AGENDA ITEM 6.

PROPOSED ADMINISTRATIVE PROGRAM
RULES AMENDMENTS

Submitted for: Action

Summary: This item reports on the agency’s proposed administrative program rules amendments. Amendments have been proposed to three different Parts this year. Text of the proposed administrative program rules amendments was published in the Illinois Register on February 3, 2017, triggering a 45-day public comment period. The full text of the proposed amendments and Notices are included in this item. The Notices that precede each Part contain descriptions of the subjects and issues involved in the rulemaking process.

The proposed administrative program 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 during which time the proposed administrative program rules amendments are reviewed by the Joint Committee on Administrative Rules (JCAR). Following acceptance of the proposed administrative program rules amendments by the Commission, the Executive Director may direct staff to submit the proposed administrative program rules amendments to JCAR thus initiating the second 45-day review period and the JCAR hearing after which, if no objection is taken by JCAR, the Executive Director will move forward to adopt the rules.

Action requested: That the Commission approve the following resolution:

“BE IT RESOLVED that the Commission accepts the proposed administrative program rules amendments, as modified thus far during the rulemaking process, for submission to the Joint Committee on Administrative Rules."
1) **Heading of the Part:** Illinois National Guard (ING) Grant Program

2) **Code Citation:** 23 Ill. Adm. Code 2730

3) **Section Number:** 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:** This section is being revised to reflect that ING payment processing functions have been incorporated into the Gift Assistance Program (GAP) Access Portal.

6) **Published studies or reports, and sources of underlying data, used to compose this rulemaking:** None

7) **Will this proposed rulemaking replace an emergency rule currently in effect?** No

8) **Does this rulemaking contain an automatic repeal date?** No

9) **Does this proposed 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:

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

    Telephone: 847- 948-8500, ext. 18032
Email: lynn.hynes@isac.illinois.gov

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 2017

The full text of the Proposed Amendment begins on the following page:
TITLE 23: EDUCATION AND CULTURAL RESOURCES
SUBTITLE A: EDUCATION
CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSION

PART 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)].


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.

b) If a student is eligible for, and has indicated to the institution that he/she has elected to receive, educational assistance through the Post-9/11 GI Bill, and that assistance is an amount described at 38 USC 3313(c)(2), (c)(3), (c)(4), (c)(5), (c)(6), or (c)(7), (net cost of tuition and fees), the institution must first apply Post-9/11 GI Bill benefits to the student's financial aid award. ING Grant benefits can then be used to cover the remaining ING Grant eligible tuition and fees.

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.

ING 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 institutions 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 payment requests beginning ten 10 days prior to the start of classes for the term for which payment is being requested.
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;

4) in the event that funds are not exhausted by summer term payments, claims received after the designated deadline dates will be 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 (e).

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.

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

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 41 Ill. Reg. _____, effective _______________)
1) **Heading of the Part:** Veterans’ Home Nurse Loan Repayment Program

2) **Code Citation:** 23 Ill. Adm. Code 2757

3) **Section Numbers:**
   - 2757.10 Proposed Actions: Amendment
   - 2757.20 Proposed Actions: Amendment
   - 2757.30 Proposed Actions: Amendment

4) **Statutory Authority:** Implementing the Veterans’ Home Nurse Loan Repayment Act [110 ILCS 972] 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:** These sections are being revised to update the name of the program and expand the types of medical professionals who qualify for loan repayment assistance, as a result of the passage of Public Act 099-0813. The medical professionals being added are physicians, certified nurse practitioners, and certified nursing assistants.

6) **Published studies or reports, and sources of underlying data, used to compose this rulemaking:** Public Act 99-0813, effective August 15, 2016

7) **Will this proposed rulemaking replace an emergency rule currently in effect?** No

8) **Does this rulemaking contain an automatic repeal date?** No

9) **Does this proposed 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:

    Lynn Hynes
    Agency Rules Coordinator
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 2017

The full text of the Proposed Amendments begins on the following page:
Section 2757.10  Summary and Purpose

a) The Veterans’ Home Nurse–Medical Providers’ Loan Repayment Program is intended to pay eligible educational loans as an incentive for nurses–medical providers to pursue and continue their careers at State of Illinois Veterans’ Homes.

b) This Part governs the Veterans’ Home Nurse–Medical Providers’ Loan Repayment Program. Additional rules and definitions are contained in General Provisions (23 Ill. Adm. Code 2700).

(Source: Amended at 41 Ill. Reg. ___, effective __________.)

Section 2757.20  Applicant Eligibility

a) A qualified applicant shall be:

1) a resident of Illinois;
2) a United States citizen or eligible noncitizen;

3) an individual medical provider who, for each year during which a grant is received, fulfills a separate 12 month period as a physician, certified nurse practitioner, registered professional nurse, certified nursing assistant or licensed practical nurse in a State of Illinois Veterans’ Home;

4) a borrower with an outstanding balance due on an eligible educational loan;

5) an individual who is not in default on a federally guaranteed educational loan and does not owe a refund on a grant or scholarship program administered by ISAC;

6) a nurse medical provider who meets licensing requirements of the Department of Financial and Professional Regulation, and or a certified nursing assistant who passed the State-specified examinations to be fully certified; and

7) a nurse medical provider who has completed the prescribed employment probationary period and whose employment is in good standing as determined by the Department of Veterans’ Affairs.

(Source: Amended at 41 Ill. Reg. ___, effective __________)

Section 2757.30 Program Procedures

a) Eligible educational loans include:

1) Stafford Loans;

2) Graduate PLUS Loans;

3) consolidation loans;

4) nursing student loans;

5) Supplemental Loans for Students;
(65) alternative loans; and

(76) other types of government and institutional loans used for nursing medical education expenses.

b) Non-eligible loans include:

1) credit card payments;

2) Parent PLUS Loans;

3) loans that have been paid in full;

4) loans not governed by State or federal regulations obtained for the purpose of lending from private institutions or family members;

5) any portion of a consolidated loan that cannot be directly attributed to the applicant; and

6) any student loans that can be forgiven by a state or federal agency or a lending institution through a comparable educational debt repayment or forgiveness program.

c) All applicants annually must complete an ISAC application for the loan repayment program.

1) Applications are available at all State of Illinois Veterans’ Homes, ISAC’s web site, and ISAC’s Springfield, Deerfield and Chicago offices.

2) If the application is incomplete, ISAC will notify the applicant, who will have an opportunity to furnish the missing information. The application will only be considered for processing as of the date the application is complete and received at ISAC’s Deerfield office.

3) Renewal applicants may be required to submit a history of prior awards in order to show program proceeds were used for eligible educational loans.

d) Grant assistance under this program may be received for up to 4 years.
e) ISAC shall select the recipients from among those who have submitted complete applications, including qualified new applicants and those who filed timely renewal applications and have supplied information required in subsection (c).

f) The total number of grants awarded in a given fiscal year is contingent upon available funding. If funding is insufficient to pay all eligible applicants, awarding will be based on the date the completed application is received in ISAC’s Deerfield office. Preference may be given to renewal applicants provided that the recipient continues to meet the eligibility requirements.

g) The amount repaid by ISAC to the loan holder shall be no more than the borrower’s remaining balance on eligible educational loans and shall not exceed $5,000 per year.

h) Proceeds will be remitted directly to the holder of the loans to be repaid.

i) The recipient and loan holder shall submit information for eligible educational loans in sufficient time for ISAC to make payments for each year in which the funds are awarded.

j) If the loan holder receives an overpayment, the loan holder shall return the amount of the overage to ISAC. A supplemental request must be made by the recipient and processed by ISAC for any funds to be paid to another holder.

k) When multiple loans are held by a single lending institution, the loan holder shall distribute the payment to one loan until paid in full.

l) When possible, all loans held at a single lending institution shall be paid in full before monies are distributed to another loan holder.

(Source: Amended at 41 Ill. Reg. ____, effective __________)
1) **Heading of the Part:** Illinois Special Education Teacher Tuition Waiver (SETTW) Program

2) **Code Citation:** 23 Ill. Adm. Code 2765

3) **Section Number:** 2765.30 **Proposed Action:** Amendment

4) **Statutory Authority:** Implementing Section 65.15 and authorized by Sections 20(f) and 65.15 (a)(2) of the Higher Education Student Assistance Act [110 ILCS 947/20(f) and 65.15].

5) **A Complete Description of the Subjects and Issues Involved:** This section is being revised in an effort to maximize the number of available waivers.

6) **Published studies or reports, and sources of underlying data, used to compose this rulemaking:** None

7) **Will this proposed rulemaking replace an emergency rule currently in effect?** No

8) **Does this rulemaking contain an automatic repeal date?** No

9) **Does this proposed 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:

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

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Telephone: 847-948-8500, ext. 18032
Email: lynn.hynes@isac.illinois.gov

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 2017

The full text of the Proposed Amendment begins on the following page:
Section 2765.10  Summary and Purpose
2765.20  Applicant Eligibility
2765.30  Program Procedures
2765.40  Institutional Procedures

AUTHORITY: Implementing Section 65.15 and authorized by Sections 20(f) and 65.15(a)(2) of the Higher Education Student Assistance Act [110 ILCS 947/20(f) and 65.15].


Section 2765.30  Program Procedures

a) A completed ISAC application for the Illinois SETTW Program must be postmarked on or before March 1 immediately preceding the academic year for which the tuition waiver is being requested, in order to receive priority consideration for an award.

b) ISAC applications for the Illinois SETTW Program are available from eligible institutions, ISAC’s website and ISAC’s Springfield, Deerfield and Chicago offices.
c) If the student section of an application is incomplete, ISAC will notify the applicant. The applicant will then have an opportunity to furnish the missing information; however, the application will be considered for processing as of the date when the student section is complete and received in ISAC's Deerfield office.

d) Before March 1 of each year, principals of public, private and parochial high schools in Illinois will provide the names of all students in their high school who are anticipated to be qualified applicants.

e) ISAC shall award 250 Illinois Special Education Teacher Tuition Waivers annually as follows:

1) A maximum of 40 tuition waivers may be awarded annually to qualified applicants who hold valid teaching certificates that are not in the discipline of Special Education. If more than 40 applicants qualify under these provisions, a lottery shall be used to select 40 recipients;

2) A minimum of 105 tuition waivers shall be awarded annually to students scheduled to graduate from an approved high school in the academic year in which the award is made and who rank in the upper half of their class at the end of the sixth semester. Any of the 145 tuition waivers not awarded pursuant to subsections (e)(1) and (3) shall be awarded to this group;

3) A maximum of 105 tuition waivers may be awarded annually to qualified applicants who have graduated from an approved high school prior to the academic year in which the award is made. If more than 105 applicants qualify under this subsection (e)(3), a lottery shall be used to select the 105 recipients. Any of the 105 tuition waivers not awarded pursuant to subsection (e) (2) shall be awarded to this group;

4) ISAC shall select recipients, pursuant to subsection (e)(2), from among qualified applicants based on the highest ACT or SAT I test scores from the time periods set forth in 23 Ill. Adm. Code 2760.20(b), (c) and (d), as converted according to the Illinois Standard Test Score table (see 23 Ill. Adm. Code 2760.30(b)(1) and (2));

5) A lottery will be used to determine recipients pursuant to subsection (e)(2) if the number of qualified applicants sharing the same Illinois Standard
Test Score exceeds the number of tuition waivers to be awarded.

f) Notice of eligibility will be sent by July 1 to each qualified applicant who is selected to receive a tuition waiver. The qualified applicant is then responsible for providing a copy of the notice of eligibility to the institution. All other qualified applicants will be notified that they were not selected.

g) Tuition waivers are applicable towards credit for any semester/quarter within an academic year.

h) A recipient shall be exempt from paying tuition and mandatory fees for up to four calendar years.

i) Prior to receiving assistance, the qualified applicant must sign a Teaching Agreement/Promissory Note, which must be submitted to ISAC. The Teaching Agreement/Promissory Note shall include the following stipulations:

1) the recipient pledges to begin teaching on a full-time basis, in the field of Special Education, within one year following graduation from or termination of enrollment in a teacher education program, at a nonprofit, public, private or parochial preschool, elementary or secondary school in Illinois and to continue teaching for at least 2 of the 5 years immediately following:

2) if the teaching requirement is not fulfilled, the tuition waiver converts to a loan and the recipient must repay the entire amount of the tuition waiver (prorated according to the fraction of the teaching obligation not completed), plus interest at a rate equal to 5% per annum; and

3) the recipient agrees to provide ISAC with evidence of compliance with program requirements (e.g., responses to annual follow-up questionnaires, etc.).

j) The five-year time period during which the teaching requirement must be fulfilled may be extended if the recipient:

1) serves, for not more than three years, as a member of the United States Armed Forces;
2) is enrolled full-time in an academic program related to the field of teaching, leading to a graduate or postgraduate degree;

3) is temporarily totally disabled for a period of time not to exceed three years, as established by the sworn affidavit of a qualified physician;

4) is actively seeking but unable to find full-time employment as a teacher at an Illinois public, private, or parochial school for one continuous period not to exceed two years, and is able to provide evidence of that fact;

5) is taking additional courses, on at least a half-time basis, needed to obtain certification as a teacher in Illinois; or

6) is fulfilling teaching requirements associated with other programs administered by ISAC if he or she cannot concurrently fulfill them in a period of time equal to the length of the teaching obligation.

k) A recipient may be granted a leave of absence by the president of the institution, or his/her designee, for the following reasons:

1) earning funds to defray the recipient's educational expenses;

2) illness of the recipient or a member of the recipient's immediate family, as established by the sworn statement of a licensed physician; or

3) military service.

l) A recipient must complete his or her course of study within six years including leaves of absence. A recipient must remain enrolled on a continuous basis during the regular school year for four years, unless granted a leave of absence. However, a leave of absence granted for military service shall not be considered part of the six years within which a recipient must complete a degree.

m) A recipient shall enter repayment status on the earliest of the following dates:

1) the first day of the first calendar month after the recipient has ceased to pursue a course of study leading to initial certification as a teacher in Special Education, but not until six months have elapsed after the
cessation of at least half-time enrollment in such a course of study. A recipient who has transferred and is waiting to be accepted into the Special Education program at the new university shall not be subject to this provision provided he or she is enrolled and is pursuing course work that meets the new university’s requirements to gain admission to the Special Education program;

2) the date the recipient informs ISAC that he or she does not plan to fulfill the teaching obligation; or

3) the latest date upon which the recipient must have begun teaching in order to complete the teaching obligation within five years after completing the postsecondary education for which the waiver was awarded.

n) If a recipient is required to repay any portion of a tuition waiver awarded prior to July 1, 2014, the repayment period shall be completed within five years after the tuition waiver converts to a loan. If a recipient is required to repay any portion of a tuition waiver awarded after July 1, 2014, the repayment period shall be completed within 10 years after the tuition waiver converts to a loan. Repayment periods may be extended if a recipient:

1) serves, for not more than three years, as a member of the United States Armed Forces;

2) is temporarily disabled, for not more than three years, as established by the sworn affidavit of a licensed physician;

3) is pursuing a graduate or postgraduate degree and is enrolled on a full-time basis for one continuous period of time not to exceed three years;

4) is seeking and unable to find full-time employment for one continuous period not to exceed two years and is able to provide evidence of that fact; or

5) withdraws from a course of study leading to a teacher certification in Special Education but remains enrolled on at least a half-time basis in another academic discipline.

o) During the time a recipient qualifies for any of the extensions listed in subsection
(n) of this Section, he or she shall not be required to make payments and interest shall not continue to accrue.

p) A recipient shall not be required to pay the amount of the tuition and fees waived if he or she becomes permanently totally disabled, as established by the sworn affidavit of a licensed physician (see, e.g., 34 CFR 682.402(c)), or if his or her representative provides ISAC with a death certificate or other evidence that the recipient has died.

q) A holder of a tuition waiver must register for enrollment in a special education program of teacher education within ten days after the beginning of the term for which the tuition waiver was initially awarded. If the recipient fails to comply with this requirement, he or she will forfeit the tuition waiver and ISAC will award it to another qualified applicant.

(Source: Amended at 41 Ill. Reg. _____, effective __________)