
ILLINOIS

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ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED AMENDMENT

- 1) Heading of the Part: Illinois National Guard (ING) Grant Program
- 2) Code Citation: 23 Ill. Adm. Code 2730
- 3) Section Numbers: 2730.40 Proposed Action: Amendment
- 4) Statutory Authority: Implementing Section 45 and authorized by Section 20(f) of the Higher Education Student Assistance Act [110 ILCS 947/45 and 20(f)]
- 5) A Complete Description of the Subjects and Issues Involved: The proposed amendment to Section 2730.40(g) introduces changes to clarify and separate the requirements for the reconciliation of ING data and ING funds based on recommendations from staff.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this proposed amendment replace an emergency rule currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this proposed amendment contain incorporations by reference? No
- 10) Are there any other amendments pending on this Part? No
- 11) Statement of Statewide Policy Objectives: This rulemaking does not create or expand a State mandate as defined in Section 3(b) of the State Mandates Act [30 ILCS 805/3(b)] and does not necessitate a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.
- 12) Time, Place, and Manner in which interested persons may comment on this proposed rulemaking: Persons who wish to comment on this proposed rulemaking may submit written comments no later than 45 days after the publication of this Notice to:

Lynn Hynes
Agency Rules Coordinator
Illinois Student Assistance Commission
1755 Lake Cook Road
Deerfield, IL 60015

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED AMENDMENT

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- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not for profit corporations affected: None
 - B) Reporting, bookkeeping or other procedures required for compliance: None
 - C) Types of professional skills necessary for compliance: None
- 14) Regulatory Agenda on which this rulemaking was summarized: January 2012

The full text of the Proposed Amendment begins on the following page:

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED AMENDMENT

TITLE 23: EDUCATION AND CULTURAL RESOURCES
SUBTITLE A: EDUCATION
CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSIONPART 2730
ILLINOIS NATIONAL GUARD (ING) GRANT PROGRAM

Section

2730.10	Summary and Purpose
2730.20	Applicant Eligibility
2730.30	Program Procedures
2730.40	Institutional Procedures

AUTHORITY: Implementing Section 45 and authorized by Section 20(f) of the Higher Education Student Assistance Act [110 ILCS 947/45 and 20(f)].

SOURCE: Adopted at 3 Ill. Reg. 4, p. 38, effective January 26, 1979; rules repealed at 6 Ill. Reg. 8239, effective June 30, 1982; new rules adopted at 6 Ill. Reg. 8413, effective June 30, 1982; codified at 7 Ill. Reg. 10877; amended at 8 Ill. Reg. 17016, effective September 5, 1984; amended at 9 Ill. Reg. 20827, effective January 1, 1986; amended at 11 Ill. Reg. 3202, effective January 29, 1987; amended at 12 Ill. Reg. 11531, effective July 1, 1988; transferred from Chapter IX, 23 Ill. Adm. Code 1730 (State Scholarship Commission) to Chapter XIX, 23 Ill. Adm. Code 2730 (Illinois Student Assistance Commission) pursuant to P.A. 86-168, effective July 1, 1989, at 13 Ill. Reg. 17857; amended at 14 Ill. Reg. 10567, effective July 1, 1990; amended at 16 Ill. Reg. 11254, effective July 1, 1992; amended at 17 Ill. Reg. 10563, effective July 1, 1993; amended at 18 Ill. Reg. 10303, effective July 1, 1994; amended at 20 Ill. Reg. 9187, effective July 1, 1996; old Part repealed and new Part adopted at 21 Ill. Reg. 11119, effective July 18, 1997; amended at 22 Ill. Reg. 11100, effective July 1, 1998; amended at 24 Ill. Reg. 9148, effective July 1, 2000; amended at 25 Ill. Reg. 8406, effective July 1, 2001; amended at 26 Ill. Reg. 10013, effective July 1, 2002; amended at 27 Ill. Reg. 10338, effective July 1, 2003; amended at 29 Ill. Reg. 9904, effective July 1, 2005; amended at 30 Ill. Reg. 11623, effective July 1, 2006; amended at 32 Ill. Reg. 10305, effective July 1, 2008; amended at 36 Ill. Reg. _____, effective _____.

Section 2730.40 Institutional Procedures

- a) The institution must establish a qualified applicant's initial eligibility before requesting payment from ISAC. A valid Illinois National Guard Grant eligibility letter may be used for this purpose.

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- b) When submitting payment requests, the institution is certifying that the recipient meets the grade point average requirements of Section 2730.20(d).
- c) Institutions must report the total number of hours for which payment is being requested (including credit and noncredit hours) so that ISAC can accurately track the recipient's use of eligibility units.
- d) Payment information will be sent each term to the institution no earlier than the application deadline date for that term. Payment claims must be submitted no later than 30 calendar days after payment information has been sent to the institution by ISAC. Supplemental payment claims must be submitted to ISAC no later than 45 calendar days after the original payment information was sent to the institution with the exception of summer term supplements which must be submitted by the same deadline as the original payment claim for summer term. All payment claims received by ISAC after the designated dates will be paid or prorated during the fiscal lapse period (July 1 through August 31) following the conclusion of the fiscal year. To provide sufficient time for processing and vouchering through the State Comptroller's Office in Springfield, all payment requests except for summer term must be received by ISAC no later than July 1. Summer term payment requests must be received no later than July 31.
- e) Claims will be paid as follows:
 - 1) first semester and first quarter claims received by the designated deadline date will be paid, or prorated if funding is insufficient to pay all claims in full;
 - 2) if funds remain after first semester and first quarter claims are paid, then second semester and second and third quarter claims received by the designated deadline date will be paid, or prorated if funds remaining are insufficient to pay all such claims in full;
 - 3) if funds still remain after the preceding claims are paid, summer term claims received by the designated deadline date will be paid, or prorated if remaining funds are insufficient to pay all summer claims in full; and
 - 4) in the event that funds are not exhausted by summer term payments, claims received after the designated deadline dates will be paid or

ILLINOIS STUDENT ASSISTANCE COMMISSION

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prorated.

- 5) Timely claims for the difference between in-district/state and out-of-district/state tuition for recipients who do not qualify for chargebacks will be considered for payment at the same time, and in the same priority order, as all other timely claims, in accordance with the provisions of this subsection.
- f) Payments on behalf of a recipient will be made to only one institution per term. For any institution that has a concurrent registration opportunity, the same payment policy will be in effect as that used in the Monetary Award Program. (See: 23 Ill. Adm. Code 2735.40(h).)
- g) Institutions are required to reconcile payments, both payment data and actual funds, received through ING and, as applicable, submit all necessary corrections to student records on a timely basis. Institutions are required to reconcile payments received through this program. Any payments received by the institution that are determined in the reconciliation to be refunds payable to ISAC are to be processed and returned to ISAC no later than 60 days following the end of the academic term. Should the payment arrive after the end of the term, the institution will have 60 days following receipt of payment to complete the reconciliation process and return any refunds to ISAC.
 - 1) Within 30 days after and including the date of receiving payment of any ING funds claimed pursuant to this Section, the institution shall credit the ING funds against the recipients' tuition and eligible fee charges for the appropriate term.
 - 2) Within 30 days after the end of an academic term during which ING funds are credited to recipients' tuition and eligible fee charges, institutions must reconcile data received from ISAC as a result of payment claim processing against the eligibility status throughout that term for each student for whom payment claims were made. In reconciling the data with student eligibility, an institution must determine whether:
 - A) The amount of the claim applied to a student's tuition and eligible fee charges exceeded the amount that the student was eligible to receive for any reason, including as a result of billing errors or retroactive withdrawals; or

ILLINOIS STUDENT ASSISTANCE COMMISSION

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- B) The amount of the claim applied to a student's tuition and eligible fee charges was less than the amount that the student was eligible to receive for any reason, including as a result of billing errors or retroactive withdrawals; or
- C) The amount of the claim applied to a student's tuition and eligible fee charges equaled the amount that the student was eligible to receive.
- 3) Any institution that determines that the amount of a claim applied to a student's tuition and mandatory fee charges either exceeded the amount that the student was eligible to receive or was less than that amount must submit an accounting of all such adjustments to ISAC within 30 days following the end of the applicable term.
- 4) For any claims determined to exceed the amount that the student was eligible to receive, the amount in excess paid for the claims shall be remitted to ISAC within 45 days after the end of the applicable term unless the payment is received after the end of the regular school year. If the payment of claims is made after the end of the regular school year, the institution shall have 60 days following receipt of the payment to complete reconciliation and remit any funds due to ISAC.
- 5) Award payments made in the name of one recipient cannot be applied to another recipient at the same institution. A refund of the payment made must be submitted to ISAC, and a supplemental request for payment must be processed for the proper recipient.

(Source: Amended at 36 Ill. Reg. _____, effective _____)

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED AMENDMENT

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Fax: 847/831-8549

- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not for profit corporations affected: None
 - B) Reporting, bookkeeping or other procedures required for compliance: None
 - C) Types of professional skills necessary for compliance: None
- 14) Regulatory Agenda on which this rulemaking was summarized: January 2012

The full text of the Proposed Amendment begins on the following page:

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED AMENDMENT

TITLE 23: EDUCATION AND CULTURAL RESOURCES
SUBTITLE A: EDUCATION
CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSION

PART 2731

GRANT PROGRAM FOR DEPENDENTS OF CORRECTIONAL OFFICERS

Section

2731.10	Summary and Purpose
2731.20	Applicant Eligibility
2731.30	Program Procedures
2731.40	Institutional Procedures

AUTHORITY: Implementing Section 60 and authorized by Section 20(f) of the Higher Education Student Assistance Act [110 ILCS 947/60 and 20(f)].

SOURCE: Adopted at 9 Ill. Reg. 20780, effective January 1, 1986; transferred from Chapter IX, 23 Ill. Adm. Code 1731 (State Scholarship Commission) to Chapter XIX, 23 Ill. Adm. Code 2731 (Illinois Student Assistance Commission) pursuant to P.A. 86-169, effective July 1, 1989, at 13 Ill. Reg. 17853; amended at 14 Ill. Reg. 10534, effective July 1, 1990; amended at 17 Ill. Reg. 10559, effective July 1, 1993; amended at 18 Ill. Reg. 10299, effective July 1, 1994; amended at 20 Ill. Reg. 10183, effective July 15, 1996; old Part repealed and new Part adopted at 21 Ill. Reg. 11100, effective July 18, 1997; amended at 30 Ill. Reg. 11632, effective July 1, 2006; amended at 35 Ill. Reg. 12374, effective July 15, 2011; amended at 36 Ill. Reg. _____, effective _____.

Section 2731.40 Institutional Procedures

- a) The institution shall certify the applicant's award amount within the time frame requested by ISAC, which shall be no sooner than 30 days unless a more rapid response is necessary to expend appropriated funds prior to the end of the academic year.
- b) Institutional Packaging of Assistance:
 - 1) If the recipient receives other assistance targeted specifically for tuition and fees, the combined assistance shall not exceed the total tuition and fee expenses incurred by the student; and if it does, the institution shall reduce one of the awards accordingly;

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- 2) notwithstanding the provisions of other ISAC-administered programs, the total amount of a student's gift assistance may not exceed the student's cost of attendance for that institution. Any excess gift assistance is considered an overaward, and the institution is required to notify ISAC to reduce this grant and/or other gift assistance to prevent such an overaward; and
 - 3) if the recipient is eligible for assistance under MAP, the recipient may not be eligible for a full MAP grant because the grant for Dependents of Correctional Officers must be factored into the financial aid package prior to receiving MAP gift assistance. The institution, however, may request a MAP grant to finance tuition and mandatory fee expenses not paid by this program.
- c) Institutional Processing of Payments:
- 1) When submitting payment requests, the institution shall verify that the recipient meets the requirements of Section 2731.20(a)(3) and (4), Applicant Eligibility.
 - 2) Within 30 days after and including the date of receiving payment, the institution shall credit the award toward the recipient's tuition and mandatory fee charges for the appropriate term.
 - 3) Institutions are required to reconcile payments, both payment data and actual funds, received through the Grant Program for Dependents of Correctional Officers and, as applicable, submit all necessary corrections to student records on a timely basis. ~~Institutions are required to reconcile payments received through this program. Any payments received by the institution that are determined in the reconciliation to be refunds payable to ISAC are to be processed and returned to ISAC no later than 60 days following the end of the academic term. Should the payment arrive after the end of the term, the institution will have 60 days following receipt of payment to complete the reconciliation process and return any refunds to ISAC.~~
 - 4) Within 30 days after the end of an academic term during which the Grant Program for Dependents of Correctional Officers funds are credited to recipient's tuition and eligible fee charges, institutions must reconcile data

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NOTICE OF PROPOSED AMENDMENT

received from ISAC as a result of payment claim processing against the eligibility status throughout that term for each student for whom payment claims were made. In reconciling the data with student eligibility, an institution must determine whether:

- A) The amount of the claim applied to a student's tuition and eligible fee charges exceeded the amount that the student was eligible to receive for any reason, including as a result of billing errors or retroactive withdrawals; or
 - B) The amount of the claim applied to a student's tuition and eligible fee charges was less than the amount that the student was eligible to receive for any reason, including as a result of billing errors or retroactive withdrawals; or
 - C) The amount of the claim applied to a student's tuition and eligible fee charges equaled the amount that the student was eligible to receive.
- 5) Any institution that determines that the amount of a claim applied to a student's tuition and mandatory fee charges either exceeded the amount that the student was eligible to receive or was less than that amount must submit an accounting of all such adjustments to ISAC within 30 days following the end of the applicable term.
- 6) For any claims determined to exceed the amount that the student was eligible to receive, the amount in excess paid for the claims shall be remitted to ISAC within 45 days after the end of the applicable term unless the payment is received after the end of the applicable term. If the payment of claims is made after the end of the applicable term, the institution shall have 60 days following receipt of the payment to complete reconciliation and remit any funds due to ISAC.
- 74) Award payments made in the name of one recipient cannot be applied to another recipient at the same institution. A refund of the payment must be submitted to ISAC and a supplemental request must be made and processed for the proper recipient.
- 85) If the institution does not submit refunds as required, ISAC will deduct

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outstanding refunds from subsequent payments to the institution.

- | [96](#)) To provide sufficient time for processing and vouchering through the State Comptroller's Office in Springfield, all payment requests except for summer term must be received by ISAC no later than July 1. Summer term payment requests must be received no later than July 31.

(Source: Amended at 36 Ill. Reg. _____, effective _____)

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED AMENDMENT

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- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not for profit corporations affected: None
 - B) Reporting, bookkeeping or other procedures required for compliance: None
 - C) Types of professional skills necessary for compliance: None
- 14) Regulatory Agenda on which this rulemaking was summarized: January 2012

The full text of the Proposed Amendment begins on the following page:

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED AMENDMENT

TITLE 23: EDUCATION AND CULTURAL RESOURCES
SUBTITLE A: EDUCATION
CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSION

PART 2732

GRANT PROGRAM FOR DEPENDENTS OF POLICE OR FIRE OFFICERS

Section

2732.10	Summary and Purpose
2732.20	Applicant Eligibility
2732.30	Program Procedures
2732.40	Institutional Procedures

AUTHORITY: Implementing Section 55 and authorized by Section 20(f) of the Higher Education Student Assistance Act [110 ILCS 947/55 and 20(f)].

SOURCE: Adopted at 9 Ill. Reg. 20873, effective January 1, 1986; amended at 11 Ill. Reg. 3239, effective January 29, 1987; transferred from Chapter IX, 23 Ill. Adm. Code 1732 (State Scholarship Commission) to Chapter XIX, 23 Ill. Adm. Code 2732 (Illinois Student Assistance Commission) pursuant to P.A. 86-169, effective July 1, 1989, at 13 Ill. Reg. 17866; amended at 14 Ill. Reg. 10585, effective July 1, 1990; amended at 17 Ill. Reg. 10620, effective July 1, 1993; amended at 18 Ill. Reg. 10342, effective July 1, 1994; amended at 20 Ill. Reg. 10191, effective July 15, 1996; old Part repealed and new Part adopted at 21 Ill. Reg. 11090, effective July 18, 1997; amended at 30 Ill. Reg. 11639, effective July 1, 2006; amended at 35 Ill. Reg. 12378, effective July 15, 2011; amended at 36 Ill. Reg. _____, effective _____.

Section 2732.40 Institutional Procedures

- a) The institution shall certify the applicant's award amount within the time frame requested by ISAC, which shall be no sooner than 30 days unless a more rapid response is necessary to expend appropriated funds prior to the end of the academic year.
- b) Institutional Packaging of Assistance:
 - 1) If the recipient receives other assistance targeted specifically for tuition and fees, the combined assistance shall not exceed the total tuition and fee expenses incurred by the student; if it does, the institution shall reduce one of the awards accordingly;

ILLINOIS STUDENT ASSISTANCE COMMISSION

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- 2) notwithstanding the provisions of other ISAC-administered programs, the total amount of a student's gift assistance may not exceed the student's cost of attendance at that institution. Any excess gift assistance is considered an overaward and the institution is required to notify ISAC to reduce this grant and/or other gift assistance to prevent such an overaward; and
 - 3) if the recipient is eligible for assistance under MAP, the recipient may not be eligible for a full MAP grant because the police or fire officer grant must be factored into the financial aid package prior to receiving MAP gift assistance. The institution, however, may request a MAP grant to finance tuition and mandatory fee expenses not paid by this program.
- c) Institutional Processing of Payments:
- 1) When submitting payment requests, the institution shall verify that the recipient meets the requirements of Section 2732.20(a)(3) and (4), Applicant Eligibility.
 - 2) Within 30 days after and including the date of receiving payment, the institution shall credit the award toward the recipient's tuition and mandatory fee charges for the appropriate term.
 - 3) Institutions are required to reconcile payments, both payment data and actual funds, received through the Grant Program for Dependents of Police or Fire Officers and, as applicable, submit all necessary corrections to student records on a timely basis. ~~Institutions are required to reconcile payments received through this program. Any payments received by the institution that are determined in the reconciliation to be refunds payable to ISAC are to be processed and returned to ISAC no later than 60 days following the end of the academic term. Should the payment arrive after the end of the term, the institution will have 60 days following receipt of payment to complete the reconciliation process and return any refunds to ISAC.~~
 - 4) Within 30 days after the end of an academic term during which the Grant for Dependents of Police or Fire Officers funds are credited to recipient's tuition and mandatory fee charges, institutions must reconcile data received from ISAC as a result of payment claim processing against the

ILLINOIS STUDENT ASSISTANCE COMMISSION

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eligibility status throughout that term for each student for whom payment claims were made. In reconciling the data with student eligibility, an institution must determine whether:

A) The amount of the claim applied to a student's tuition and mandatory fee charges exceeded the amount that the student was eligible to receive for any reason, including as a result of billing errors or retroactive withdrawals; or

B) The amount of the claim applied to a student's tuition and mandatory fee charges was less than the amount that the student was eligible to receive for any reason, including as a result of billing errors or retroactive withdrawals; or

C) The amount of the claim applied to a student's tuition and mandatory fee charges equaled the amount that the student was eligible to receive.

5) Any institution that determines that the amount of a claim applied to a student's tuition and mandatory fee charges either exceeded the amount that the student was eligible to receive or was less than that amount must submit an accounting of all such adjustments to ISAC within 30 days following the end of the applicable term.

6) For any claims determined to exceed the amount that the student was eligible to receive, the amount in excess paid for the claims shall be remitted to ISAC within 45 days after the end of the applicable term unless the payment is received after the end of the applicable term. If the payment of claims is made after the end of the applicable term, the institution shall have 60 days following receipt of the payment to complete reconciliation and remit any funds due to ISAC.

74) Award payments made in the name of one recipient cannot be applied to another recipient at the same institution. A refund of the payment must be submitted to ISAC and a supplemental request must be made and processed for the proper recipient.

85) If the institution does not submit refunds as required, ISAC will deduct outstanding refunds from subsequent payments to the institution.

ILLINOIS STUDENT ASSISTANCE COMMISSION

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- | [96](#)) To provide sufficient time for processing and vouchering through the State Comptroller's Office in Springfield, all payment requests except for summer term must be received by ISAC no later than July 1. Summer term payment requests must be received no later than July 31.

(Source: Amended at 36 Ill. Reg. _____, effective _____)

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED AMENDMENT

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- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not for profit corporations affected: None
 - B) Reporting, bookkeeping or other procedures required for compliance: None
 - C) Types of professional skills necessary for compliance: None
- 14) Regulatory Agenda on which this rulemaking was summarized: January 2012

The full text of the Proposed Amendment begins on the following page:

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED AMENDMENT

TITLE 23: EDUCATION AND CULTURAL RESOURCES
SUBTITLE A: EDUCATION
CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSIONPART 2733
ILLINOIS VETERAN GRANT (IVG) PROGRAM

Section

2733.10	Summary and Purpose
2733.20	Applicant Eligibility
2733.30	Program Procedures
2733.40	Institutional Procedures

AUTHORITY: Implementing Section 40 and authorized by Section 20(f) of the Higher Education Student Assistance Act [110 ILCS 947/40 and 20(f)].

SOURCE: Emergency rule adopted at 10 Ill. Reg. 14322, effective August 20, 1986 for a maximum of 150 days; emergency expired January 16, 1987; adopted at 11 Ill. Reg. 3207, effective January 29, 1987; amended at 12 Ill. Reg. 11536, effective July 1, 1988; transferred from Chapter IX, 23 Ill. Adm. Code 1733 (State Scholarship Commission) to Chapter XIX, 23 Ill. Adm. Code 2733 (Illinois Student Assistance Commission) pursuant to P.A. 86-168, effective July 1, 1989, at 13 Ill. Reg. 17858; amended at 14 Ill. Reg. 10571, effective July 1, 1990; emergency amendments at 15 Ill. Reg. 15613, effective October 11, 1991, for a maximum of 150 days; emergency expired March 9, 1992; emergency amendment at 15 Ill. Reg. 18778, effective January 1, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 6880, effective April 14, 1992; amended at 16 Ill. Reg. 11261, effective July 1, 1992; amended at 17 Ill. Reg. 10570, effective July 1, 1993; amended at 18 Ill. Reg. 10309, effective July 1, 1994; amended at 20 Ill. Reg. 9200, effective July 1, 1996; old Part repealed and new Part adopted at 21 Ill. Reg. 11139, effective July 18, 1997; amended at 22 Ill. Reg. 11114, effective July 1, 1998; amended at 23 Ill. Reg. 7575, effective July 1, 1999; amended at 24 Ill. Reg. 9166, effective July 1, 2000; amended at 25 Ill. Reg. 8418, effective July 1, 2001; amended at 26 Ill. Reg. 10020, effective July 1, 2002; amended at 27 Ill. Reg. 10342, effective July 1, 2003; emergency amendment at 28 Ill. Reg. 12932, effective September 15, 2004, for a maximum of 150 days; amended at 29 Ill. Reg. 2462, effective February 1, 2005; amended at 29 Ill. Reg. 9912, effective July 1, 2005; amended at 30 Ill. Reg. 11646, effective July 1, 2006; amended at 32 Ill. Reg. 10313, effective July 1, 2008; amended at 36 Ill. Reg. _____, effective _____.

Section 2733.40 Institutional Procedures

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- a) If a student is eligible for both an IVG and a Monetary Award Program (MAP) grant, the IVG benefits must be used first. A student cannot decline IVG benefits in favor of using MAP.
- b) A notice of eligibility from ISAC must be used by the institution to establish a qualified applicant's initial eligibility.
- c) Institutions shall submit a payment request to ISAC. When submitting payment requests, the institution is certifying that the qualified applicant meets the grade point requirements of Section 2733.20(d).
- d) Institutions must report the total number of hours for which payment is being requested (including credit and noncredit hours) so that ISAC can accurately track the recipient's use of eligibility units.
- e) The deadlines for submission of complete payment requests shall be September 15 for summer terms; January 15 for first term; and May 25 for second semester/second and third quarter. All claims, including supplemental claims, must be received by ISAC no later than July 1.
- f) The reimbursement to institutions for Illinois Veteran Grants is contingent upon available funding. Should General Assembly appropriations be insufficient to pay all claims, institutions will be reimbursed in accordance with this subsection:
 - 1) summer term claims received by the deadline date designated in subsection (e) will be paid, or prorated if funding is insufficient to pay all claims in full;
 - 2) if funds remain after summer term claims are paid, first semester and first quarter claims received by the designated deadline date will be paid, or prorated if funding is insufficient to pay all claims in full;
 - 3) if funds remain after first semester and first quarter claims are paid, then second semester/second and third quarter claims received by the designated deadline date will be paid, or prorated if funds remaining are insufficient to pay all such claims in full;
 - 4) if funds remain after second semester/second and third quarter claims are paid, claims received by ISAC after the designated deadline dates will be

ILLINOIS STUDENT ASSISTANCE COMMISSION

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paid or prorated; and

- 5) timely claims for the difference between in-district/state and out-of-district/state tuition for recipients who do not qualify for chargebacks will be considered for payment at the same time, and in the same priority order, as all other timely claims, in accordance with the provisions of this subsection (f).

- g) Institutions are required to reconcile payments, both payment data and actual funds, received through IVG and, as applicable, submit all necessary corrections to student records on a timely basis.
- 1) Within 30 days after and including the date of receiving payment of any IVG funds claimed pursuant to this Section, the institution shall credit the IVG funds against the recipient's tuition and mandatory fee charges for the appropriate term.
- 2) Within 30 days after the end of an academic term during which IVG funds are credited to recipient's tuition and mandatory fee charges, institutions must reconcile data received from ISAC as a result of payment claim processing against the eligibility status throughout that term for each student for whom payment claims were made. In reconciling the data with student eligibility, an institution must determine whether:
- A) The amount of the claim applied to a student's tuition and mandatory fee charges exceeded the amount that the student was eligible to receive for any reason, including as a result of billing errors or retroactive withdrawals; or
- B) The amount of the claim applied to a student's tuition and mandatory fee charges was less than the amount that the student was eligible to receive for any reason, including as a result of billing errors or retroactive withdrawals; or
- C) The amount of the claim applied to a student's tuition and mandatory fee charges equaled the amount that the student was eligible to receive.

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED AMENDMENT

- 3) Any institution that determines that the amount of a claim applied to a student's tuition and mandatory fee charges either exceeded the amount that the student was eligible to receive or was less than that amount must submit an accounting of all such adjustments to ISAC within 30 days following the end of the applicable term.
- 4) For any claims determined to exceed the amount that the student was eligible to receive, the amount in excess paid for the claims shall be remitted to ISAC within 45 days after the end of the applicable term unless the payment is received after the end of the applicable term. If the payment of claims is made after the end of the applicable term, the institution shall have 60 days following receipt of the payment to complete reconciliation and remit any funds due to ISAC.
- 5) Award payments made in the name of one recipient cannot be applied to another recipient at the same institution. A refund of the payment made must be submitted to ISAC, and a supplemental request for payment must be processed for the proper recipient.

(Source: Amended at 36 Ill. Reg. _____, effective _____)

ILLINOIS STUDENT ASSISTANCE COMMISSION

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- 1) Heading of the Part: Monetary Award Program (MAP)
- 2) Code Citation: 23 Ill. Adm. Code 2735
- 3)

<u>Section Numbers</u> :	<u>Proposed Action</u> :
2735.30	Amendment
2735.40	Amendment
- 4) Statutory Authority: Implementing Section 35 and authorized by Section 20(f) of the Higher Education Student Assistance Act [110 ILCS 947/35 and 20(f)]
- 5) A Complete Description of the Subjects and Issues Involved: Section 2735.30(p) is amended to introduce changes to restrict MAP payment for graduate-level coursework based on school practices found during program reviews. Section 2735.30(q) introduces changes to limit the number of times MAP benefits can be used for repeat courses based, in part, on changes to federal regulations (34 CFR 668.2). Section 2735.40(m) is amended to introduce changes to clarify and separate the requirements for the reconciliation of MAP data and MAP funds based on recommendations from staff.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other proposed rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objectives: This rulemaking does not create or expand a State mandate as defined in Section 3(b) of the State Mandates Act [30 ILCS 805/3(b)] and does not necessitate a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.
- 12) Time, Place, and Manner in which interested persons may comment on this proposed rulemaking: Persons who wish to comment on this proposed rulemaking may submit written comments no later than 45 days after the publication of this Notice to:

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED AMENDMENTS

Lynn Hynes
Agency Rules Coordinator
Illinois Student Assistance Commission
1755 Lake Cook Road
Deerfield, IL 60015

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Fax: 847-831-8549

- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not for profit corporations affected: None
 - B) Reporting, bookkeeping or other procedures required for compliance: None
 - C) Types of professional skills necessary for compliance: None
- 14) Regulatory Agenda on which this rulemaking was summarized: January 2012

The full text of the Proposed Amendments begins on the following page:

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED AMENDMENTS

TITLE 23: EDUCATION AND CULTURAL RESOURCES
SUBTITLE A: EDUCATION
CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSIONPART 2735
MONETARY AWARD PROGRAM (MAP)

Section

2735.10	Summary and Purpose
2735.20	Applicant Eligibility
2735.30	Program Procedures
2735.40	Institutional Procedures
2735.50	Advance Payment Option
2735.60	Contractual Agreement Requirements (Repealed)
2735.APPENDIX A	Advance Payment Formula

AUTHORITY: Implementing Section 35 and authorized by Section 20(f) of the Higher Education Student Assistance Act [110 ILCS 947/35 and 20(f)].

SOURCE: Adopted at 9 Ill. Reg. 20857, effective January 1, 1986; amended at 11 Ill. Reg. 3225, effective January 29, 1987; amended at 11 Ill. Reg. 14134, effective August 10, 1987; amended at 12 Ill. Reg. 11546, effective July 1, 1988; transferred from Chapter IX, 23 Ill. Adm. Code 1735 (State Scholarship Commission) to Chapter XIX, 23 Ill. Adm. Code 2735 (Illinois Student Assistance Commission) pursuant to P.A. 86-168, effective July 1, 1989, at 13 Ill. Reg. 17864; amended at 14 Ill. Reg. 7242, effective May 1, 1990, amended at 16 Ill. Reg. 11296, effective July 1, 1992; emergency amendment at 16 Ill. Reg. 19237, effective November 23, 1992, for a maximum of 150 days; emergency expired on April 22, 1993; emergency amendment at 17 Ill. Reg. 6672, effective April 15, 1993, for a maximum of 150 days; emergency expired on September 18, 1993; amended at 17 Ill. Reg. 10596, effective July 1, 1993; amended at 17 Ill. Reg. 22576, effective January 1, 1994; amended at 19 Ill. Reg. 8369, effective July 1, 1995; amended at 20 Ill. Reg. 9227, effective July 1, 1996; old Part repealed, new Part adopted at 21 Ill. Reg. 11184, effective July 18, 1997; amended at 22 Ill. Reg. 11149, effective July 1, 1998; amended at 23 Ill. Reg. 7592, effective July 1, 1999; amended at 24 Ill. Reg. 9187, effective July 1, 2000; amended at 25 Ill. Reg. 8424, effective July 1, 2001; amended at 26 Ill. Reg. 10024, effective July 1, 2002; amended at 27 Ill. Reg. 10349, effective July 1, 2003; amended at 28 Ill. Reg. 10043, effective July 15, 2004; amended at 29 Ill. Reg. 9920, effective July 1, 2005; amended at 30 Ill. Reg. 11654, effective July 1, 2006; amended at 36 Ill. Reg. _____, effective _____.

ILLINOIS STUDENT ASSISTANCE COMMISSION

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Section 2735.30 Program Procedures

- a) An application for a MAP grant must be submitted annually. An applicant uses the form which the United States Department of Education (ED) designates as an application form for federal student financial aid. (See Section 483 of the Higher Education Act of 1965, as amended (20 USCA 1070a).)
- b) Applicants, spouses and the parents of applicants are required to submit financial information on the application which will be kept confidential, regarding income, asset value and non-taxable income (e.g., Temporary Assistance for Needy Families, public aid, veterans' or Social Security benefits).
- c) **Priority Consideration Dates**
In order to receive priority consideration for a full year award, an application from a student who had applied for a MAP grant for the previous regular school year must have a FAFSA receipt date of no later than August 15 of, or immediately prior to, the regular school year for which the application is being made. In order to receive priority consideration for a full year award, an application from a student who had not applied for a MAP grant for the previous regular school year must have a FAFSA receipt date of no later than September 30 of the regular school year for which the application is being made.
- d) **Priority Processing Guidelines**
 - 1) Students who file applications will be considered for full or partial year MAP awards based on available funds and the following:
 - A) For applications with a FAFSA receipt date of no later than August 15 of or preceding the regular school year for which assistance is being requested, students who had not applied for a MAP award the previous regular school year and students who did apply for a MAP award the previous regular school year will both be considered for full year awards;
 - B) For applications with a FAFSA receipt date of August 16 or later, but no later than September 30, students who had not applied for MAP awards the previous regular school year will be considered for full year awards; while students who did apply for a MAP award the previous regular school year will be considered for

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second semester or second and third quarter awards only;

- C) For applications with a FAFSA receipt date of October 1 or later, and until the date of final suspension of award announcements for that regular school year, all students will be considered for second semester/second and third quarter awards only.
- 2) During the time periods referenced above, awards will be announced concurrently, both to students who had not applied for a MAP award the previous regular school year and to students who did apply for a MAP award during the previous regular school year. Award announcements will be made concurrently through the date of suspension of award announcements.
- 3) If it becomes necessary to suspend the processing of award announcements in order to remain within appropriated funding levels, the suspension will be applied concurrently to students who had not applied for a MAP award for the previous regular school year and to students who did apply for a MAP award the previous regular school year.
- 4) Corrections to applications received prior to the final suspension of award announcements will be processed and announced up to two months after the final suspension date or until the completion of the processing cycle, whichever comes first.
- e) Students eligible for second semester/second and third quarter awards who have a FAFSA receipt date of August 16 or later and who are graduating mid-year may request that their second semester/second or third quarter award be used for first semester/quarter.
- f) To the extent necessary to administer the program within the limits of the MAP appropriation, the Commission may adjust the priority consideration dates and the priority processing guidelines established by this Section.
- g) When an application is incomplete, a notice will be sent to the applicant. The applicant then has an opportunity to furnish the missing information; however, depending on processing schedules, the applicant may be considered only for subsequent term awards.

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- h) Applicants are informed that they are MAP recipients on the basis of application data supplied to ISAC. ISAC will recalculate awards for those applicants whose applications are not in basic agreement with their financial records, after receipt of corrected data. All announced MAP recipients are subject to verification.
- i) The Commission shall annually establish and publicize guidelines for the release of or increase in MAP awards as additional funds become available.
- j) MAP grants are applicable only toward tuition and mandatory fees. MAP grants may not exceed the:
 - 1) maximum award specified at 110 ILCS 947/35(c); or
 - 2) institution's tuition and mandatory fee charges on file with ISAC.
- k) The maximum MAP grant available to a recipient attending a public community college is limited to the in-district tuition and mandatory fees. It is the recipient's responsibility to make arrangements to pay the additional costs incurred as an out-of-district student.
- l) For each credit hour of MAP benefits paid on behalf of the recipient, the recipient will be assessed one MAP paid credit hour toward his or her maximum usage. For each credit hour used, payment will be made to the school on behalf of the recipient in an amount equal to $\frac{1}{15}$ of the student's calculated term award amount, with a minimum of three hours and a maximum of 15 hours paid per term.
- m) A recipient may receive the equivalent of 135 semester credit hours of MAP benefits paid. Eligibility may be extended for one additional term if the recipient has accumulated fewer than 135 MAP paid credit hours but does not have enough credit hours of payment remaining for the number of hours for which he or she is enrolled for the term.
- n) A recipient may use no more than 75 MAP paid credit hours while enrolled at the freshman or sophomore level. Eligibility may be extended for one additional term at the freshman or sophomore level if the recipient has accumulated fewer than 75 MAP paid credit hours, but does not have enough credit hours of payment remaining for the number of hours for which he or she is enrolled for the term. Upon progressing to the junior level or above, the recipient may use the remaining balance of MAP paid credit hours, up to the 135 credit hour maximum.

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- o) The MAP grant shall not pay for academic programs intended to prepare a student for the General Educational Development (GED) test or for a high school diploma. (See, e.g., 23 Ill. Adm. Code 215.)
- p) The MAP grant shall not pay for audit courses, credit-by-examination and/or life experience, [graduate-level courses leading to a degree above the baccalaureate level](#), or noncredit course offerings (except qualifying remedial courses). Remedial courses shall be eligible for MAP payment provided the student has been accepted into an eligible degree/certificate program and is taking the remedial courses as part of that program. Payment shall not be made for more than the equivalent of one year of remedial course work (i.e., 30 semester hours or 45 quarter hours). ~~Repeat courses shall be eligible for MAP payment.~~
- q) [Repeat courses shall be eligible for MAP payment unless the student has previously reenrolled in a course for which a MAP payment is to be made. The MAP grant shall not pay for tuition or mandatory fees assessed as a result of a student's enrollment in any course for which the student has previously earned a credit toward completion of an academic degree or certification and in which the student has previously reenrolled.](#)
- ~~r~~q) If a recipient withdraws from enrollment after the expiration of the tuition refund/withdrawal adjustment period, the recipient shall receive MAP grant payment for tuition and mandatory fee costs incurred up to the term award provided the institution's tuition refund policy indicates the recipient has incurred charges in the amount of the claim.
- ~~s~~r) MAP paid credit hours are assessed to a recipient whenever MAP funds are disbursed on behalf of the recipient.
- ~~t~~s) MAP grant payment is subject to the limits of dollars appropriated to ISAC by the General Assembly.
- ~~u~~t) It is the responsibility of MAP recipients to gain admission to approved Illinois institutions of higher learning. Illinois institutions of higher learning are not obligated to admit MAP recipients. The institution is obligated to provide MAP recipients the same facilities and instruction, on the same terms, as are provided to other students.

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- vii) If a recipient's academic program involves out-of-state and/or foreign study, enrollment must be in accordance with subsection (j) and the following provisions:
- 1) The recipient must be enrolled at the ISAC-approved institution of higher learning, and the out-of-state/foreign study must be applicable to the student's degree or certificate program at the student's institution of record.
 - 2) The ISAC-approved institution of higher learning must record the course credits on the official academic transcript as institutionally earned credit and not as transfer credit.
 - 3) An institution shall not request more than two semesters/three quarters of MAP assistance for any one qualified applicant enrolled on a full-time basis, or four semesters/six quarters of MAP for an applicant-enrolled on a half-time basis.

(Source: Amended at 36 Ill. Reg. _____, effective _____)

Section 2735.40 Institutional Procedures

- a) MAP recipients must report to the institution all additional gift assistance that applies toward tuition and mandatory fees, such as tuition waivers and scholarships.
- b) If a MAP recipient receives other assistance targeted specifically for tuition and fees, the combined assistance shall not exceed the total tuition and fee expenses incurred.
- c) If an applicant is eligible for assistance under the Illinois National Guard (ING) Grant Program or the Illinois Veteran Grant (IVG) Program (23 Ill. Adm. Code 2730 and 2733), the applicant is not eligible for a full MAP grant because ING and IVG must be factored into the financial aid packaging prior to awarding MAP gift assistance. The institution may request payment of a partial MAP grant to finance fee expenses not covered by the above-referenced programs.
- d) If an applicant is eligible to receive tuition or fee benefits through a prepaid or reimbursable tuition plan other than the Illinois Prepaid Tuition Program, ~~College~~ Illinois (23 Ill. Adm. Code 2775), or through a payment to the institution of

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higher learning by the applicant's employer, the institution of higher learning shall request MAP payment in accordance with this subsection:

- 1) A prepaid tuition plan is any program which exempts a student from tuition charges because of a payment to the institution at a time prior to the student's enrollment. A reimbursable tuition plan is a program which reimburses a student for tuition costs after satisfactory completion of course work.
- 2) The institution of higher learning shall recalculate the applicant's MAP eligibility by decreasing the applicant's tuition and fee charges by the amount of benefits the applicant is eligible to receive from the sources in subsection (d)(1) of this Section. The institution of higher learning shall report the applicant's reduced grant award on the payment request.
- e) The provisions of this Section shall not apply to benefits derived from the Baccalaureate Savings Act [110 ILCS 920] and 23 Ill. Adm. Code 2771.
- f) Notwithstanding the provisions of other ISAC-administered programs, the total amount of a student's gift assistance may not exceed the cost of attendance used to calculate Title IV aid for that student. Any excess gift assistance is considered an overaward and the institution of higher learning is required to reduce the MAP award and/or other gift assistance to prevent such an overaward. For the purposes of this calculation, federal veterans benefits are not counted as gift assistance.
- g) Institutions of higher learning shall submit payment requests to ISAC. By submitting a payment request, an institution is certifying that the qualified applicants meet the requirements of Section 2735.20, Applicant Eligibility.
- h) For any institution of higher learning which has concurrent registration opportunities, the following policy pertains:
 - 1) The recipient must indicate his/her institution of record on the MAP application.
 - 2) The payment of the term award by ISAC will require the institution of record to receive MAP payment on behalf of any other institutions and the institution of record shall distribute the appropriate share of the award to the other institutions. Payment by ISAC will not be made to more than

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one institution.

- 3) The amount paid cannot exceed the maximum term award for students at the institution of record, or the tuition and mandatory fee costs at the institution of record if the costs are less than the maximum term award.
 - 4) Concurrent registration is limited to ISAC-approved institutions of higher learning.
 - 5) The recipient's academic records at the institution of record must document the total number of credit hours for which the student is enrolled.
- i) If an Illinois institution operates an out-of-state center, residents of Illinois enrolled in classes at the out-of-state center may receive MAP benefits in accordance with Section 2735.30(u).
 - j) If an announced recipient's credit hour enrollment decreases, the institution shall only request payment up to the amount of actual tuition and mandatory fee expenses incurred.
 - k) Upon receipt of a payment request from the institution of record, ISAC remits MAP grant funds to the institution of record on behalf of the recipient. The institution of record shall credit these funds to the recipient's account.
 - l) MAP grants are paid directly to the approved institution of record that certifies to ISAC that the applicant is an eligible recipient.
 - 1) ISAC will annually establish priority claim dates for the submission of payment requests and inform schools of the required priority dates.
 - 2) Late payment requests will result in delayed processing of payments. Payment requests are processed in the sequence of receipt by ISAC and as funds are available.
 - 3) Institutions may submit their payment requests beginning ten days prior to the start of classes for the term for which they are requesting payment.
 - m) Institutional Processing of Payments

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- 1) Within 30 days after and including the date of receiving payment of any MAP funds claimed or advanced pursuant to this Section, the institution shall credit the MAP funds against the recipients' tuition and mandatory fee charges for the appropriate term.
- 2) Within 30 days after the end of an academic term during which MAP funds were credited to recipients' tuition and mandatory fee charges, institutions must reconcile data received from ISAC as a result of payment claim processing against the eligibility status throughout that term for each student for whom payment claims were made. In reconciling the data with student eligibility, an institution must determine whether:
 - A) The amount of the claim applied to a student's tuition and mandatory fee charges exceeded the amount that the student was eligible to receive for any reason, including as a result of billing errors or retroactive withdrawals; or
 - B) The amount of the claim applied to a student's tuition and mandatory fee charges was less than the amount that the student was eligible to receive for any reason, including as a result of billing errors or retroactive withdrawals; or
 - C) The amount of the claim applied to a student's tuition and mandatory fee charges equaled the amount that the student was eligible to receive. Institutions are required to reconcile payments received through MAP and, as applicable, submit all necessary corrections to student records on a timely basis. Any payments received by the institution that are determined in the reconciliation to be refunds payable to ISAC are to be processed and returned to ISAC no later than 60 days following the end of the academic term unless ISAC has already deducted outstanding refunds from institutional payment requests during the applicable fiscal year. Refunds may be caused by billing errors, retroactive withdrawals and other miscellaneous reasons. Refunds showing as owed to ISAC must be remitted within 30 days after the end of the institution's regular school year. Should the payment arrive after the end of the regular school year, the institution will have 60 days following receipt of payment to complete the reconciliation

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~~process and return any refunds due.~~

- 3) Any institution that determines that the amount of a claim applied to a student's tuition and mandatory fee charges either exceeded the amount that the student was eligible to receive or was less than that amount must submit an accounting of all such adjustments to ISAC within 30 days following the end of the applicable term.
- 4) For any claims determined to exceed the amount that the student was eligible to receive, the amount in excess paid for the claims shall be remitted to ISAC within 45 days after the end of the institutions regular school year unless the payment is received after the end of the regular school year. If the payment of claims are made after the end of the regular school year, the institution shall have 60 days following receipt of the payment to complete reconciliation and remit any funds due to ISAC.
- 53) Award payments made in the name of one recipient cannot be applied to another recipient at the same institution. A refund of the payment made must be submitted to ISAC, and a supplemental request for payment must be processed for the proper recipient.
- 64) To provide sufficient time for processing and vouchering through the State Comptroller's Office in Springfield, all payment requests except for summer term must be received by ISAC no later than July 1. Summer term payment requests must be received no later than July 31.
- 75) Payment requests received after August 1 for the prior academic year will be processed as time and available funds permit; however, final action may require institutions to go to the Illinois Court of Claims to obtain payment for approved claims. (See the Court of Claims Act [705 ILCS 505].)

(Source: Amended at 36 Ill. Reg. _____, effective _____)

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NOTICE OF PROPOSED RULES

- 1) Heading of the Part: John R. Justice Student Loan Repayment Program
- 2) Code Citation: 23 Ill. Adm. Code 2754
- 3)

<u>Section Numbers:</u>	<u>Proposed Action:</u>
2754.10	New Section
2754.15	New Section
2754.20	New Section
2754.30	New Section
- 4) Statutory Authority: Implementing the John R. Justice Prosecutors and Defenders Incentive Act of 2008 (Section 952 of the Higher Education Opportunity Act (42 USC 3797cc-21)) and Section 20(b) of the Illinois Higher Education Student Assistance Act and authorized by Section 20(f) of that Act [110 ILCS 947/20(f)]
- 5) A Complete Description of the Subjects and Issues Involved: Section 952 of the Higher Education Opportunity Act of 2008 (42 USC 3797cc-21) created the John R. Justice Student Loan Repayment Program, a federal program that provides States with funds for loan repayment assistance to encourage qualifying individuals to pursue careers as state and federal public defenders and state prosecutors to protect the rights of a State's most vulnerable citizens or provide quality enforcement of State law. ISAC was designated by the Office of the Governor as the State administrative agency responsible for oversight of the program and distribution of funds in Illinois. Proposed rulemaking for the program will set forth the applicant eligibility requirements and program procedures.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: John R. Justice Prosecutors and Defenders Incentive Act of 2008 (42 USC 3797cc-21).
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? Yes
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other proposed rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objectives: This rulemaking does not create or expand a State mandate as defined in Section 3(b) of the State Mandates Act [30 ILCS 805/3(b)]

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and does not necessitate a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.

- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Interested parties may submit comments in writing within 45 days after publication to:

Lynn Hynes
Agency Rules Coordinator
Illinois Student Assistance Commission
1755 Lake Cook Road
Deerfield IL 60015

Telephone: 847- 948-8500
Email: lynn.hynes@isac.illinois.gov
Fax: 847-831-8549

- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not for profit corporations affected: None
 - B) Reporting, bookkeeping or other procedures required for compliance: None
 - C) Types of professional skills necessary for compliance: None
- 14) Regulatory Agenda on which this rulemaking was summarized: January 2012

The full text of the Proposed Rulemaking is identical to the Emergency Rulemaking for this Part and can be found in this issue of the *Illinois Register* on page 556

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NOTICE OF PROPOSED RULES

- 1) Heading of the Part: College Planning Act
- 2) Code Citation: 23 Ill. Adm. Code 2774
- 3)

<u>Section Numbers:</u>	<u>Proposed Action:</u>
2774.10	New Section
2774.15	New Section
2774.20	New Section
2774.30	New Section
2774.40	New Section
- 4) Statutory Authority: Implementing the College Planning Act [110 ILCS 17] and authorized by Section 15(c) therein
- 5) A Complete Description of the Subjects and Issues Involved: PA 97-289 created the College Planning Act, a program that provides low-income and first-generation students in Illinois with targeted services administered by ISAC to promote college awareness and planning, including without limitation postsecondary and career counseling programs, college admission, scholarship, and financial aid applications, simplified admission or financial assistance application programs. Proposed rulemaking for the program will set forth the participant eligibility requirements, program procedures and participant agreements.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: PA 97-289, effective August 10, 2011
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other proposed rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objectives: This rulemaking does not create or expand a state mandate as defined in Section 3(b) of the State Mandates Act [30 ILCS 805/3(b)] and does not necessitate a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.

ILLINOIS STUDENT ASSISTANCE COMMISSION

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- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Interested parties may submit comments in writing within 45 days after publication to:

Lynn Hynes
Agency Rules Coordinator
Illinois Student Assistance Commission
1755 Lake Cook Road
Deerfield IL 60015

Telephone: 847/948-8500
Email: lynn.hynes@isac.illinois.gov
Fax: 847-831-8549

- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not for profit corporations affected: None
 - B) Reporting, bookkeeping or other procedures required for compliance: None
 - C) Types of professional skills necessary for compliance: None
- 14) Regulatory Agenda on which this rulemaking was summarized: January 2012

The full text of the Proposed Rules begins on the next page:

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED RULES

TITLE 23: EDUCATION AND CULTURAL RESOURCES
SUBTITLE A: EDUCATION
CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSIONPART 2774
COLLEGE PLANNING ACT

Section

2774.10	Summary and Purpose
2774.15	Definitions
2774.20	Participant Eligibility
2774.30	Program Procedures
2774.40	Participant Agreements

AUTHORITY: Implementing the College Planning Act [110 ILCS 17] and authorized by Section 15(c) of that Act.

Source: Adopted at 36 Ill. Reg. _____, effective _____.

Section 2774.10 Summary and Purpose

- a) The College Planning Program provides low-income and first-generation students in Illinois with targeted services administered by ISAC to promote college awareness and planning, including, without limitation, postsecondary and career counseling programs, college preparation programs to assist students with the completion of college admission, scholarship, and financial aid applications, simplified admission or financial assistance application programs, and other supporting activities as described in this Part.
- b) This Part establishes rules that govern the College Planning Program. Additional rules and definitions are contained in General Provisions (23 Ill. Adm. Code 2700).

Section 2774.15 Definitions

"College Illinois Corps!" – For purposes of implementing the College Planning Act [110 ILCS 17], the College Illinois Corps! shall be referred to as the ISACorps.

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"College Planning Program" or "Program" – Services or assistance administered by ISAC as described in the College Planning Program Agreement and in Section 25 of the College Planning Act.

"College Planning Program Agreement" or "Agreement" – An agreement, in writing, involving ISAC, participating students and the student's custodial parent or guardian stating that, to remain qualified to receive benefits of the Program, the student must:

Be enrolled in a secondary public school or nonpublic school in Illinois by the time the student completes 8th grade;

Complete the course requirements specified in Section 27-22 of the School Code and graduate from a secondary school located in Illinois;

Not be convicted of a felony offense that would disqualify the student from receiving federal student aid;

Timely apply, during enrollment in the 12th grade, for admission to a postsecondary institution in Illinois approved to participate in the Monetary Award Program under Section 35 of the Higher Education Student Assistance Act and for any federal and State student financial assistance available to the student as the result of attending a postsecondary institution in Illinois;

Upon completing high school, achieve a cumulative grade point average for courses taken during 9th, 10th, 11th and 12th grades of at least a 2.5 on a 4.0 grading scale or its equivalent if another grading scale is used;

Update demographic and contact information required within the initial Program participation application and Program agreement at the start of the student's academic year;

Take a recognized standardized college entrance examination no later than the end of the 11th grade;

Participate in college planning and preparation activities required by ISAC as part of the administration of the Program;

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Share academic and financial data with ISAC from enrollment in the program until the attainment of a bachelor's degree; and

Certify that the student and custodial parent or guardian will notify ISAC if the student no longer qualifies to receive the benefits of the Program at any time during the student's participation as a result of his or her failure to comply with the terms of the agreement.

"College Planning Counselor" – A staff member of ISAC's College Access and Outreach Division with primary responsibility for providing services to students within designated community college districts.

"Custodial guardian" – An individual, other than a natural or adoptive parent, that has been awarded or exercises custody over a student in the following ways:

Custody granted by order of a court of competent jurisdiction to a person with whom the pupil resides for reasons other than to have access to the educational programs of the district.

Custody exercised under a statutory short-term guardianship, provided that, within 60 days after the pupil's enrollment, a court order is entered that establishes a permanent guardianship and grants custody to a person with whom the pupil resides for reasons other than to have access to the educational programs of the district.

Custody exercised by an adult caretaker relative who is receiving aid under the Illinois Public Aid Code for the pupil who resides with that adult caretaker relative for purposes other than to have access to the educational programs of the district.

Custody exercised by an adult who demonstrates that, in fact, he or she has assumed and exercises legal responsibility for the pupil and provides the pupil with a regular fixed night-time abode for purposes other than to have access to the educational programs through ISAC.

"Nonpublic school" – For the purposes of this Part, an educational institution other than a public school that is recognized by the Illinois State Board of Education and provides enrollment to middle school or secondary school students.

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"Postsecondary degree" – A degree awarded as the result of a program of study at any postsecondary institution that is equivalent to a baccalaureate degree or higher and is awarded by a four-year university or college upon completion of a program of study of at least eight semesters of qualifying postsecondary coursework.

Section 2774.20 Participant Eligibility

- a) A student receiving benefits from the College Planning Program must:
 - 1) be a resident of Illinois;
 - 2) be enrolled in the 8th grade at a public school or a nonpublic school in Illinois at the time of application;
 - 3) not be in the custodial care at the time of application of a parent or guardian who has received a postsecondary degree or must qualify to participate in the free and reduced-price lunch program under the School Breakfast and Lunch Program Act at the time of application;
 - 4) together with his or her custodial parent or guardian, must enter into a written College Planning Program Agreement.
- b) At any time during a student's participation in the Program, should ISAC discover that the student fails to meet the requirements for participant eligibility, ISAC will notify the student and his/her custodial parent or guardian of the failure to comply with the terms of the Program Agreement. The student shall be afforded the opportunity to cure any failures to comply with the Program Agreement within 30 days. If the student thereafter fails to meet the requirements described in the Program Agreement, the student shall be disqualified from further participation in the Program. A student that has been disqualified from participation in the program is disqualified from all future receipt of Program services and benefits that are not available to all students in Illinois.
- c) ISAC may require students and their custodial parent or guardian to submit an annual certification of eligibility.

Section 2774.30 Program Procedures

ILLINOIS STUDENT ASSISTANCE COMMISSION

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- a) Eligible students shall submit the College Planning Program Application to ISAC no later than the last day of the student's enrollment in the 8th grade in a public or nonpublic school in the Illinois. The Program Application and the Program Agreement are available at ISAC's website and ISAC's Springfield, Deerfield and Chicago offices.
- b) The Program Application will include:
 - 1) Basic information concerning the student and his or her custodial parents or guardians, including but not limited to name, address, school of attendance, and highest level of education achieved by the custodial parents or guardians;
 - 2) A certification that the student is eligible to participate in the free and reduced-price lunch program under the School Breakfast and Lunch Program Act [105 ILCS 125] or that the student is in the care of a custodial parent or guardian who has not earned a postsecondary degree;
 - 3) Information concerning the student's academic performance, including but not limited to grade point average, courses completed, and class rank; and
 - 4) The student's postsecondary goals.
- c) Should availability of program benefits be limited as a result of funding, priority shall be given to eligible students based on the student's date of application and timely execution of the College Planning Program Agreement.

Section 2774.40 Participant Agreements

The College Planning Program Agreement and any application materials required by ISAC must be submitted to ISAC's Deerfield office prior to the student's completion of 8th grade at an Illinois public or an Illinois nonpublic school.

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED AMENDMENT

- 1) Heading of the Part: Illinois Prepaid Tuition Program
- 2) Code Citation: 23 Ill. Adm. Code 2775
- 3) Section Number: 2775.50 Proposed Action:
Amendment
- 4) Statutory Authority: Implementing the Illinois Prepaid Tuition Act [110 ILCS 979] and authorized by Section 20(f) of the Higher Education Student Assistance Act [110 ILCS 947/20(f)]
- 5) A Complete Description of the Subjects and Issues Involved: The Illinois Prepaid Tuition Program is being amended to include the taxpayer identification number as authorized in Public Act 97-233. Other revisions which clarify time limits and restrictions for usage of program benefits are being made.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: Public Act 97-233, effective August 1, 2011
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other proposed rulemakings pending on this Part? No.
- 11) Statement of Statewide Policy Objective: This rulemaking does not create or expand a State mandate as defined in Section 3(b) of the State Mandates Act [30 ILCS 805/3(b)] and does not necessitate a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.
- 12) Time, Place, and Manner in which interested persons may comment on this proposed rulemaking: Persons who wish to comment on this proposed rulemaking may submit written comments no later than 45 days after the publication of this Notice to:

Lynn Hynes
Agency Rules Coordinator
Illinois Student Assistance Commission

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED AMENDMENT

1755 Lake Cook Road
Deerfield IL 60015

Telephone: 847- 948-8500
Email: lynn.hynes@isac.illinois.gov
Fax: 847-831-8549

- 13) Initial Regulatory Flexibility Analysis:
 - A) Types of small businesses, small municipalities and not for profit corporations affected: None
 - B) Reporting, bookkeeping or other procedures required for compliance: None
 - C) Types of professional skills necessary for compliance: None
- 14) Regulatory Agenda on which this rulemaking was summarized: January 2012

The full text of the Proposed Amendment begins on the following page:

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED AMENDMENT

TITLE 23: EDUCATION AND CULTURAL RESOURCES
SUBTITLE A: EDUCATION
CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSIONPART 2775
ILLINOIS PREPAID TUITION PROGRAM

Section

2775.10	Summary and Purpose
2775.20	Definitions
2775.30	Participant Eligibility
2775.40	Program Procedures
2775.50	Contract Terms and Conditions
2775.60	Scholarships, Grants or Monetary Assistance
2775.70	Disclosure

AUTHORITY: Implementing the Illinois Prepaid Tuition Act [110 ILCS 979] and authorized by Section 20(f) of the Higher Education Student Assistance Act [110 ILCS 947/20(f)].

SOURCE: Adopted by emergency rulemaking at 22 Ill. Reg. 16652, effective September 11, 1998, for a maximum of 150 days; adopted at 23 Ill. Reg. 2591, effective February 1, 1999; amended at 24 Ill. Reg. 9154, effective July 1, 2000; amended at 25 Ill. Reg. 8410, effective July 1, 2001; amended at 26 Ill. Reg. 10043, effective July 1, 2002; amended at 28 Ill. Reg. 9177, effective July 1, 2004; amended at 29 Ill. Reg. 9954, effective July 1, 2005; amended at 32 Ill. Reg. 10349, effective July 1, 2008; amended at 35 Ill. Reg. 3538, effective February 16, 2011; amended at 36 Ill. Reg. _____, effective _____.

Section 2775.50 Contract Terms and Conditions

- a) **Contract Types**

The program shall offer purchasers at least two different types of contracts: a public university plan and a community college plan. Additional contract plans may be offered. All contract types shall cover registration fees.

 - 1) The public university plan specifies that no more than 9 terms, or 135 credit hours, at an Illinois public university may be purchased for the benefit of a qualified beneficiary. Applicants may choose to purchase as little as one term, or 15 credit hours, at a time.

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- 2) The community college plan specifies that no more than 4 terms, or 60 credit hours, at an Illinois community college may be purchased for the benefit of a qualified beneficiary. Applicants may choose to purchase as little as one term, or 15 credit hours, at a time.
 - 3) No more than an aggregate of 135 credit hours of benefits may be purchased on behalf of any qualified beneficiary.
- b) Contract Benefits
- 1) The registration fees contracted for by the purchaser shall be paid directly to the institution at the time of enrollment of the qualified beneficiary. The credit hours purchased may be used during any term of postsecondary undergraduate enrollment. A ~~bona fide~~ social security number or taxpayer identification number must be on file prior to payment of benefits.
 - 2) No contract benefits may be received by a qualified beneficiary of an Illinois prepaid tuition contract earlier than three years from the due date of the first contract payment.
 - 3) No interest in all or any portion of a contract may be used as security for a loan.
- c) Contract Requirements
- 1) Purchasers must name a qualified beneficiary in the application, except as provided in the Master Agreement and Disclosure Statement. Only one qualified beneficiary is allowed per contract. A separate accounting will be provided for each designated beneficiary.
 - 2) In the event duplicate applications for the same qualified beneficiary are processed, the application processed first shall be deemed valid and the remaining application or applications shall be deemed valid, if and only if, they provide for registration fees not already covered by previous applications.
 - 3) The purchaser does not have to designate the postsecondary institution that the qualified beneficiary is expected to attend.

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- 4) The benefits of a contract may be used in advance of the selected matriculation date indicated in the application with no penalty or additional cost. However, to utilize a contract prior to the selected matriculation date, the purchaser must pay the contract in full before changing the matriculation date.
- 5) The qualified beneficiary must enroll in an eligible institution and request disbursement of any benefits within ten years after the projected enrollment date. Benefits may be received for up to a 10-year period after the qualified beneficiary's first enrollment date. This ~~ten~~10-year limitation may be extended at the Commission's sole discretion upon purchaser's application for extension to the Commission ~~and the payment of a renewal fee assessed at that time~~. Any time spent by the qualified beneficiary in active military service shall not count as part of the time period for receiving contract benefits under all contract plans.
- 6) The purchaser and qualified beneficiary are prohibited from directing the investment of any contributions to the program.

~~d)~~ Contract Exclusions

- ~~1)~~ Prepaid tuition contract plans do not cover payment of registration fees for graduate programs, adult basic programs, adult secondary programs, or postsecondary adult vocational programs.
- ~~2)~~ Purchasers may request approval to apply unexpended prepaid tuition credits toward payment of graduate school registration fees, in cases in which other prepaid tuition contract benefits already have been utilized for undergraduate education and an undergraduate degree has been conferred.

~~d)~~e) Change of Purchaser and Change of Qualified Beneficiary

- 1) The purchaser of a contract may be changed upon written request of the original purchaser and the new purchaser. The new purchaser must meet the requirements of a qualified purchaser contained in the master agreement other than the residency requirement. (See Section 2775.30(a).)
- 2) Upon written request, contract benefits may be transferred by the

ILLINOIS STUDENT ASSISTANCE COMMISSION

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purchaser to a new qualified beneficiary prior to actual use. The new qualified beneficiary must be a member of the family of the original qualified beneficiary but need not meet the residency requirement. (See Section 2775.30(a).)

~~e)†~~ Benefit Portability and Conversion Between Illinois Public Universities and Illinois Community Colleges

- 1) Public university plan benefits may be converted for usage at community colleges and community college plan benefits may be converted for usage at public universities.
- 2) Benefits shall be converted by referencing the relative current average mean-weighted credit hour value of registration fees purchased under the contract. The benefit conversions shall be authorized on a term-by-term basis and no fee shall be assessed for conversion of benefits among in-State public institutions.

~~f)g~~ Benefit Portability and Conversion to Nonpublic Institutions of Higher Education

- 1) Public university plan and community college plan contract benefits may be converted for payment of registration fees at nonpublic institutions of higher education.
- 2) Benefits shall be converted by referencing the current average mean-weighted credit hour value of registration fees purchased under the contract. Each term, the Commission shall transfer this amount to the nonpublic institution of higher education on behalf of the qualified beneficiary.

(Source: Amended at 36 Ill. Reg. _____, effective _____)

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF EMERGENCY RULES

- 1) Heading of the Part: John R. Justice Student Loan Repayment Program
- 2) Code Citation: 23 Ill. Adm. Code 2754
- 3)

<u>Section Numbers</u> :	<u>Emergency Action</u> :
2754.10	New Section
2754.15	New Section
2754.20	New Section
2754.30	New Section
- 4) Statutory Authority: Implementing the John R. Justice Prosecutors and Defenders Incentive Act of 2008 (Section 952 of the Higher Education Opportunity Act (42 USC 3797cc-21)) and Section 20(b) of the Illinois Higher Education Student Assistance Act and authorized by Section 20(f) of that Act [110 ILCS 947/20(f)]
- 5) Effective Date of Rules: January 9, 2012
- 6) If these emergency rules are to expire before the end of the 150-day period, please specify the date on which it is to expire: These emergency rules will expire when the proposed rules are adopted.
- 7) Date Filed with the Index Department: December 30, 2011
- 8) A copy of these emergency rules, including any material incorporated by reference, is on file in the agency's principal office and is available for public inspection.
- 9) Reason for Emergency: This emergency rulemaking implements the John R. Justice Prosecutors and Defenders Incentive Act of 2008 (42 USC 3797cc-21), which created the John R. Justice Student Loan Repayment Program. Emergency action is needed in order to permit the timely disbursement of federal funds to selected recipients during the 2012-13 academic year.
- 10) A Complete Description of the Subjects and Issues Involved: These emergency rules govern the administration of the new John R. Justice Student Loan Repayment Program. The rulemaking sets forth the applicant eligibility requirements and program procedures. ISAC intends to adopt permanent rules through the regular rulemaking process prior to the expiration of these emergency rules.
- 11) Are there any proposed rulemakings to the Part pending? No

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- 12) Statement of Statewide Policy Objectives: This rulemaking does not create or expand a State mandate as defined in Section 3(b) of the State Mandates Act [30 ILCS 805/3(b)] and does not necessitate a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.
- 13) Information and questions regarding these emergency rules shall be directed to:

Lynn Hynes
Agency Rules Coordinator
Illinois Student Assistance Commission
1755 Lake Cook Road
Deerfield, Illinois 60015

Telephone: 847- 948-8500
Email: lynn.hynes@isac.illinois.gov
Fax: 847-831-8549

The full text of the Emergency Rules begins on the next page:

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF EMERGENCY RULES

TITLE 23: EDUCATION AND CULTURAL RESOURCES
SUBTITLE A: EDUCATION
CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSION

PART 2754

JOHN R. JUSTICE STUDENT LOAN REPAYMENT PROGRAM

Section

2754.10 Summary and Purpose

EMERGENCY

2754.15 Definitions

EMERGENCY

2754.20 Applicant Eligibility

EMERGENCY

2754.30 Program Procedures

EMERGENCY

AUTHORITY: Implementing Section 952 of the Higher Education Opportunity Act (42 USC 3797cc-21) and Section 20(b) of the Illinois Higher Education Student Assistance Act [110 ILCS 947] and authorized by Section 20(f) of that Act.

SOURCE: Emergency rules adopted at 36 Ill. Reg. 556, effective January 9, 2012, for a maximum of 150 days.

Section 2754.10 Summary and Purpose**EMERGENCY**

- a) The John R. Justice Student Loan Repayment Program provides loan repayment assistance to encourage qualifying individuals to pursue careers as state and federal public defenders and state prosecutors to protect the rights of this State's most vulnerable citizens or provide quality enforcement of State law.
- b) This Part governs the John R. Justice Student Loan Repayment Program. Additional rules and definitions are contained in General Provisions (23 Ill. Adm. Code 2700).

Section 2754.15 Definitions**EMERGENCY**

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF EMERGENCY RULES

"Eligible educational loans" – Federal student loans originated under the following programs:

Federal Stafford Loans;

Federal Graduate PLUS Loans;

Federal consolidation loan programs, including Federal Direct Consolidation Loans; and

Federal Perkins Loans.

"Non-eligible loans" – All private or nonfederal student loans and any loans originated under the following programs or conditions:

Federal Parent PLUS Loans;

Federal Direct PLUS Loans made to the parents of a dependent student; and

Any federal consolidation loan to the extent that such loan was used to repay a loan described in subsections (1) or (2) above.

"Prosecutor" – A full-time employee of the State of Illinois or unit of local government within the State who is continually licensed to practice law and prosecutes criminal or juvenile delinquency cases at the State or unit of local government level (including supervision, education, or training of other persons prosecuting such cases).

"Public Defender" – An attorney who is continually licensed to practice law and is employed as any of the following:

a full-time employee of the State of Illinois or unit of local government in Illinois who provides legal representation to indigent persons in criminal or juvenile delinquency cases (including supervision, education, or training of other persons providing such representation);

a full-time employee of a nonprofit organization operating under a contract with the State of Illinois or unit of local government in Illinois,

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NOTICE OF EMERGENCY RULES

who devotes substantially all of the employee's full-time employment to providing legal representation to indigent persons in criminal or juvenile delinquency cases (including supervision, education, or training of other persons providing such representation; or

employed as a full-time Federal defender attorney in a defender organization established pursuant to subsection (g) of section 3006A of Title 18 and located in Illinois that provides legal representation to indigent persons in criminal or juvenile delinquency cases.

Section 2754.20 Applicant Eligibility
EMERGENCY

A qualified applicant for loan repayment shall be:

- a) a United States citizen or eligible noncitizen;
- b) a licensed attorney in good standing with the Illinois bar;
- c) a borrower who is not in default on a federal guaranteed educational loan;
- d) a borrower with an outstanding balance due on an eligible educational loan;
- e) employed as a public defender or prosecutor; and
- f) required to enter into term of service of three years pursuant to John R. Justice Student Loan Repayment Program Service Agreement ("Service Agreement"), which is prepared by the United States Department of Justice and must be entered into by each applicant prior to the commencement of any such term.

Section 2754.30 Program Procedures
EMERGENCY

- a) Any qualified applicant not eligible to receive benefits under this Part as a result of entering into a Service Agreement with the Department of Justice must submit a program application prepared by ISAC and a Service Agreement in order to receive benefits.

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- 1) The program application and the Service Agreement are available at ISAC's website and ISAC's Springfield, Deerfield and Chicago offices.
- 2) If the application or the Service Agreement is incomplete, the applicant will be provided an opportunity to furnish any missing information. Applications will be considered for processing only as of the date a complete application and Service Agreement are received by ISAC in its Deerfield office. No applications will be considered for processing if received after the published date unless funds remain available for disbursement. ISAC reserves the right to request documentation to verify data reported on the application.
- 3) The application will require the applicant's employer (or future employer in the case of recruited attorneys) to certify the following:
 - A) The employer is an eligible employing entity under the John R. Justice Prosecutors and Defenders Incentive Act;
 - B) The applicant seeking benefits meets the definition of "prosecutor" or "public defender" under the Act; and
 - C) The employer employs or, in the case of a recruited attorney, has extended an offer of employment that has been accepted by the applicant.
- b) Each year, ISAC shall select individuals to receive repayment benefits from among individuals who have previously executed a Service Agreement with the Department of Justice but have not yet completed the required term of service described therein and all new applicants who have submitted a completed application and Service Agreement.
- c) Individuals who have previously executed a Service Agreement with the Department of Justice but have not yet completed the required term of service described therein shall be selected once all information necessary to compute the amount of an award under this Part has been received by ISAC.
- d) Priority consideration in selecting individuals to receive benefits from among new applicants will be given to those applicants who have the least ability to repay their loans. Individuals not receiving benefits under another program that provides

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loan repayment assistance for eligible educational loans will be considered before those who are receiving such benefits.

- e) Any award of funds under this Part shall be made in accordance with the following:
- 1) Individuals selected to receive benefits shall be assigned to one of the five districts of the Illinois Appellate Court on the basis of the zip code of the individual's employer or, for those individuals that are employed in a statewide capacity as a prosecutor, as a statewide prosecutor. Available benefits will be allocated to each district or to statewide prosecutors based on the relative number of statewide prosecutors or prosecutors or public defenders within a district to the total population of prosecutors and public defenders in the state.
 - 2) The amount of the benefit awarded will be calculated based on each individual's ability to repay their qualifying loan debt. ISAC shall determine an individual's ability to repay their qualifying loan debt using the individual's Adjusted Gross Income (AGI) from the IRS Form 1040 during the previous calendar year, calculated exemptions to federal income tax claimed by the individual during the previous calendar year, the amount of qualifying student loan debt owed by the individual, and the cost of living in the appellate district in which the individual's employer is located, as determined by the Cost of Living Index published annually by the Illinois Appellate Court.
 - 3) Priority consideration in awarding benefits will be given to individuals who have previously executed a Service Agreement with the Department of Justice but have not yet completed the required term of service except that priority under this section shall be limited to individuals who have not previously completed a term of service under a Service Agreement with the Department of Justice. Awards shall then be made in accordance with this Section to new applicants.
 - 4) Once all the money allocated for a particular district or to individuals qualifying as statewide prosecutors has been exhausted, the awarding for that district will cease.

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- 5) In the event that an insufficient number of individuals from a particular district apply for the program, then the remaining dollars in that district's allocation would be awarded to the highest-ranked applicants who have not received an award, regardless of which district they are from.
- 6) The total amount of funds allocated to prosecutors, regardless of the district to which they are assigned or their status as a statewide prosecutor, must equal the total amount of funds allocated to defenders, regardless of the district to which they are assigned.
- f) The amount of an award shall not exceed \$10,000 per year, up to a maximum of \$60,000 during an individual's career. The annual amount may be reduced in order to make more loan repayment assistance awards when funding is insufficient to provide benefits to all selected individuals.
- g) The loan proceeds shall be remitted to the holder of the loans to be repaid.
- h) While receiving benefits, an individual must notify ISAC of changes to his or her address, employment status or loan status (default) within 10 days after a change.
- i) While receiving benefits, the individual must remain a licensed attorney in good standing with the Illinois bar.