

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 (c) 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.