

AGENDA ITEM 14.

PROPOSED RULES AMENDMENTS

Submitted for: Information

Summary: ISAC annually reviews its rules in order to respond to market changes and client suggestions, to implement state and federal statutory 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.

Highlights of the proposed amendments to existing rules are presented in this item. The full text of the proposed rules amendments is being provided to Commissioners under separate cover, as are copies of the appropriate Notices. The Notices of Proposed Rules Amendments that precede each Part contain descriptions of the subjects and issues involved in the rulemaking. The full text of the proposed rules amendments and notices will be made available to the public on ISAC's Web site following publication in the Illinois Register.

Amendments are being proposed to 9 different Parts this year: General Provisions; Federal Family Education Loan Program (FFELP); Illinois National Guard (ING) Grant Program; Illinois Veteran Grant (IVG) Program; Higher Education License Plate (HELP) Grant Program; State Scholar Program; Illinois Future Teacher Corps (IFTC) Program, College Savings Bond Bonus Incentive Grant (BIG) Program and Illinois Prepaid Tuition Program.

Publication of the proposed rules amendments will initiate a 45-day public comment period. Comments received from the public will be reviewed by staff. Where appropriate, the proposed rules amendments will be revised based on comments and suggestions from the public, and staff will request authority from the Commission to submit the proposed rules amendments, as revised, to the Joint Committee on Administrative Rules (JCAR) for the second 45-day review period. 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 2008.

Action requested: None

ILLINOIS STUDENT ASSISTANCE COMMISSION
HIGHLIGHTS OF PROPOSED RULES AMENDMENTS

Rules amendments are being proposed for the following Parts:

Part 2700 General Provisions

Several citations referencing Federal Regulations and the Higher Education Reconciliation Act of 2005 (HERA) have been updated throughout this Part. In Section 2700.15, the incorporations by reference date has been updated to July 1, 2008 to reflect a change necessitated by HERA. In Section 2700.20, the HERA Public Law number has been updated in the “Independent Student” definition and language has been added to the definition of “PLUS” to include graduate students in addition to parents. In Section 2700.30, the full name of the North Central Association of Colleges and Schools Higher Learning Commission is being included where it previously was referenced as North Central. Section 2700.50(c) applicant eligibility has been modified from “must certify” to “is certifying” as that is the action that is occurring. The list of acceptable residency documents in Section 2700.50(g)(5) has been expanded to include the 1099-Miscellaneous Income Statements to be used in conjunction with other documentation on that list.

Part 2720 Federal Family Education Loan Program (FFELP)

Numerous citations referencing Federal Regulations and the Higher Education Reconciliation Act of 2005 (HERA) have been updated throughout this Part. Section 2720.50(e)(2) has been amended to reflect current federal regulation changes to the late disbursement provision. In addition, “guarantee fee” and “student guarantee fee” have been changed to “federal default fee” in Sections 2720.70(e) and (g) to reflect current federal regulation changes.

Part 2730 Illinois National Guard (ING) Grant Program

In Section 2730.30(a) and (b) the list of eligible and non-eligible fees is being updated to more accurately reflect the fees specified in the statute. Language has been added to Section 2730.30(j) permitting schools to require students to provide proof of residency for the purposes of determining in-district or out-of-district payment. Section 2730.40(b) has been modified from “shall certify” to “is certifying” to clarify the action that is occurring in Section 2730.20(d), Applicant Eligibility.

Part 2733 Illinois Veteran Grant (IVG) Program

Language has been added to Section 2733.30(f) permitting schools to require students to provide proof of residency for the purposes of determining in-district or out-of-district payment. Section 2733.40(c) has been modified from “shall certify” to “is certifying” to clarify the action that is occurring in Section 2733.20(d), Applicant Eligibility.

Part 2737 Higher Education License Plate (HELP) Grant Program

This Part is being amended to accommodate Public Act 095-0444, effective August 27, 2007, to maintain consistency in grants awarded for students attending eligible private colleges and universities in the contiguous states. Language has been added to Sections 2737.10(a) and 2737.20(a)(3) to reflect this. Section 2737.30(c) has been amended to reflect that moneys collected by the State Treasurer for the issuance of special collegiate license plates will be distributed, subject to appropriation, through the Illinois Student Assistance Commission to participating private colleges and universities for the sole purpose of grant awards to Illinois residents.

Part 2760 State Scholar Program

This Part is being amended to update the standardized test names. The ACT and SAT have been changed to reflect their correct names and the Prairie State Achievement Exam (PSAE) has been added. Section 2760.20(b) has been changed to clarify that there are now three standardized tests instead of two and that a student may take a test more than one time. Also, Section 2760.30(a) has been amended to allow ISAC to request the submission of academic data in an approved format.

Part 2764 Illinois Future Teacher Corps (IFTC) Program

A change is proposed in Section 2764.30(b)(1) to clarify the availability of applications for this program. In Section 2764.30(c)(5) language has been added to more accurately describe priority processing for purposes of awarding.

Part 2771 College Savings Bond Bonus Incentive Grant (BIG) Program

Amendments to this Part provide clarification as to the enrollment requirements of the student beneficiary and the timeframe during which complete applications are accepted at ISAC. Language also has been added in Section 2771.30(a) that describes priority processing for the purposes of awarding.

Part 2775 Illinois Prepaid Tuition Program

Language has been deleted in Section 2775.50(b)(2) of the *College Illinois!* Prepaid Tuition Program for contracts to which that provision applied. These contracts have been in force for more than three years, so the restriction is no longer needed.

No amendments are being proposed to the following parts:

Part 2721 Alternative Loan Program

Part 2731 Grant Program For Dependents of Correctional Officers

Part 2732 Grant Program For Dependents of Police or Fire Officers

Part 2734 Monetary Award Program Plus (MAP Plus)

Part 2735 Monetary Award Program (MAP)

Part 2736	Silas Purnell Illinois Incentive For Access (IIA) Program
Part 2738	Grant Program For A Child Raised By Grandparent
Part 2741	Optometric Education Scholarship Program
Part 2742	Forensic Science Grant Program
Part 2755	Robert C. Byrd Honors Scholarship Program
Part 2757	Veterans' Home Nurse Loan Repayment Program
Part 2758	Nurse Educator Loan Repayment Program
Part 2759	Nurse Educator Scholarship Program
Part 2761	Merit Recognition Scholarship (MRS) Program
Part 2762	Paul Douglas Teacher Scholarship Program
Part 2763	Minority Teachers of Illinois (MTI) Scholarship Program
Part 2765	Illinois Special Education Teacher Tuition Waiver (SETTW) Program
Part 2767	Illinois Teachers and Child Care Providers Loan Repayment Program
Part 2768	Teach Illinois Scholarship Program
Part 2769	Child Welfare Student Loan Forgiveness Program
Part 2770	Student to Student (STS) Program of Matching Grants
Part 2772	Fellowship, Traineeship & Scholarship Programs
Part 2790	Limitation, Suspension and Termination (L,S, &T) Proceedings
Part 5375	Public Information, Rulemaking and Organization
Part 5376	Information Requests
Part 1400	Americans with Disabilities Act Grievance Procedure