

AGENDA ITEM 10.

PROPOSED RULES AND 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 various client advisory groups, including the ILASFAA/ISAC Rules and Operations Committee.

Highlights of proposed rules and amendments to existing rules are presented in this item. The Notices of Proposed Rules and Amendments that precede each rules Part contain descriptions of the subjects and issues involved in the rulemaking. The full text of the proposed rules and amendments is being provided to Commissioners under separate cover, as are copies of the appropriate Notices. 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 4 different Parts this year: General Provisions; Federal Family Education Loan Program (FFELP); State Scholar Program; and Illinois Teachers and Child Care Providers Loan Repayment Program. New rules are being proposed for two programs: Grant Program For Child Raised By Grandparent and Nurse Educator Loan Repayment Program. The rules for one program, Christa McAuliffe Fellowship Program, are being repealed.

Publication of the proposed rules and amendments will initiate a 45-day public comment period. Comments received from the public will be reviewed by staff. Where appropriate, the proposed rules and 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 and 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 and amendments will be presented to the Commission for final adoption. The anticipated effective date of these proposed rules and amendments is July 2007.

Action requested: None

ILLINOIS STUDENT ASSISTANCE COMMISSION
HIGHLIGHTS OF PROPOSED RULES AND AMENDMENTS

Rules and 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, 2006 to reflect a change necessitated by HERA. In Section 2700.20, the federal citation has been updated in the definition of “Academic Year,” and the HERA Public Law number is reflected in the “Independent Student” definition. The federal citation has been updated in Section 2700.40(i). Section 2700.55 has been amended to include the Gramm-Leach Bliley (GLB) federal citation and to include security for data stored at an external entity.

Part 2720 **Federal Family Education Loan Program (FFELP)**

Section 2720.50 has been amended to reflect changes due to the Higher Education Reconciliation Act of 2005 (HERA). Language has been added as PLUS loans now include graduate students in addition to parents. The title of Section 2720.80 has been changed to Federal Default Fee and the entire section was rewritten to reflect the change from a student guarantee fee to a federal default fee and the associated new requirements.

Part 2738 **Grant Program For Child Raised By Grandparent Program**

This Part is being proposed to reflect the statutory changes contained in Public Act 094-0968, which created this new program. These proposed rules govern the administration of the new Grant Program For A Child Raised By Grandparent. The rulemaking sets forth the applicant eligibility requirements, program procedures and institutional procedures.

Part 2758 **Nurse Educator Loan Repayment Program**

This Part is being proposed to reflect the statutory changes contained in Public Act 094-1020, which created this new program. These proposed rules govern the administration of the new Nurse Educator Loan Repayment Program. The rulemaking sets forth the applicant eligibility requirements and program procedures.

Part 2760 **State Scholar Program**

Section 2760.30(a) has been amended, as some high schools are no longer providing class rank with transcripts for students’ college admission. To accommodate those situations for the purposes of this program, language has been added that allows ISAC to assign a rank based on the Grade Point Averages reported by the high school.

Part 2766 Christa McAuliffe Fellowship Program

Statute 105 ILCS 5/30-14.8 states the General Assembly finds that the Christa McAuliffe federal fellowship is an award expressly and exclusively for the benefit of one or more elementary or secondary teachers, provides funding for a sabbatical for the recipient of the fellowship, and has no express relationship to post-secondary educational benefits under State and federal grant and loan programs administered by the Illinois Student Assistance Commission (ISAC). ISAC has not administered the program since the early 1990's, therefore, the administrative rules for this program are being repealed.

Part 2767 Illinois Teachers And Child Care Providers Loan Repayment Program

Section 2767.30(c) has been amended to clarify that the borrower cannot receive an amount that is more than the remaining balance of their loan. Language has been added in Section 2767.30(d) to clarify that the borrower authorizes and designates ISAC to send funds directly to the holder of the loan.

No amendments are being proposed to the following parts:

Part 2721 Alternative Loan Program

Part 2730 Illinois National Guard (ING) Grant Program

Part 2731 Grant Program For Dependents of Correctional Officers

Part 2732 Grant Program For Dependents of Police or Fire Officers

Part 2733 Illinois Veteran Grant (IVG) Program

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 2737 Higher Education License Plate (HELP) Program

Part 2741 Optometric Education Scholarship Program

Part 2742 Forensic Science Grant Program

Part 2755 Robert C. Byrd Honors Scholarship 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 2764	Illinois Future Teacher Corps (IFTC) Program
Part 2765	Illinois Special Education Teacher Tuition Waiver (SETTW) 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 2771	College Savings Bond Bonus Incentive Grant (BIG) Program
Part 2772	Fellowship, Traineeship & Scholarship Programs
Part 2775	Illinois Prepaid Tuition Program
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