

AGENDA ITEM 12.

PROPOSED RULES AMENDMENTS

Submitted for: Action

Summary: This item reports on the agency's proposed rules amendments, which were presented to the Commission at its January 30 meeting. Amendments have been proposed to five different Parts this year. Text of the proposed rules amendments was published in the Illinois Register on February 6, 2009, triggering a 45-day public comment period.

The proposed rules amendments are being presented to the Commission for consideration now that the public comment period has ended. No public comments were received and no substantive changes have been made since the initial publication; only technical modifications have been included that are a normal part of the rulemaking process.

According to the rulemaking process, a second 45-day review period is required. Following acceptance of the proposed rules amendments by the Commission, the Executive Director may direct staff to submit the rules amendments to the Joint Committee on Administrative Rules, thus initiating the second 45-day review period.

Action requested: That the Commission approve the following resolution:

“BE IT RESOLVED that the Commission accepts the proposed rules amendments, as modified thus far during the rulemaking process, for submission to the Joint Committee on Administrative Rules.”

ILLINOIS STUDENT ASSISTANCE COMMISSION

PROPOSED RULES AMENDMENTS

Background

ISAC annually reviews its rules in order to respond to market changes and client suggestions, to implement state and federal statutory amendments and regulatory amendments, to reflect technological advances in the delivery of student financial assistance and to clarify issues that have arisen during the previous year. Potential rules amendments were solicited from internal staff and the financial aid community. The Illinois Association of Student Financial Aid Administrators (ILASFAA) Rules and Operations Advisory Committee provided valuable input to ISAC staff concerning the proposals.

Rulemaking Process Overview

The proposed rules amendments are presented to the Commission prior to publication in the Illinois Register, which commences a 45-day public comment period. The Illinois Register is the State's official documentation of rules and regulations promulgated by state entities and maintained by the Illinois Secretary of State. If comments are received from the public, they are then reviewed by staff. Where appropriate, the proposed rules amendments are revised based on comments and suggestions, and staff requests authority from the Commission to submit the proposed rules amendments, as revised, to the Joint Committee on Administrative Rules (JCAR) for a second 45-day review period. During this review period, legislative review of the rules is conducted first by the JCAR staff and then at a meeting of the legislative members. After incorporating changes suggested by JCAR, the proposed rules amendments will be presented to the Commission for final adoption. The anticipated effective date of these proposed rules amendments is July 2009.

Current Rulemaking Cycle

The proposed rules amendments were presented to the Commission at its January 30 meeting and subsequently were published in the Illinois Register on February 6, 2009. This initial publication triggered the 45-day public comment period that ended on March 23, 2009.

In order to maximize the opportunity for public input, in addition to being published in the Illinois Register, the proposed rules amendments were posted to ISAC's College Zone Web site and messages were sent to client groups announcing the public comment period. No public comments were received.

Proposed Rules Amendments

Highlights of the proposed amendments to existing rules are presented in this item to five different Parts this year: General Provisions; Federal Family Education Loan Program (FFELP); Nurse Educator Scholarship Program; State Scholar Program; and Illinois Future Teachers Corp (IFTC) Program.

Action Requested

Staff is requesting the Commission accepts the proposed rules amendments, as modified thus far during the rulemaking process, for submission to the Joint Committee on Administrative Rules (JCAR).

HIGHLIGHTS OF PROPOSED RULES AMENDMENTS

Rules amendments are being proposed for the following Parts:

Part 2700 General Provisions

In Section 2700.20, the definition of Golden Apple Scholars of Illinois has been added as a result of Public Act 095-0939, which stipulates that, in each year, a minimum of 200 Illinois Future Teacher Corps (IFTC) Program awards shall be allocated to participants in the Golden Apple Scholars of Illinois program. In Section 2700.70, a correction was made to a subsection referenced in (c).

Part 2720 Federal Family Education Loan Program (FFELP)

Section 2720.40(c) has been amended to reflect changes in the requirements for participation in the Lender-of-Last-Resort Program. In Section 2720.50(g), the number of days a lender or holder can send a repayment schedule to a FFELP borrower has been changed to no more than 150 days to reflect a change arising from the Higher Education Opportunity Act.

Part 2759 Nurse Educator Scholarship Program

This Part is being amended in order to correct a subsection number referenced in Section 2759.30.

Part 2760 State Scholar Program

This Part is being amended to accommodate Public Act 095-0715, which provides, subject to appropriation, that each Illinois State Scholar who enrolls or is enrolled in an Illinois institution of higher learning shall receive a one-time grant of \$1,000 to be applied to tuition and mandatory fees and paid directly to the institution of higher learning. Section 2760.40, Institutional Procedures, has been added to this Part for fund disbursement. In addition, the reference to the Illinois Standard Test Score Table in Section 2760.30 has been changed to the official table on the ACT Web site.

Part 2764 Illinois Future Teacher Corps (IFTC) Program

This Part is being amended to accommodate Public Act 095-0939, which requires the allocation of 200 awards annually to participants in the Golden Apple Scholars of Illinois program.