective date. This Act takes effect upon

1 becoming law.