

## House Bill 1325 (COMMITTEE SUBSTITUTE)

By: Representatives McBee of the 74<sup>th</sup>, Purcell of the 122<sup>nd</sup>, Greene of the 134<sup>th</sup>, Holmes of the 48<sup>th</sup>, Post 1, and Cummings of the 19<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

To amend Chapters 2 and 3 of Title 20 of the Official Code of Georgia Annotated, relating to elementary and secondary education and to postsecondary education, respectively, so as to change the reporting system and method for determining eligibility for HOPE scholarships, other scholarships, grants, or loan assistance, and certain postsecondary courses and advanced placement courses for students enrolling as freshmen in eligible public or private postsecondary institutions on or after May 1, 2007; to delete an obsolete reference; to provide for loss of eligibility for the HOPE scholarship for any student who does not possess at least a cumulative 3.0 grade point average at the end of each spring quarter or semester; to provide for restoration of such eligibility; to provide for a set amount for mandatory fees for HOPE scholarships and HOPE grants; to provide for a limitation on quarter hours or semester hours of eligibility for HOPE grants and eligibility for combined HOPE scholarships and grants; to provide for exceptions; to create the HOPE Scholarship/Pre-K Legislative Oversight Committee; to provide for membership and duties of such oversight committee; to amend Code Section 50-27-13 of the Official Code of Georgia Annotated, relating to disposition of lottery proceeds, budget report by Governor, appropriations by General Assembly, and shortfall reserve subaccount, so as to provide for changes to the amount of book allowances for a HOPE scholarship or grant under certain conditions; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

Chapter 2 of Title 20 of the Official Code of Georgia Annotated, relating to elementary and secondary education, is amended by striking Code Section 20-2-157, relating to the uniform reporting system for specified purposes, and inserting in lieu thereof the following:

"20-2-157.

(a) It is the intent of the General Assembly to establish a uniform reporting system to be used as one of the criteria to determine eligibility of students seeking enrollment in

1 postsecondary courses pursuant to Code Section 20-2-161.1 or seeking educational  
2 scholarships, grants, or loan assistance administered by the Georgia Student Finance  
3 Commission pursuant to Article 7 of Chapter 3 of this title.

4 (b) Beginning May 1, 2007, each ~~Each~~ school system and private school shall adopt the  
5 ~~following~~ reporting system described in this subsection for purposes of identifying and  
6 qualifying graduating seniors for the HOPE scholarship program and other programs  
7 identified in this Code section:

8 (1) ~~A final grade average of at least an 80 numeric average, provided the student meets~~  
9 ~~the college preparatory curriculum requirements~~ Each school system and private school  
10 shall transmit, in a manner and at times prescribed by the Georgia Student Finance  
11 Commission, an electronic transcript of courses and course grades for each graduating  
12 senior that reflects the complete high school academic record of the student, including  
13 scores on any state tests required for graduation, the grading scales used by the school  
14 system or private school for the time periods referenced by the transcripts, and any other  
15 pertinent information as determined by the Georgia Student Finance Commission. Each  
16 grade reported by a school system or private school to the commission for the purpose  
17 of calculating the grade point average for HOPE scholarship eligibility shall be the actual  
18 grade earned by the student, with no weighting or addition of points by the local school  
19 system or private school;

20 (2) ~~A final grade average of at least an 85 numeric average, if the student meets the~~  
21 ~~career/technical curriculum requirements~~ The Georgia Student Finance Commission shall  
22 calculate a grade point average for the purpose of determining eligibility for the HOPE  
23 scholarship from these electronic transcripts and shall notify students of their eligibility  
24 and high schools as to the eligibility of students;

25 (3) ~~For students graduating from high school in 2000 or thereafter, a final grade average~~  
26 ~~of at least an 80 numeric average in their core curriculum subjects, provided that the~~  
27 ~~student meets the college preparatory curriculum requirements~~ For students otherwise  
28 qualified and enrolling as freshmen students in eligible public or private postsecondary  
29 institutions for the first time on May 1, 2007, or thereafter, the Georgia Student Finance  
30 Commission shall calculate grade point averages for determining eligibility for the HOPE  
31 scholarship and other scholarships referenced in this Code section as follows:

32 (A) For students receiving a college preparatory diploma, each grade for a student in  
33 attempted coursework in English, mathematics, science, social studies, and foreign  
34 language that would, if successfully completed, satisfy a core graduation requirement  
35 for the college preparatory curriculum shall be equated to a grade on a 4.0 scale, such  
36 that a grade of 'A' = 4.0, a grade of 'B' = 3.0, a grade of 'C' = 2.0, a grade of 'D' = 1.0,  
37 and a grade of 'F' = 0; or

(B) For students receiving a career/technical diploma, each grade for a student in attempted coursework in English, mathematics, science, and social studies that would, if successfully completed, satisfy a core graduation requirement for the career/technical curriculum shall be equated to a grade on a 4.0 scale, such that a grade of 'A' = 4.0, a grade of 'B' = 3.0, a grade of 'C' = 2.0, a grade of 'D' = 1.0, and a grade of 'F' = 0.

Grades for coursework that is classified as advanced placement or international baccalaureate shall be weighted by the Georgia Student Finance Commission in calculating the overall grade point averages for students, provided that the weighting of such course grades is uniformly applied to all students in the state taking the specified coursework. The sum of the equated grades shall be divided by the number of course grades, adjusted for term length, to yield a grade point average on a 4.0 scale; or

(4) For students graduating from high school in 2000 or thereafter, a final grade average of at least an 85 numeric average in their core curriculum subjects if the student meets the career/technical curriculum requirements. Qualification for the HOPE scholarship shall be determined from the grade point average calculated as set out in paragraph (3) of this subsection. Beginning May 1, 2007, students with grade point averages equal to or in excess of 3.0 on the 4.0 scale with a college preparatory diploma shall meet achievement standards for the HOPE scholarship; students receiving a career/technical diploma shall meet achievement standards for the HOPE scholarship with a grade point average equal to or in excess of 3.2 on a 4.0 scale. This paragraph shall apply regardless of when a student graduated from high school and regardless of such student's eligibility status prior to May 1, 2007; and

(5) Beginning May 1, 2007, only ~~Only~~ the reporting system as indicated in this subsection shall be used to determine eligibility for all grants, scholarships, or loans to attend colleges or universities which are administered pursuant to Article 7 of Chapter 3 of this title and eligibility for enrollment in postsecondary courses pursuant to Code Section 20-2-161.1.

(c)(1) Prior to May 1, 2007, each school system shall adopt the following reporting system for purposes of identifying and qualifying graduating seniors for the HOPE scholarship program and other programs identified in this Code section:

(A) A final grade average of at least an 80 numeric average in their core curriculum subjects, provided that the student meets the college preparatory curriculum requirements; or

(B) A final grade average of at least an 85 numeric average in their core curriculum subjects if the student meets the career/technical curriculum requirements.

(2) Prior to May 1, 2007, only the reporting system as indicated in this subsection shall be used to determine eligibility for all grants, scholarships, or loans to attend colleges or

universities which are administered pursuant to Article 7 of Chapter 3 of this title and eligibility for enrollment in postsecondary courses pursuant to Code Section 20-2-161.1."

## SECTION 2.

Chapter 3 of Title 20 of the Official Code of Georgia Annotated, relating to postsecondary education, is amended by striking paragraph (13) of Code Section 20-3-519, relating to definitions relative to HOPE scholarships and grants, and inserting in lieu thereof the following:

"(13) 'HOPE grant' means a Helping Outstanding Pupils Educationally grant for education awarded in accordance with Code Section ~~20-3-519.4~~ or 20-3-519.5."

## SECTION 3.

Said chapter is further amended by striking Code Section 20-3-519.2 relating to eligibility requirements for HOPE scholarships at public postsecondary institutions, and inserting in lieu thereof the following:

"20-3-519.2.

(a) To be eligible for a HOPE scholarship, an entering freshman student seeking an associate or baccalaureate degree at an eligible public postsecondary institution shall:

(1) Meet residency requirements by meeting the requirements to be classified as a legal resident of Georgia as established by the program regulations promulgated by the Georgia Student Finance Commission which shall be based upon the in-state tuition policy of the board of regents and the in-state tuition guidelines set by the Department of Technical and Adult Education;

(2) Meet achievement standards by:

(A) Having graduated from an eligible high school while meeting the curriculum requirements of his or her program of study in 1993 or thereafter and meeting the requirements set out in the applicable subsection and paragraph of ~~subsection (b)~~ of Code Section 20-2-157; or

(B) In the case of a student who is otherwise qualified but:

(i) Did not graduate from high school or complete a home study program meeting the requirements of subsection (c) of Code Section 20-2-690, having received the general educational development (GED) diploma awarded by the Georgia Department of Technical and Adult Education after June 30, 1993, provided that such student shall only be eligible for a HOPE scholarship pursuant to subsection (e) of the Code section;

(ii) Completed a home study program meeting the requirements of subsection (c) of Code Section 20-2-690 in lieu of graduating from an eligible high school, earning a

1 cumulative grade point average of at least 3.0 at an eligible public postsecondary  
2 institution at the end of the quarter or semester in which the student has attempted 45  
3 quarter hours or 30 semester hours, provided that such student shall be eligible to  
4 receive a retroactive HOPE scholarship for such student's freshman year to be paid  
5 at the end of the freshman year; or

6 (iii) Graduated from a high school which is not an eligible high school, earning a  
7 cumulative grade point average of at least 3.0 at an eligible public postsecondary  
8 institution at the end of the quarter or semester in which the student has attempted 45  
9 quarter hours or 30 semester hours, provided that such student shall be eligible to  
10 receive a retroactive HOPE scholarship for such student's freshman year to be paid  
11 at the end of the freshman year; and

12 (3) Meet enrollment standards by being admitted, enrolled, and classified as an  
13 undergraduate student in a matriculated status.

14 (b) To be eligible for a HOPE scholarship, a sophomore student seeking an associate or  
15 baccalaureate degree at an eligible public postsecondary institution shall:

16 (1) Meet residency requirements by meeting the requirements to be classified as a legal  
17 resident of Georgia as established by the program regulations promulgated by the Georgia  
18 Student Finance Commission which shall be based upon the in-state tuition policy of the  
19 board of regents and the in-state tuition guidelines set by the Department of Technical  
20 and Adult Education;

21 (2) Meet achievement standards by meeting the following criteria:

22 (A) Earning a cumulative grade point average of at least 3.0 at a postsecondary  
23 institution at the end of the quarter or semester in which the student has attempted 45  
24 quarter hours or 30 semester hours; and

25 (B) Maintaining satisfactory academic progress in a course of study in accordance with  
26 the standards and practices used for federal Title IV programs by the postsecondary  
27 institution in which the student is enrolled; and

28 (3) Meet enrollment standards by being admitted, enrolled, and classified as an  
29 undergraduate student in a matriculated status or, in the case of an otherwise eligible  
30 student who is classified as a professional level student rather than an undergraduate  
31 student, being accepted into the professional level program of study prior to receiving a  
32 baccalaureate degree.

33 (c) To be eligible for a HOPE scholarship, a junior student seeking a baccalaureate degree  
34 at a public postsecondary institution shall:

35 (1) Meet residency requirements by meeting the requirements to be classified as a legal  
36 resident of Georgia as established by the program regulations promulgated by the Georgia  
37 Student Finance Commission which shall be based upon the in-state tuition policy of the

board of regents and the in-state tuition guidelines set by the Department of Technical and Adult Education;

(2) Meet achievement standards by meeting the following criteria:

(A) Earning a cumulative grade point average of at least 3.0 at a postsecondary institution at the end of the quarter or semester in which the student has attempted 90 quarter hours or 60 semester hours; and

(B) Maintaining satisfactory academic progress in a course of study in accordance with the standards and practices used for federal Title IV programs by the postsecondary institution in which the student is enrolled; and

(3) Meet enrollment standards by being admitted, enrolled, and classified as an undergraduate student in a matriculated status or, in the case of an otherwise eligible student who is classified as a professional level student rather than an undergraduate student, being accepted into the professional level program of study prior to receiving a baccalaureate degree.

(d) To be eligible for a HOPE scholarship, a senior student seeking a baccalaureate degree at a public postsecondary institution shall:

(1) Meet residency requirements by meeting the requirements to be classified as a legal resident of Georgia as established by the program regulations promulgated by the Georgia Student Finance Commission which shall be based upon the in-state tuition policy of the board of regents and the in-state tuition guidelines set by the Department of Technical and Adult Education;

(2) Meet achievement standards by meeting the following criteria:

(A) Earning a cumulative grade point average of at least 3.0 at a postsecondary institution at the end of the quarter or semester in which the student has attempted 135 quarter hours or 90 semester hours; and

(B) Maintaining satisfactory academic progress in a course of study in accordance with the standards and practices used for federal Title IV programs by the postsecondary institution in which the student is enrolled; and

(3) Meet enrollment standards by being admitted, enrolled, and classified as an undergraduate student in a matriculated status or, in the case of an otherwise eligible student who is classified as a professional level student rather than an undergraduate student, being accepted into the professional level program of study prior to receiving a baccalaureate degree.

(e)(1) A student who fails to maintain a cumulative grade point average of at least 3.0 at the end of the quarter or semester in which the student has attempted 45 quarter hours or 30 semester hours may attend the next 45 quarter or 30 semester hours without a HOPE scholarship. An otherwise eligible student who regains a cumulative grade point

average of at least 3.0 at the end of a quarter or semester in which the student has attempted 90 quarter hours or 135 quarter hours or 60 semester hours or 90 semester hours may requalify for a HOPE scholarship.

(2) In addition to other requirements, and regardless of quarter hours or semester hours of coursework attempted, a student who fails to possess a cumulative grade point average of at least 3.0 at the end of each spring quarter or semester shall be ineligible for a HOPE scholarship until such time as the student regains or attains a cumulative grade point average of at least 3.0 at one of the 45, 90, or 135 quarter hour grade point average checkpoints or at one of the 30, 60, or 90 semester hour grade point average checkpoints, at which time the student will regain or attain eligibility if other terms and conditions in this Code section are also satisfied.

(f) For students eligible for a HOPE scholarship under this Code section, no minimum number of hours of enrollment is required.

(g)(1) Except as set out in paragraph (2) of this subsection, a student may receive the HOPE scholarship until the first of these events:

(A) The student has earned a baccalaureate degree; or

(B) The student has attempted at any postsecondary institution a total of 190 quarter hours or 127 semester hours.

(2) A student enrolled in an undergraduate degree program designed to be more than 190 quarter hours or 127 semester hours in length is eligible to receive the HOPE scholarship for the lesser of:

(A) A total of 225 attempted quarter hours or 150 attempted semester hours; or

(B) The number of hours required for graduation if the student has a 3.0 cumulative grade point average of at least 3.0 after the term in which the student attempted 190 quarter hours or 127 semester hours.

(h)(1) Subject to the amounts appropriated by the General Assembly and provisions relating to the ~~scholarship shortfall reserve subaccount~~ Lottery for Education Account in Code Section 50-27-13, a HOPE scholarship awarded under this Code section shall include tuition, approved mandatory fees, and a book allowance not to exceed \$100.00 per quarter or \$150.00 per semester, except as otherwise provided for in paragraph (2) of this subsection.

(2) Effective September 1, 2004, the amount of mandatory fees paid shall be equal to such amount or amounts that were paid on January 1, 2004."

**SECTION 4.**

Said chapter is further amended by striking Code Section 20-3-519.3, relating to eligibility requirements for HOPE scholarships at private postsecondary institutions, and inserting in lieu thereof the following:

"20-3-519.3.

(a) To be eligible for a HOPE scholarship, an entering freshman student seeking an associate or baccalaureate degree at an eligible private postsecondary institution shall:

(1) Meet residency requirements by meeting the requirements to be classified as a legal resident of Georgia as established by the program regulations promulgated by the Georgia Student Finance Commission;

(2) Meet achievement standards by:

(A) Having graduated from an eligible high school while meeting the curriculum requirements of his or her program of study in 1996 or thereafter and meeting the requirements set out in the applicable paragraph of subsection (b) of Code Section 20-2-157; or

(B) In the case of a student who is otherwise qualified but:

(i) Did not graduate from high school or complete a home study program meeting the requirements of subsection (c) of Code Section 20-2-690, having received the general educational development (GED) diploma awarded by the Georgia Department of Technical and Adult Education after June 30, 1993, provided that such student shall only be eligible for a HOPE scholarship pursuant to subsection (e) of this Code section;

(ii) Completed a home study program meeting the requirements of subsection (c) of Code Section 20-2-690 in lieu of graduating from an eligible high school, earning a cumulative grade point average of at least 3.0 at an eligible public postsecondary institution at the end of the quarter or semester in which the student has attempted 45 quarter hours or 30 semester hours, provided that such student shall be eligible to receive a retroactive HOPE scholarship for such student's freshman year to be paid at the end of the freshman year; or

(iii) Graduated from a high school which is not an eligible high school, earning a cumulative grade point average of at least 3.0 at an eligible public postsecondary institution at the end of the quarter or semester in which the student has attempted 45 quarter hours or 30 semester hours, provided that such student shall be eligible to receive a retroactive HOPE scholarship for such student's freshman year to be paid at the end of the freshman year; and

(3) Meet enrollment standards by:



1 (A) Being admitted, enrolled, and classified as an undergraduate student in a  
2 matriculated status; and

3 (B) Being registered for and attending classes as a full-time student for 14 days or  
4 more after the last day of the institution's drop and add period.

5 (b) To be eligible for a HOPE scholarship, a sophomore student seeking an associate or  
6 baccalaureate degree at an eligible private postsecondary institution shall:

7 (1) Meet residency requirements by meeting the requirements to be classified as a legal  
8 resident of Georgia as established by the program regulations promulgated by the Georgia  
9 Student Finance Commission;

10 (2) Meet achievement standards by meeting the following criteria:

11 (A) Earning a cumulative grade point average of at least 3.0 at a postsecondary  
12 institution at the end of the quarter or semester in which the student has attempted 45  
13 quarter hours or 30 semester hours; and

14 (B) Maintaining satisfactory academic progress in a course of study in accordance with  
15 the standards and practices used for federal Title IV programs by the postsecondary  
16 institution in which the student is enrolled; and

17 (3) Meet enrollment standards by:

18 (A) Being admitted, enrolled, and classified as an undergraduate student in a  
19 matriculated status or, in the case of an otherwise eligible student who is classified as  
20 a professional level student rather than an undergraduate student, being accepted into  
21 the professional level program of study prior to receiving a baccalaureate degree; and

22 (B) Being registered for and attending classes as a full-time student for 14 days or  
23 more after the last day of the institution's drop and add period.

24 (c) To be eligible for a HOPE scholarship, a junior student seeking a baccalaureate degree  
25 at an eligible private postsecondary institution shall:

26 (1) Meet residency requirements by meeting the requirements to be classified as a legal  
27 resident of Georgia as established by the program regulations promulgated by the Georgia  
28 Student Finance Commission;

29 (2) Meet achievement standards by meeting the following criteria:

30 (A) Earning a cumulative grade point average of at least 3.0 at a postsecondary  
31 institution at the end of the quarter or semester in which the student has attempted 90  
32 quarter hours or 60 semester hours; and

33 (B) Maintaining satisfactory academic progress in a course of study in accordance with  
34 the standards and practices used for federal Title IV programs by the postsecondary  
35 institution in which the student is enrolled; and

36 (3) Meet enrollment standards by:

(A) Being admitted, enrolled, and classified as an undergraduate student in a matriculated status or provided that in the case of an otherwise eligible student who is classified as a professional level student rather than an undergraduate student, have been accepted into the professional level program of study prior to receiving a baccalaureate degree; and

(B) Being registered for and attending classes as a full-time student for 14 days or more after the last day of the institution's drop and add period.

(d) To be eligible for a HOPE scholarship, a senior student seeking a baccalaureate degree at an eligible private postsecondary institution shall:

(1) Meet residency requirements by meeting the requirements to be classified as a legal resident of Georgia as established by the program regulations promulgated by the Georgia Student Finance Commission ~~which shall be based upon the in-state tuition policy of the board of regents and the in-state tuition guidelines set by the Department of Technical and Adult Education;~~

(2) Meet achievement standards by meeting the following criteria:

(A) Earning a cumulative grade point average of at least 3.0 at a postsecondary institution at the end of the quarter or semester in which the student has attempted 135 quarter hours or 90 semester hours; and

(B) Maintaining satisfactory academic progress in a course of study in accordance with the standards and practices used for federal Title IV programs by the postsecondary institution in which the student is enrolled; and

(3) Meet enrollment standards by:

(A) Being admitted, enrolled, and classified as an undergraduate student in a matriculated status or, in the case of an otherwise eligible student who is classified as a professional level student rather than an undergraduate student, being accepted into the professional level program of study prior to receiving a baccalaureate degree; and

(B) Being registered for and attending classes as a full-time student for 14 days or more after the last day of the institution's drop and add period.

(e)(1) An otherwise eligible student who fails to maintain a cumulative grade point average of at least 3.0 at the end of the quarter or semester in which the student has attempted 45 quarter hours or 30 semester hours may attend the next 45 quarter hours or 30 semester hours without a HOPE scholarship. A student who regains a cumulative grade point average of at least 3.0 at end of the quarter or semester in which the student has attempted 90 quarter hours or 60 semester hours may requalify for a HOPE scholarship. A student who regains a cumulative grade point average of at least 3.0 at the end of the quarter or semester in which the student has attempted 135 quarter hours or 90 semester hours may requalify for a HOPE scholarship.

(2) In addition to other requirements, and regardless of quarter or semester hours of coursework attempted, a student who fails to possess a cumulative grade point average of at least 3.0 at the end of each spring quarter or semester shall be ineligible for a HOPE scholarship until such time as the student regains or attains a cumulative grade point average of at least 3.0 at one of the 45, 90, or 135 quarter hour grade point average checkpoints or at one of the 30, 60, or 90 semester hour grade point average checkpoints, at which time the student will regain or attain eligibility if other terms and conditions in this Code section are also satisfied.

(f)(1) Except as set out in paragraph (2) of this subsection, a student may receive a HOPE scholarship until the first of these events:

(A) The student has earned a baccalaureate degree; or

(B) The student has attempted at any postsecondary institution a total of 190 quarter hours or 127 semester hours.

(2) A student enrolled in an undergraduate degree program designed to be more than 190 quarter hours or 127 semester hours in length is eligible to receive a HOPE scholarship for the lesser of:

(A) A total of 225 attempted quarter hours or 150 attempted semester hours; or

(B) The number of hours required for graduation if the student has a cumulative grade point average of at least 3.0 after the term in which the student attempted 190 quarter hours or 127 semester hours.

(g) Subject to the amounts appropriated by the General Assembly and provisions relating to the scholarship shortfall reserve subaccount in Code Section 50-27-13, a HOPE scholarship awarded under this Code section shall be not less than \$3,000.00 for any academic year."

## SECTION 5.

Said chapter is further amended by striking Code Section 20-3-519.4, relating to terms and conditions for receipt of certain HOPE grants at private postsecondary institutions, and inserting in lieu thereof the following:

"20-3-519.4.

~~(a) An eligible student attending an eligible private postsecondary institution and receiving a HOPE grant during the 1995-1996 academic year under the terms and conditions of eligibility effective for students of eligible private postsecondary institutions during such term will be eligible to continue receiving HOPE grant funds under the same terms and conditions until the earlier of the following:~~

~~(1) The end of the spring term of 1999; or~~

~~(2) Graduation.~~

~~(b) A student who received the HOPE grant at a private postsecondary institution for at least one semester or quarter beginning with the summer term of 1995 through the spring term of 1997 is not eligible for the HOPE scholarship at an eligible postsecondary institution until a quarter or semester beginning with or after the summer term of 1999.~~  
Reserved."

## SECTION 6.

Said chapter is further amended by striking Code Section 20-3-519.5, relating to eligibility for HOPE grants, and inserting in lieu thereof the following:

"20-3-519.5.

(a) To be eligible for a HOPE grant, a student seeking a diploma or certificate at a branch of the Georgia Department of Technical and Adult Education or a unit of the University System of Georgia shall:

(1) Meet residency requirements by meeting the requirements to be classified as a legal resident of Georgia as established by the program promulgated by the Georgia Student Finance Commission which shall be based upon the in-state tuition policy of the board of regents and the in-state tuition guidelines set by the Department of Technical and Adult Education; and

(2) Meet enrollment standards by being admitted, enrolled, and classified as an undergraduate student in a matriculated status in a program of study leading to a certificate or diploma and maintaining satisfactory academic progress in accordance with the standards and practices used for federal Title IV programs by the institution at which the student is enrolled.

(b) There is no minimum number of hours of enrollment required for eligibility for a HOPE grant under this Code section.

(c) Subject to the provisions of subsection (e) of this Code section, an An eligible student may receive HOPE grants for all course work required by the institution for programs of study leading to a certificate or diploma, including remedial or developmental studies.

(d)(1) Subject to the amounts appropriated by the General Assembly and provisions relating to the ~~scholarship shortfall reserve subaccount~~ Lottery for Education Account in Code Section 50-27-13, a HOPE grant awarded under this Code section shall include tuition, approved mandatory fees, and a book allowance not to exceed \$100.00 per quarter or \$150.00 per semester, except as otherwise provided for in paragraph (2) of this subsection.

(2) Effective September 1, 2004, the amount of mandatory fees paid shall be equal to such amount or amounts that were paid on January 1, 2004.

1 (e) No student may receive HOPE grants for more than 95 quarter hours or 63 semester  
2 hours of attempted coursework, except as provided for in subsection (f) of this Code  
3 section. No student may receive more than a cumulative total of 190 quarter hours or 127  
4 semester hours of combined HOPE scholarships and grants, unless in accordance with  
5 Code Sections 20-3-519.2 and 20-3-519.3.

6 (f) A student enrolled in a diploma program designed to be more than 95 quarter hours or  
7 63 semester hours in length is eligible to receive a HOPE grant for the lesser of:

8 (1) A total of 130 attempted quarter hours or 86 attempted semester hours; or

9 (2) The number of hours required for graduation."

## 10 **SECTION 7.**

11 Said chapter is further amended by adding a new Code section to read as follows:

12 "20-3-519.13.

13 (a) There is created as a joint committee of the General Assembly the HOPE  
14 Scholarship/Pre-K Legislative Oversight Committee, to be composed of three members of  
15 the House Committee on Higher Education and three members of the House Committee  
16 on Education, to be appointed by the Speaker of the House of Representatives; and three  
17 members of the Senate Higher Education Committee and three members of the Senate  
18 Education Committee, to be appointed by the President of the Senate. The Speaker of the  
19 House of Representatives shall appoint a cochairperson from the House members appointed  
20 and the President of the Senate shall appoint a cochairperson from among the Senate  
21 members appointed. The oversight committee shall study, inquire into, and review the  
22 operations of the Georgia Student Finance Commission with respect to the administration  
23 of HOPE scholarships and grants under this part, as well as review and evaluate the  
24 conditions, needs, and issues of the HOPE scholarship and grant program as provided for  
25 under this part, Georgia's Pre-K program, and any other programs that receive funds from  
26 the Lottery for Education Account, as provided for in Article 1 of Chapter 27 of Title 50.  
27 Such study and review shall be conducted during the first year of each biennium of the  
28 General Assembly so as to determine whether any legislative action may be necessary. The  
29 oversight committee may conduct any independent audit or investigation of the  
30 commission or any other appropriate agency it deems necessary.

31 (b) The Georgia Student Finance Commission shall provide the oversight committee not  
32 later than December 1 of each year with a complete report of the HOPE scholarship and  
33 grant program."

**SECTION 8.**

Code Section 50-27-13 of the Official Code of Georgia Annotated, relating to disposition of lottery proceeds, budget report by the Governor, appropriations by the General Assembly, and the shortfall reserve subaccount, is amended by striking paragraph (3) of subsection (b) and inserting a new paragraph (3) and by inserting a new paragraph (5) of subsection (b) to read as follows:

"(3) A scholarship shortfall reserve subaccount shall be maintained within the Lottery for Education Account. An amount equal to 10 percent of the total amount of lottery proceeds disbursed during the preceding fiscal year in the form of scholarships and grants for higher education shall be deposited from lottery proceeds each year until such amount equals 50 percent of such sum. Thereafter, only an amount necessary to maintain the scholarship shortfall reserve subaccount in an amount equal to 50 percent of the amount of lottery proceeds disbursed during the preceding fiscal year shall be deposited into the subaccount. If the net proceeds paid into the Lottery for Education Account in any year are not sufficient to meet the amount appropriated for higher education scholarships, the shortfall reserve subaccount may be drawn upon to meet the deficiency. In the event it becomes necessary to draw from the reserve subaccount in any fiscal year, the scholarship program shall be reviewed and shall be reduced to accommodate available lottery proceeds, exclusive of the scholarship shortfall reserve subaccount, through such methods as reducing the family income cap qualification, reducing or eliminating grants for student fees and books and reducing the academic years funded."

"(5)(A) For purposes of this subsection, the term 'year-end balance' shall mean the amount, as determined by the state auditor, of unexpended and uncommitted funds in the Lottery for Education Account at the end of a fiscal year, which shall not include amounts contained in the subaccounts provided for in paragraphs (3) and (4) of this subsection.

(B) In the event that the year-end balance of a fiscal year is less than the year-end balance of the fiscal year immediately preceding, then all scholarships and grants for book allowances under Part 7 of Article 7 of Chapter 3 of Title 20, except as provided for in subparagraph (C), shall not exceed \$200.00 per year beginning in the subsequent fiscal year and thereafter. In the event that the year-end balance of any subsequent fiscal year is less than the year-end balance of the fiscal year immediately preceding, then all scholarships and grants for book allowances under Part 7 of Article 7 of Chapter 3 of Title 20, except as provided for in subparagraph (C), shall not exceed \$100.00 per year beginning in the next fiscal year and thereafter. In the event that the year-end balance of any further subsequent fiscal year is less than the year-end balance of the fiscal year immediately preceding, then all scholarships and grants for book allowances under Part

## SECTION 9.

All laws and parts of laws in conflict with this Act are repealed.