

## House Bill 326

By: Representatives Collins of the 27<sup>th</sup>, Ralston of the 7<sup>th</sup>, Jones of the 46<sup>th</sup>, Abrams of the 84<sup>th</sup>, O`Neal of the 146<sup>th</sup>, and others

**A BILL TO BE ENTITLED  
AN ACT**

1 To amend Article 7 of Chapter 3 of Title 20 of the Official Code of Georgia Annotated,  
2 relating to scholarships, loans, and grants, so as to provide comprehensive revisions to the  
3 HOPE scholarship and grant program; to revise definitions; to revise eligibility requirements;  
4 to combine and revise the HOPE scholarship programs relating to public and private  
5 postsecondary institutions; to revise requirements relating to HOPE grants and HOPE GED  
6 vouchers; to revise provisions relating to the Georgia Student Finance Commission; to repeal  
7 certain laws relating to HOPE scholarships at private postsecondary institutions, PROMISE  
8 teacher's scholarships, HOPE teacher's scholarships, PROMISE II teacher's scholarships, and  
9 the HOPE Scholarship/Pre-K Legislative Oversight Committee; to provide for service  
10 cancelable loans for certain direct loans to students on the basis of need and merit; to revise  
11 definitions relating to tuition equalization grants at private colleges and universities; to  
12 amend Code Section 20-2-157 of the Official Code of Georgia Annotated, relating to the  
13 uniform reporting system for determining eligibility of students seeking enrollment in  
14 postsecondary courses, so as to require certain coursework; to amend Article 1 of Chapter  
15 27 of Title 50 of the Official Code of Georgia Annotated, relating to general provisions  
16 relative to the "Georgia Lottery for Education Act," so as to revise provisions relating to  
17 compensation of employees of the Georgia Lottery Corporation; to eliminate a reserve  
18 subaccount and automatic reduction triggers relating to books and fees; to revise a provision  
19 relating to retailers; to provide for related matters; to provide for an effective date; to repeal  
20 conflicting laws; and for other purposes.

21                   **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

22                   **SECTION 1.**

23 Article 7 of Chapter 3 of Title 20 of the Official Code of Georgia Annotated, relating to  
24 scholarships, loans, and grants, is amended in Code Section 20-3-519, relating to definitions  
25 relative to HOPE scholarships and grants, as follows:

26 "20-3-519.

27 As used in this part, the term:

28 (1) 'Academic year' means a period of time, typically nine months, in which a full-time  
29 student is expected to complete the equivalent of at least two semesters' or three quarters'  
30 academic work.

31 (2) 'Advanced degree' means a master's degree, specialist's degree, or doctorate in  
32 education conferred by an approved postsecondary institution upon completion of a  
33 unified program of study at the graduate level. Reserved.

34 (3) 'Approved teacher education program' means a program offered by a public or private  
35 postsecondary institution which program has been approved by the Georgia Professional  
36 Standards Commission. Reserved.

37 (4) 'Certificate' or 'diploma' means a credential, other than a degree, indicating  
38 satisfactory completion of training in a program of study offered by an eligible public  
39 postsecondary institution.

40 (5) 'Critical shortage field' means an area of study or an area of specialized expertise for  
41 which a shortage of qualified teachers or educators exists in Georgia, designated as such  
42 by the Georgia Student Finance Commission.

43 (5.1) 'Dual credit enrollment' means enrollment by a student in a postsecondary course  
44 in which an agreement has been established between an eligible high school and an  
45 eligible postsecondary institution wherein the student earns Carnegie units of credit that  
46 count toward both high school graduation requirements and postsecondary coursework  
47 requirements.

48 (6) 'Eligible high school' school,' until December 31, 2010, means a public or private  
49 secondary school which is:

50 (A) Located in Georgia and is currently or within the last two years has been accredited  
51 by:

- 52 (i) The Southern Association of Colleges and Schools;
- 53 (ii) The Georgia Accrediting Commission;
- 54 (iii) The Georgia Association of Christian Schools;
- 55 (iv) The Association of Christian Schools International;
- 56 (v) The Georgia Private School Accreditation Council; or
- 57 (vi) The Southern Association of Independent Schools; or

58 (B) Located in another state and accredited by one of the following regional or state  
59 accrediting entities:

- 60 (i) The Southern Association of Colleges and Schools;
- 61 (ii) The New England Association of Schools and Colleges;
- 62 (iii) The Middle States Association of Colleges and Schools;

- (iv) The North Central Association of Colleges and Schools;
- (v) The Northwestern Association of Schools and Colleges;
- (vi) The Western Association of Schools and Colleges;
- (vii) The Alabama Independent School Association;
- (viii) The Southern Association of Independent Schools; or
- (ix) The Florida Council of Independent Schools.

(6.1) On and after January 1, 2011, 'eligible high school' means a public or private secondary school which is:

- (A) Located in Georgia and accredited as such by:
  - (i) The Southern Association of Colleges and Schools;
  - (ii) The Georgia Accrediting Commission;
  - (iii) The Georgia Association of Christian Schools;
  - (iv) The Association of Christian Schools International;
  - (v) The Georgia Private School Accreditation Council; or
  - (vi) The Accrediting Commission for Independent Study; or
  - (vii) The Southern Association of Independent Schools; or
- (B) Located in another state and accredited by one of the following regional agencies:
  - (i) The Southern Association of Colleges and Schools;
  - (ii) The New England Association of Schools and Colleges;
  - (iii) The Middle States Association of Colleges and Schools;
  - (iv) The North Central Association of Colleges and Schools;
  - (v) The Northwestern Association of Schools and Colleges;
  - (vi) The Western Association of Schools and Colleges;
  - (vii) The Alabama Independent School Association; or
  - (viii) The Southern Association of Independent Schools.

(7) 'Eligible postsecondary institution' means a school which is:

- (A) A unit of the University System of Georgia;
- (B) A branch of the Technical College System of Georgia;
- (C) A private independent nonprofit postsecondary institution eligible for tuition equalization grants in accordance with the provisions of subparagraph (A) of paragraph (2) of Code Section 20-3-411; or
- (D) A private proprietary postsecondary institution eligible for tuition equalization grants in accordance with the provisions of subparagraph (E)(B) of paragraph (2) of Code Section 20-3-411.

(8) 'Eligible private postsecondary institution' means an eligible postsecondary institution which meets the criteria set out in subparagraph (C) or (D) of paragraph (7) of this Code section.

100 (9) 'Eligible public postsecondary institution' means an eligible postsecondary institution  
101 which meets the criteria set out in subparagraph (A) or (B) of paragraph (7) of this Code  
102 section.

103 (9.1) 'Factor rate' means the percentage amount established by the General Assembly in  
104 an annual appropriation Act against which the previous year HOPE award amount is  
105 multiplied.

106 (9.2) 'First professional degree program' means a nonundergraduate degree program that  
107 meets the requirements established by the program regulations promulgated by the  
108 Georgia Student Finance Commission which, at a minimum, shall include, but not be  
109 limited to, the following:

- 110 (A) Accepts students after the completion of the sophomore or junior year; and  
111 (B) Results in the award of a nonundergraduate degree.

112 (10) 'Freshman student' means a student at a postsecondary institution who has attempted  
113 less than 46 quarter hours or less than 31 semester hours.

114 (11) 'Full-time student' means a matriculated student attending a postsecondary  
115 educational institution and enrolled for at least 12 semester hours or the equivalent in any  
116 given semester or quarter.

117 (12) 'Grade point average' means the numbered grade average calculated using a 4.0  
118 scale.

119 (12.1) 'Half-time student' means a matriculated student attending a postsecondary  
120 educational institution and enrolled for six to 11 semester hours or the equivalent in any  
121 given semester or quarter.

122 (12.2) 'HOPE award rate' means the rate equal to the previous academic year HOPE  
123 tuition payment to the eligible public postsecondary institution multiplied by the factor  
124 rate divided by 15. Notwithstanding the foregoing, the Georgia Student Finance  
125 Commission may adjust the previous academic year HOPE tuition payment used to  
126 calculate the HOPE award rate to reflect changes in the mission or sector of an eligible  
127 public postsecondary institution that affects the tuition charged by that institution.

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

130 (13.1) 'HOPE award amount' means the amount of HOPE award to be made to an  
131 eligible student as follows:

132 (A) At an eligible public postsecondary institution, the HOPE award amount is equal  
133 to the HOPE award rate multiplied by the number of credit hours, up to a maximum of  
134 15, in which an eligible student is enrolled per quarter or semester; provided, however,  
135 that the quarter award shall equal two-thirds of the semester award and that credit hours

136       for remedial and developmental courses shall not be included for the HOPE  
137       scholarship; or

138       (B) At an eligible private postsecondary institution, the HOPE award amount is equal  
139       to HOPE tuition payment multiplied by the factor rate for full-time students and  
140       one-half of the HOPE tuition payment multiplied by the factor rate for half-time  
141       students. No awards shall be made to eligible students enrolled in five or fewer credit  
142       hours and credit hours for remedial and developmental courses shall not be included  
143       for the HOPE scholarship.

144       (14) 'HOPE scholarship' means a Helping Outstanding Pupils Educationally scholarship  
145       for education awarded in accordance with Code Sections Section 20-3-519.2 or  
146       20-3-519.3.

147       (15) '~~HOPE teacher's scholarship~~' means a Helping Outstanding Pupils Educationally  
148       scholarship for education awarded in accordance with Code Section 20-3-519.8.  
149       Reserved.

150       (16) 'HOPE GED voucher' means a Helping Outstanding Pupils Educationally general  
151       educational development (GED) diploma voucher for postsecondary education awarded  
152       in accordance with Code Section 20-3-519.6.

153       (16.1) 'HOPE tuition payment' means, in the case of an eligible public postsecondary  
154       institution, the amount paid for tuition only based on the standard undergraduate full-time  
155       tuition rate for 15 hours; and, in the case of an eligible private postsecondary institution,  
156       the amount paid for tuition based on the amount established by the General Assembly in  
157       an appropriations Act.

158       (17) 'Junior student' means a student at a postsecondary institution who has attempted  
159       at least 91 quarter hours but less than 136 quarter hours or at least 61 semester hours but  
160       less than 91 semester hours.

161       (18) '~~Mandatory fees~~' means fees approved by the Georgia Student Finance Commission  
162       that are charged by a postsecondary institution to every student enrolled in that  
163       institution, regardless of the student's program of study. Reserved.

164       (19) 'Matriculated status' means being recognized as a student in a defined program of  
165       study leading to a degree, diploma, or certificate at a postsecondary institution.

166       (19.1) 'Part-time student' means a matriculated student attending a postsecondary  
167       educational institution and enrolled for less than 12 semester hours or the equivalent in  
168       any given semester or quarter and who has never been enrolled for 12 or more semester  
169       hours or the equivalent in any given semester or quarter.

170       (20) '~~PROMISE teacher's scholarship~~' means a scholarship awarded in accordance with  
171       Code Section 20-3-519.7. Reserved.

172 (21) 'Quarter hours' includes each quarter hour attempted, whether remedial or for credit  
173 toward a degree, certificate, or diploma, but shall not include hours attempted for  
174 remedial and developmental courses for purposes of the HOPE scholarship.

175 (21.1) 'Remedial and developmental courses' means coursework required by the  
176 postsecondary institution or chosen by the student that does not count toward program  
177 requirements for college degrees in the case of the HOPE scholarship, or, diplomas or  
178 certificates in the case of the HOPE grant.

179 (22) 'Semester hours' includes each semester hour attempted, whether remedial or for  
180 credit toward a degree, certificate, or diploma, but shall not include hours attempted for  
181 remedial and developmental courses for purposes of the HOPE scholarship.

182 (23) 'Senior student' means a student at a postsecondary institution who has attempted  
183 at least 136 quarter hours but less than 191 quarter hours or at least 91 semester hours but  
184 less than 128 semester hours.

185 (24) 'Sophomore student' means a student at a postsecondary institution who has  
186 attempted at least 46 quarter hours but less than 91 quarter hours or at least 31 semester  
187 hours but less than 61 semester hours.

188 (25) 'Title IV' means Title IV of the Higher Education Act of 1965, as amended, 20  
189 U.S.C.A. Section 1070, et seq.

190 (26) 'Tuition' means the charges to a student for postsecondary academic instruction  
191 without regard to other fees such as technology, activity, athletic, health, or other similar  
192 fees.

193 (27) 'Zell Miller Scholar' means a student that has met the applicable eligibility  
194 requirements to receive a HOPE scholarship in accordance with Code Section 20-3-519.2  
195 and:

196 (A) As an incoming freshman:

197 (i) Having graduated from high school with a grade point average of at least 3.7  
198 calculated in accordance with Code Section 20-2-157 and having received a score of  
199 at least 1,200 combined critical reading score and math score on a single  
200 administration of the SAT or an ACT composite scale score of at least 26; or

201 (ii) Having completed a home study program meeting the requirements of subsection  
202 (c) of Code Section 20-2-690, having received a score of at least 1,200 combined  
203 critical reading score and math score on a single administration of the SAT or an ACT  
204 composite scale score of at least 26, and earning a cumulative grade point average of  
205 at least 3.5 at an eligible postsecondary institution at the end of the quarter or semester  
206 in which the student has attempted 45 quarter hours or 30 semester hours, provided  
207 that such student shall be eligible to receive a retroactive scholarship for such  
208 student's freshman year to be paid at the end of the freshman year; and

(B) As a sophomore, junior, senior, or first professional student, having a cumulative grade point average of at least 3.5 at the checkpoints set forth in paragraph (1) of subsection (b) of Code Section 20-3-519.2. Notwithstanding the foregoing, a student that entered an eligible postsecondary institution as a freshman between July 1, 2007, and June 30, 2011, and met the requirements of subparagraph (A) of this paragraph may become a Zell Miller Scholar as a sophomore, junior, senior, or first professional student.

A student that loses eligibility to be a Zell Miller Scholar for any reason may regain eligibility one time if the student requalifies at one of the checkpoints set forth in paragraph (1) of subsection (b) of Code Section 20-3-519.2."

## SECTION 2.

220 Said article is further amended in Code Section 20-3-519.1, relating to ineligibility for  
221 scholarships or grants, as follows:

222 "20-3-519.1.

223 (a) A student is eligible for any scholarship or grant described in this part if the student:

(1) Meets residency requirements by:

(A)(i) Being 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 Technical College System of Georgia; and

(ii)(I) If the student was classified as a legal resident of Georgia at the time of graduation from high school or from a home study program meeting the requirements of Code Section 20-2-690, then the student must have met the requirements set forth in division (i) of this subparagraph for a period of at least 12 months immediately prior to the first day of classes for which the scholarship or grant is to be awarded; or

(II) If the student was not classified as a legal resident at the time of graduation from high school or from a home study program meeting the requirements of Code Section 20-2-690, then the student must have met the requirements set forth in division (i) of this subparagraph for a period of at least 24 months immediately prior to the first day of classes for which the scholarship or grant is to be awarded; or

(B) Being classified as a legal resident of Georgia if such student is an active duty military service member or the spouse or dependent child of an active duty military

(2) Meets all applicable requirements of this part relating to the relevant scholarship or grant and applicable to the student.

(b) A student is ineligible for any scholarship or grant described in this part if the student:

- 245 (1) Is not a United States citizen or a permanent resident alien who meets the definition  
246 of an eligible noncitizen under federal Title IV requirements;  
247 (2) Has not complied with United States Selective Service System requirements for  
248 registration, if such requirements are applicable to the student;  
249 (3) Is in default on a federal Title IV educational loan or a State of Georgia educational  
250 loan, provided that a student who is otherwise eligible and has fully repaid the defaulted  
251 loan will be eligible to obtain a scholarship or grant for future academic terms but not  
252 retroactively;  
253 (4) Owes a refund on a federal Title IV student financial aid program or a Georgia  
254 student financial aid program, provided that a student who is otherwise eligible and has  
255 fully paid the refund owed will be eligible to obtain a scholarship or grant for future  
256 academic terms but not retroactively;  
257 (5) Has been convicted of a felony offense involving marijuana, a controlled substance,  
258 or a dangerous drug as set out in Code Section 20-1-23 or 20-1-24 of the 'Drug-free  
259 Postsecondary Education Act of 1990,' provided that such ineligibility extends from the  
260 date of conviction to the completion of the next academic term;  
261 (6) Is incarcerated; or  
262 (7) Does not meet each qualification listed in the Code section relating to the relevant  
263 scholarship or grant and applicable to the student."

264 **SECTION 3.**

265 Said article is further amended in Code Section 20-3-519.2, relating to eligibility  
266 requirements for a HOPE scholarship at a public postsecondary institution, as follows:  
267 "20-3-519.2.

268 (a) To be eligible for a HOPE scholarship, an entering freshman student seeking an  
269 associate or baccalaureate degree at an eligible ~~public~~ postsecondary institution shall, in  
270 addition to meeting the residency requirements set forth in subsection (a) of Code Section  
271 20-3-519.1:

272 (1) ~~Meet residency requirements by:~~

273 (A) ~~Meeting the requirements to be classified as a legal resident of Georgia as~~  
274 ~~established by the program regulations promulgated by the Georgia Student Finance~~  
275 ~~Commission which shall be based upon the in-state tuition policy of the board of~~  
276 ~~regents and the in-state tuition guidelines set by the Technical College System of~~  
277 ~~Georgia, and~~

278 (B)(i) ~~If the student was classified as a legal resident of Georgia at the time of~~  
279 ~~graduation from high school or from a home study program meeting the requirements~~  
280 ~~of Code Section 20-2-690, then the student must have met the requirements set forth~~

in subparagraph (A) of this paragraph for a period of at least 12 months immediately prior to the first day of classes for which the HOPE scholarship is to be awarded; or  
(ii) If the student was not classified as a legal resident at the time of graduation from high school or from a home study program meeting the requirements of Code Section 20-2-690, then the student must have met the requirements set forth in subparagraph (A) of this paragraph for a period of at least 24 months immediately prior to the first day of classes for which the HOPE scholarship is to be awarded.

Notwithstanding the foregoing, a dependent child of military personnel stationed in Georgia shall be deemed to be a legal resident of Georgia and, subject to meeting all other eligibility requirements, shall be eligible to receive the HOPE scholarship as a freshman if the student graduated from a high school located in Georgia or from a home study program meeting the requirements of Code Section 20-2-690 that is located in Georgia;

(2)(1) 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 Code Section 20-2-157;

(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 Department of Technical and Adult Education, now known as the Technical College System of Georgia, after June 30, 1993, provided that such student shall only be eligible for a HOPE scholarship pursuant to subsection (e)(c) 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; or

(C) In the case of an otherwise qualified student who:

(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 but received the general educational development (GED) diploma awarded by the Department of Technical and Adult Education, now known as the Technical College System of Georgia, after June 30, 1993;

(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; or

(iii) Graduated from a high school which is not an eligible high school,

earning a score in the eighty-fifth percentile or higher nationally on a standardized college admission test, such as the SAT or ACT; and

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

(b) To be eligible for a HOPE scholarship, a sophomore, junior, senior, or first professional student seeking an associate, or baccalaureate, or first professional degree at an eligible public postsecondary institution shall, in addition to meeting the residency requirements set forth in subsection (a) of Code Section 20-3-519.1:

(1) ~~Meet residency requirements by:~~

(A) ~~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 Technical College System of Georgia; and~~

(B)(i) ~~If the student was classified as a legal resident of Georgia at the time of graduation from high school or from a home study program meeting the requirements of Code Section 20-2-690, then the student must have met the requirements set forth in subparagraph (A) of this paragraph for a period of at least 12 months immediately prior to the first day of classes for which the HOPE scholarship is to be awarded; or~~

(ii) ~~If the student was not classified as a legal resident at the time of graduation from high school or from a home study program meeting the requirements of Code Section 20-2-690, then the student must have met the requirements set forth in subparagraph (A) of this paragraph for a period of at least 24 months immediately prior to the first day of classes for which the HOPE scholarship is to be awarded;~~

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

- 353       (A) Earning a cumulative grade point average of at least 3.0 at a postsecondary  
354       institution:  
355           (i) At the end of the quarter or semester in which the student has attempted 45, 90,  
356           or 135 quarter hours or 30, 60, or 90 semester hours if such student is a full-time  
357           student; or  
358           (ii) At the end of three consecutive quarters or semesters if such student is a part-time  
359           student and has maintained part-time student status for three consecutive quarters or  
360           semesters; and  
361       (B) Maintaining satisfactory academic progress in a course of study in accordance with  
362       the standards and practices used for federal Title IV programs by the postsecondary  
363       institution in which the student is enrolled; and  
364       ~~(3)(2)~~ Meet enrollment standards by being admitted, enrolled, and classified as an  
365       undergraduate or first professional student in a matriculated status.  
366       (c) To be eligible for a HOPE scholarship, a junior student seeking a baccalaureate or first  
367       professional degree at a public postsecondary institution shall:  
368           (1) ~~Meet residency requirements by:~~  
369              (A) ~~Meeting the requirements to be classified as a legal resident of Georgia as~~  
370              ~~established by the program regulations promulgated by the Georgia Student Finance~~  
371              ~~Commission which shall be based upon the in-state tuition policy of the board of~~  
372              ~~regents and the in-state tuition guidelines set by the Technical College System of~~  
373              ~~Georgia, and~~  
374              (B)(i) ~~If the student was classified as a legal resident of Georgia at the time of~~  
375              ~~graduation from high school or from a home study program meeting the requirements~~  
376              ~~of Code Section 20-2-690, then the student must have met the requirements set forth~~  
377              ~~in subparagraph (A) of this paragraph for a period of at least 12 months immediately~~  
378              ~~prior to the first day of classes for which the HOPE scholarship is to be awarded; or~~  
379              (ii) ~~If the student was not classified as a legal resident at the time of graduation from~~  
380              ~~high school or from a home study program meeting the requirements of Code Section~~  
381              ~~20-2-690, then the student must have met the requirements set forth in subparagraph~~  
382              ~~(A) of this paragraph for a period of at least 24 months immediately prior to the first~~  
383              ~~day of classes for which the HOPE scholarship is to be awarded;~~  
384              (2) ~~Meet achievement standards by meeting the following criteria:~~  
385              (A) ~~Earning a cumulative grade point average of at least 3.0 at a postsecondary~~  
386              ~~institution at the end of the quarter or semester in which the student has attempted 90~~  
387              ~~quarter hours or 60 semester hours; and~~

- 388 (B) Maintaining satisfactory academic progress in a course of study in accordance with  
389 the standards and practices used for federal Title IV programs by the postsecondary  
390 institution in which the student is enrolled; and
- 391 (3) Meet enrollment standards by being admitted, enrolled, and classified as an  
392 undergraduate student in a matriculated status or, in the case of an otherwise eligible  
393 student who is classified as a first professional degree student rather than an  
394 undergraduate student, being accepted into the first professional degree program of study  
395 prior to receiving a baccalaureate degree.
- 396 (d) To be eligible for a HOPE scholarship, a senior student seeking a baccalaureate or a  
397 first professional degree at a public postsecondary institution shall:
- 398 (1) Meet residency requirements by:
- 399 (A) Meeting the requirements to be classified as a legal resident of Georgia as  
400 established by the program regulations promulgated by the Georgia Student Finance  
401 Commission which shall be based upon the in-state tuition policy of the board of  
402 regents and the in-state tuition guidelines set by the Technical College System of  
403 Georgia; and
- 404 (B)(i) If the student was classified as a legal resident of Georgia at the time of  
405 graduation from high school or from a home study program meeting the requirements  
406 of Code Section 20-2-690, then the student must have met the requirements set forth  
407 in subparagraph (A) of this paragraph for a period of at least 12 months immediately  
408 prior to the first day of classes for which the HOPE scholarship is to be awarded; or  
409 (ii) If the student was not classified as a legal resident at the time of graduation from  
410 high school or from a home study program meeting the requirements of Code Section  
411 20-2-690, then the student must have met the requirements set forth in subparagraph  
412 (A) of this paragraph for a period of at least 24 months immediately prior to the first  
413 day of classes for which the HOPE scholarship is to be awarded;
- 414 (2) Meet achievement standards by meeting the following criteria:
- 415 (A) Earning a cumulative grade point average of at least 3.0 at a postsecondary  
416 institution at the end of the quarter or semester in which the student has attempted 135  
417 quarter hours or 90 semester hours; and
- 418 (B) Maintaining satisfactory academic progress in a course of study in accordance with  
419 the standards and practices used for federal Title IV programs by the postsecondary  
420 institution in which the student is enrolled; and
- 421 (3) Meet enrollment standards by being admitted, enrolled, and classified as an  
422 undergraduate student in a matriculated status or, in the case of an otherwise eligible  
423 student who is classified as a first professional degree student rather than an

424 ~~undergraduate student, being accepted into the first professional degree program of study~~  
425 ~~prior to receiving a baccalaureate degree.~~

426 (e)(c)(A) A full-time student who fails to maintain a cumulative grade point average  
427 of at least 3.0 at the end of the quarter or semester in which the student has attempted  
428 ~~45, 90, or 135~~ quarter hours or ~~30, 60, or 90~~ semester hours may attend the next 45  
429 quarter or 30 semester hours without a HOPE scholarship.

430 (B) An otherwise eligible full-time student who attains or regains a cumulative grade  
431 point average of at least 3.0 at the end of a quarter or semester in which the full-time  
432 student has attempted ~~45, 90, or 135~~ quarter hours or ~~30, 60, or 90~~ semester hours  
433 may qualify or requalify for a HOPE scholarship; provided, however, that a student  
434 who receives a HOPE scholarship and loses eligibility pursuant to this subsection is  
435 only eligible to regain or requalify for the HOPE scholarship one time.

436 (B)(C) An otherwise eligible part-time student who regains or attains a cumulative  
437 grade point average of at least 3.0 at the end of a quarter or semester in which the  
438 part-time student has attempted 45, 90, or 135 quarter hours or 30, 60, or 90 semester  
439 hours may attain or requalify for a HOPE scholarship; provided, however, that a student  
440 who receives a HOPE scholarship and loses eligibility pursuant to this subsection is  
441 only eligible to regain or requalify for the HOPE scholarship one time.

442 (2) In addition to other requirements, and regardless of quarter hours or semester hours  
443 of coursework attempted, a student who fails to possess a cumulative grade point average  
444 of at least 3.0 at the end of each spring quarter or semester or at the end of three  
445 consecutive quarters or semesters for a part-time student pursuant to paragraph (2)(1) of  
446 subsection (b) of this Code section shall be ineligible for a HOPE scholarship until such  
447 time as the student regains or attains a cumulative grade point average of at least 3.0 at  
448 one of the 45, 90, or 135 quarter hour grade point average checkpoints or at one of the 30,  
449 60, or 90 semester hour grade point average checkpoints, at which time the student will  
450 regain or attain eligibility if other terms and conditions in this Code section are also  
451 satisfied; provided, however, that a student who receives a HOPE scholarship and loses  
452 eligibility pursuant to this subsection is only eligible to regain or requalify for the HOPE  
453 scholarship one time.

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

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

458 (A)(1) The student has earned a baccalaureate or first professional degree; or  
459 (B)(2) The student has attempted at any postsecondary institution a total of 190 quarter  
460 hours or 127 semester hours; or

461       (3) Beginning with those students receiving HOPE for the first time on or after July 1,  
462       seven years from a student's graduation from high school or the equivalent  
463       thereof as determined by the Georgia Student Finance Commission in its rules and  
464       regulations; provided, however, that for a student that serves in the military during such  
465       seven-year period, any such military service served as active duty shall not count  
466       against the seven-year period. A student that is ineligible to receive a HOPE  
467       scholarship pursuant to this paragraph but who received the HOPE scholarship during  
468       the 2010-2011 academic year shall continue to be eligible for the HOPE scholarship  
469       until June 30, 2015, as long as such student meets all other eligibility requirements,  
470       including, but not limited to, paragraphs (1) and (2) of this subsection.

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

474           (A) A total of 225 attempted quarter hours or 150 attempted semester hours; or  
475           (B) The number of hours required for graduation if the student has a cumulative grade  
476           point average of at least 3.0 after the term in which the student attempted 190 quarter  
477           hours or 127 semester hours.

478       (3) Notwithstanding anything herein to the contrary, attempted hours shall include all  
479       postsecondary level course hours taken prior to high school graduation if such student  
480       does not qualify for the HOPE scholarship as an entering freshman based solely on his  
481       or her grade point average. As used in this paragraph, the term 'postsecondary level  
482       course hours' means hours accepted by the student's eligible postsecondary institution for  
483       credit when the student enters as a freshman.

484       (f)(e)(1) Subject to the amounts appropriated by the General Assembly and provisions  
485       relating to the Lottery for Education Account in Code Section 50-27-13, a HOPE  
486       scholarship awarded under this Code section shall be equal to the HOPE award amount.  
487       include tuition, approved mandatory fees, and a book allowance not to exceed \$100.00  
488       per quarter or \$150.00 per semester, except as otherwise provided for in paragraphs (2)  
489       and (3) of this subsection.

490       (2) Effective beginning with the fall quarter or semester commencing after July 1, 2004,  
491       the amount of mandatory fees paid shall be equal to such amount or amounts that were  
492       paid on January 1, 2004, except as otherwise provided for in Code Section 50-27-13.

493       (3) Paragraph (2) of this subsection shall not apply to an eligible public postsecondary  
494       institution established by law on or after January 1, 2004. For any eligible public  
495       postsecondary institution established on or after January 1, 2004, the amount of the  
496       mandatory fees paid shall be equal to such amount or amounts initially approved for that  
497       new eligible public postsecondary institution for its first year of operation by action of

498 the board of regents or the Technical College System of Georgia, as applicable, except  
499 as otherwise provided for in Code Section 50-27-13.

500 (f) For each semester of eligibility, Zell Miller Scholars shall be awarded an amount in  
501 addition to the HOPE award amount as follows:

502 (1) If attending an eligible public institution, an amount equal to the difference between  
503 the HOPE award amount and the then current academic year standard undergraduate  
504 tuition amount at the institution to be paid; and

505 (2) If attending an eligible private institution, an amount equal to the difference between  
506 the HOPE award amount and the HOPE tuition payment.

507 (i) A dependent child of military personnel stationed in Georgia on active duty shall be  
508 deemed to meet the residency requirements of paragraph (1) of subsections (a), (b), (c), and  
509 (d) of this Code section."

510 **SECTION 4.**

511 Said article is further amended in Code Section 20-3-519.5, relating to eligibility  
512 requirements for a HOPE grant at a branch of the Technical College System of Georgia, as  
513 follows:

514 "20-3-519.5.

515 (a) To be eligible for a HOPE grant, a student seeking a diploma or certificate at a branch  
516 of the Technical College System of Georgia or a unit of the University System of Georgia  
517 shall, in addition to meeting the residency requirements set forth in subsection (a) of Code  
518 Section 20-3-519.1:

519 (1) ~~Meet residency requirements by meeting the requirements to be classified as a legal~~  
520 ~~resident of Georgia as established by the program promulgated by the Georgia Student~~  
521 ~~Finance Commission which shall be based upon the in-state tuition policy of the board~~  
522 ~~of regents and the in-state tuition guidelines set by the Technical College System of~~  
523 ~~Georgia~~ Meet achievement standards by having a grade point average of at least 3.0 at  
524 the point that the student has accumulated 30 semester or 45 quarter hours of courses  
525 towards a diploma or certificate for which the student received HOPE funds pursuant to  
526 this part. The grade point average shall be calculated using such 30 semester or 45  
527 quarter hours taken pursuant to this subsection; and

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

- 533 (b) There is no minimum number of hours of enrollment required for eligibility for a  
534 HOPE grant under this Code section.
- 535 (c) Subject to the provisions of subsection (e) of this Code section, an eligible student may  
536 receive HOPE grants for all course work required by the institution for programs of study  
537 leading to a certificate or diploma, including remedial ~~or developmental studies and~~  
538 developmental courses.
- 539 (d)~~(1)~~ Subject to the amounts appropriated by the General Assembly and provisions  
540 relating to the Lottery for Education Account in Code Section 50-27-13, a HOPE grant  
541 awarded under this Code section shall equal the HOPE award amount, ~~include tuition,~~  
542 ~~approved mandatory fees, and a book allowance not to exceed \$100.00 per quarter or~~  
543 ~~\$150.00 per semester, except as otherwise provided for in paragraph (2) of this~~  
544 ~~subsection.~~
- 545 (2) Effective beginning with the fall quarter or semester commencing after July 1, 2004,  
546 the amount of mandatory fees paid shall be equal to such amount or amounts that were  
547 paid on January 1, 2004, except as otherwise provided for in Code Section 50-27-13.
- 548 (e) No student that has a baccalaureate degree, its equivalent or higher, from any  
549 postsecondary institution shall be eligible to receive a HOPE grant. No student may  
550 receive HOPE grants for more than 95 quarter hours or 63 semester hours of attempted  
551 coursework, ~~except as provided for in subsection (f) of this Code section.~~ No student may  
552 receive more than a cumulative total of 190 quarter hours or 127 semester hours of  
553 combined HOPE scholarships and grants, ~~unless in accordance with Code Sections~~  
554 ~~20-3-519.2 and 20-3-519.3.~~ For purposes of this subsection, attempted hours shall not  
555 include hours for courses taken and paid for by a HOPE grant while a student is  
556 participating in dual credit enrollment with both an eligible high school and a branch of the  
557 Technical College System of Georgia or a unit of the University System of Georgia. The  
558 Technical College System of Georgia or the University System of Georgia, as applicable,  
559 shall verify that the student is enrolled in an eligible high school and shall notify the  
560 Georgia Student Finance Commission of the student's participation in dual credit  
561 enrollment.
- 562 (f) A student enrolled in a diploma program designed to be more than 95 quarter hours or  
563 63 semester hours in length is eligible to receive a HOPE grant for the lesser of:  
564 (1) A total of 130 attempted quarter hours or 86 attempted semester hours; or  
565 (2) The number of hours required for graduation.
- 566 (g) A dependent child of military personnel stationed in Georgia on active duty shall be  
567 deemed to meet the residency requirements of paragraph (1) of subsection (a) of this Code  
568 section."

569

**SECTION 5.**

570 Said article is further amended in Code Section 20-3-519.6, relating to HOPE GED vouchers,  
571 as follows:

572 "20-3-519.6.

573 ~~(a) To be eligible for a HOPE GED voucher, a student attending an eligible public  
574 postsecondary institution shall meet residency requirements by meeting the requirements  
575 to be classified as a legal resident of Georgia as established by the program regulations  
576 promulgated by the Georgia Student Finance Commission which shall be based upon the  
577 in-state tuition policy of the board of regents and the in-state tuition guidelines set by the  
578 Technical College System of Georgia.~~

579 ~~(b) To be eligible for a HOPE GED voucher, a student attending an eligible private  
580 postsecondary institution shall meet residency requirements by meeting the requirements  
581 to be classified as a legal resident of Georgia as established by the program regulations  
582 promulgated by the Georgia Student Finance Commission.~~

583 ~~(c) Subject to the amounts appropriated by the General Assembly and provisions relating  
584 to the scholarship shortfall reserve subaccount in Code Section 50-27-13, a HOPE GED  
585 voucher in the amount of \$500.00 shall be awarded available once to each student receiving  
586 a general educational development (GED) diploma awarded by the Department of  
587 Technical and Adult Education, now known as the Technical College System of Georgia,  
588 after June 30, 1993;. Such voucher shall be issued to such student upon enrollment in shall  
589 be valid at any eligible postsecondary institution in Georgia for within 24 months from the  
590 date of issuance the general educational development (GED) diploma was awarded to the  
591 student and may only be used to cover postsecondary costs of attendance at such  
592 institution.~~

593 ~~(d) An otherwise eligible student receiving a HOPE GED voucher under this Code section  
594 is eligible for a HOPE scholarship as a sophomore, junior, or senior student."~~

595

**SECTION 6.**

596 Said article is further amended in Code Section 20-3-519.10, relating to application of HOPE  
597 scholarships and HOPE grants, as follows:

598 "20-3-519.10.

599 A HOPE scholarship and a HOPE grant may be applied ~~only to tuition, mandatory fees,  
600 and book costs to any portion of a student's tuition. In no case shall a HOPE scholarship  
601 or HOPE grant exceed a student's tuition.~~

602

**SECTION 7.**

603 Said article is further amended in Code Section 20-3-519.11, relating to the Georgia Student  
604 Finance Commission, as follows:

605 "20-3-519.11.

606 (a) The Georgia Student Finance Commission is authorized to promulgate rules and  
607 regulations not inconsistent with the provisions of this part relating to grants and  
608 scholarships described in this part. The Georgia Student Finance Commission is authorized  
to promulgate rules and regulations related to grants, loans, and scholarships no longer in  
effect as of the effective date of this Act, under this part but for which the Georgia Student  
Finance Commission or the Georgia Student Finance Authority and the student were  
previously obligated.

613 (b) Every eligible postsecondary institution shall be subject to examination by the Georgia  
Student Finance Commission for the sole purpose of determining whether such  
postsecondary institution has properly complied with rules and regulations established  
pursuant to this Code section. Such examination shall be conducted by the Georgia Student  
Finance Commission no less frequently than once every three years. The Georgia Student  
Finance Commission is authorized to conduct the examination using sampling and  
extrapolation techniques. However, nothing in this subsection shall be construed to  
interfere with the authority of the postsecondary institution to determine its own  
curriculum, philosophy, purpose, or administration. In the event it is determined that a  
postsecondary institution knowingly or through error certified an ineligible student to be  
eligible for a scholarship or grant under this part, the amount of such scholarship or grant  
paid to the postsecondary institution pursuant to such certification shall be refunded by the  
postsecondary institution to the Georgia Student Finance Commission. The Georgia  
Student Finance Commission may suspend a postsecondary institution from receiving  
HOPE scholarship or HOPE grant award payments if it fails to refund any monies deemed  
due pursuant to this subsection. The Georgia Student Finance Commission shall be  
authorized to promulgate rules and regulations necessary to carry out the intent of this  
subsection.

631 (c) Any person who knowingly makes or furnishes any false statement or  
misrepresentation, or who accepts such statement or misrepresentation knowing it to be  
false, for the purpose of enabling an ineligible student to obtain wrongfully a scholarship  
or grant under this part shall be guilty of a misdemeanor.

635 (d) Notwithstanding any provision of this part, the Georgia Student Finance  
Commission is authorized to promulgate rules and regulations restricting eligibility for the  
scholarships and grants described in this part or reducing the dollar amount of scholarships  
and grants described in this part in accordance with the provisions of Code Section

639 50-27-13. In addition to other remedies available at law and equity, the Georgia Student  
640 Finance Commission is authorized to enter into repayment agreements with students that  
641 owe refunds to the Georgia Student Finance Commission of any scholarship or grant  
642 described in this part. Except as prohibited by federal or other state laws, individuals that  
643 owe refunds and fail to enter into repayment agreements with the Georgia Student Finance  
644 Commission are, without judicial action, subject to garnishment of their pay, loss of a  
645 professional license, offset of lottery winnings, and offset of a state tax refund in  
646 accordance with rules and regulations promulgated by the Georgia Student Finance  
647 Commission not inconsistent with the provisions of this part. As used in this subsection,  
648 the term 'refund' shall mean scholarship and grant amounts paid to or on behalf of students  
649 subsequently, in accordance with rules and regulations promulgated by the Georgia Student  
650 Finance Commission, determined to be ineligible to receive such funds.

651 (e) The funding for the scholarships and grants described in this part shall be subject to  
652 annual appropriations enacted by the General Assembly which shall establish the total  
653 amount of funding for such scholarships and grants."

## SECTION 8.

655 Said article is further amended by repealing and reserving Code Sections 20-3-519.3,  
656 20-3-519.7, 20-3-519.8, 20-3-519.9, 20-3-519.12, and 20-3-519.13, relating to eligibility  
657 requirements for a HOPE scholarship at a private postsecondary institution, the PROMISE  
658 teacher's scholarship, the HOPE teacher's scholarship, ineligibility for a HOPE teacher's  
659 scholarship, eligibility for the PROMISE II teacher's scholarship, and the HOPE  
660 Scholarship/Pre-K Legislative Oversight Committee, respectively.

## **SECTION 9.**

662 Said article is further amended in Code Section 20-3-250.5, relating to administration of the  
663 "Nonpublic Postsecondary Educational Institutions Act of 1990", by revising paragraph (10)  
664 of subsection (b) as follows:

665        "(10) To establish and promulgate regulations for qualified proprietary institutions whose  
666        students receive tuition equalization grants in accordance with the criteria set forth in  
667        subparagraph (E) (B) of paragraph (2) of Code Section 20-3-411."

## **SECTION 10.**

669 Said article is further amended in Code Section 20-3-395.3, relating to repayment schedules  
670 for direct loans to students on the basis of need and merit, by adding a new subsection to read  
671 as follows:

672 "c) Notwithstanding anything herein to the contrary, a student may service cancel a loan  
673 described in this subpart in accordance with rules and regulations promulgated by the  
674 authority if such student is employed by and agrees to teach in a public school in Georgia  
675 as a science, technology, engineering, or math teacher at the elementary, middle, or  
676 secondary level. For service repayment, the loan shall be repaid at a rate of one year of  
677 service for each academic year of study or its equivalent for which a loan is made to a  
678 student pursuant to this subpart."

## SECTION 11.

680 Said article is further amended in Code Section 20-3-411, relating to definitions relative to  
681 tuition equalization grants at private colleges and universities, as follows:

682 "20-3-411.

683 As used in this subpart, the term:

684 (1) 'Academic year' means a period of time, typically nine months, in which a full-time  
685 student is expected to complete the equivalent of at least two semesters' or three quarters'  
686 academic work.

687 (2) 'Approved school' means:

(A) A nonproprietary institution of higher education located in this state which is not a branch of the university system; which is not a four-year or graduate level institution of higher education that is, or is a part of, a college or university system that is owned and operated by a state other than Georgia; which is accredited by the Southern Association of Colleges and Schools; which is not a graduate level school or college of theology or divinity; and which is not presently receiving state funds under Article 4 of this chapter; provided, however, that an institution which otherwise meets the requirements of this definition and of this subpart except for the lack of accreditation by the Southern Association of Colleges and Schools shall be deemed to be an 'approved school' during the period that the institution holds candidate for accreditation status with the Southern Association of Colleges and Schools; provided, further, that an institution which was previously accredited by the Southern Association of Colleges and Schools within the last seven years and which otherwise meets the requirements of this definition and of this subpart except for the lack of accreditation by the Southern Association of Colleges and Schools shall be deemed to be an 'approved school'; and

(B) ~~A nonproprietary institution of higher education located outside the State of Georgia which is a four-year or graduate level institution of higher education that is, or is a part of, a college or university system that is owned and operated by a state other than Georgia; which is accredited by the Southern Association of Colleges and Schools; which is not a graduate level school or college of theology or divinity, and which is~~

708 located within 50 road miles, by the nearest practical route of travel, of the home  
709 residence of one or more eligible students. The term 'home residence,' for purposes of  
710 this subpart, shall, in the case of a dependent student, mean the principal residence of  
711 the parent or legal guardian of a student; and

712 (C)(B)(i) A qualified proprietary institution of higher education located in this state  
713 which is a baccalaureate degree-granting institution of higher education; which is  
714 accredited by a regional accrediting agency recognized by the United States  
715 Department of Education the Southern Association of Colleges and Schools; which  
716 is not a Bible school or college (or, at the graduate level, a school or college of  
717 theology or divinity); which admits as regular students only persons who have a high  
718 school diploma, a general educational development (GED) diploma, or a degree from  
719 an accredited postsecondary institution; whose students are eligible to participate in  
720 the federal Pell Grant program; which has been reviewed and approved for operation  
721 and for receipt of tuition equalization grant funds by the Georgia Nonpublic  
722 Postsecondary Education Commission; which is domiciled and incorporated in the  
723 State of Georgia; and which has been in existence in the State of Georgia for at least  
724 ten years; and which met all of the requirements of this subparagraph by January 1,  
725 2011; provided, however, that the criteria for approval for receipt of tuition  
726 equalization grant funds shall include but not be limited to areas of course study,  
727 quality of instruction, student placement rate, research and library sources, faculty,  
728 support staff, financial resources, physical plant facilities resources, and support and  
729 equipment resources.

730 (ii) Any proprietary institution that is otherwise qualified pursuant to division (i) of  
731 this subparagraph on July 1, 1995, shall be deemed to be eligible for receipt of tuition  
732 equalization grant funds subject, however, to any subsequent review of such approval  
733 pursuant to any proper regulations which may thereafter be adopted in accordance  
734 with paragraph (10) of subsection (b) of Code Section 20-3-250.5 applicable to all  
735 qualified proprietary institutions.

736 (iii) Any proprietary institution of higher education that is otherwise qualified  
737 pursuant to division (i) of this subparagraph on January 1, 2011, shall continue to be  
738 an approved school pursuant to this paragraph as long as it continues to meet the  
739 requirements of division (i) of this subparagraph as such existed on the day prior to  
740 the effective date of this division.

741 (3) 'Eligible student' means a person who:

742 (A) Is enrolled in or accepted for enrollment as a full-time undergraduate level student  
743 in an approved school or as a graduate level student if funds are specifically

744 appropriated in appropriations Acts of the General Assembly for payment of grants to  
745 graduate level students;

746 (B) Is or will be a citizen of Georgia for a period of at least 12 months immediately  
747 prior to each date of registration in the approved school;

748 (C) Is not knowingly promoting or engaging in any activity which is determined by the  
749 approved school's governing body to be detrimental to the school; and

750 (D) Meets the eligibility requirements for the HOPE program as set forth in paragraph  
751 (1) of subsection (a) and in subsection (b) of Code Section 20-3-519.1. In the case of  
752 ~~an approved school located outside the State of Georgia, is enrolled or accepted for~~  
753 ~~enrollment therein at an academic level beyond the sophomore academic classification~~  
754 ~~and whose home residence is, by the nearest practical route of travel, located within 50~~  
755 ~~road miles of the approved school and more than 50 road miles from the nearest~~  
756 ~~four-year institution of the University System of Georgia.~~

757 (4) 'Full-time student' means an undergraduate student who enrolls for a minimum of 12  
758 academic hours, or ten academic hours in the case of a graduate student, ~~and students~~  
759 ~~who are inmates in an institution administered by the Department of Corrections."~~

## 760 SECTION 12.

761 Code Section 20-2-73 of the Official Code of Georgia Annotated, relating to removal of local  
762 school board members under certain circumstances, is amended by revising subsection (a)  
763 as follows:

764 "(a) Notwithstanding Code Section 20-2-54.1 or any other provisions of law to the  
765 contrary, if a local school system or school is placed on the level of accreditation  
766 immediately preceding loss of accreditation for school board governance related reasons  
767 by one or more accrediting agencies included in subparagraph ~~(6.1)(A)~~ (6)(A) of Code  
768 Section 20-3-519, the State Board of Education shall conduct a hearing in not less than ten  
769 days nor more than 30 days and recommend to the Governor whether to suspend all eligible  
770 members of the local board of education with pay. If the State Board of Education makes  
771 such recommendation, the Governor may, in his or her discretion, suspend all eligible  
772 members of the local board of education with pay and, in consultation with the State Board  
773 of Education, appoint temporary replacement members who shall be otherwise qualified  
774 to serve as members of such board."

## 775 SECTION 13.

776 Code Section 20-2-157 of the Official Code of Georgia Annotated, relating to the uniform  
777 reporting system for determining eligibility of students seeking enrollment in postsecondary  
778 courses, is amended by adding new subsections to read as follows:

779     "(d) Beginning with students graduating from high school on or after May 1, 2015, in  
780       order to be eligible to receive a HOPE scholarship, a student shall receive credit in at least  
781       two courses from the following categories:

782       (1) Advanced math, such as Advanced Algebra and Trigonometry, Math III, or an  
783       equivalent or higher course;

784       (2) Advanced science, such as Chemistry, Physics, Biology II, or an equivalent or higher  
785       course;

786       (3) Advanced placement courses in core subjects;

787       (4) International baccalaureate courses in core subjects; or

788       (5) Advanced foreign language courses.

789     Students may take one or more courses in each category; provided, however, that a course  
790       may only be counted one time. The Georgia Student Finance Commission shall be  
791       authorized to promulgate rules and regulations necessary to carry out the intent of this  
792       subsection.

793     (e) Beginning with students graduating from high school on or after May 1, 2016, in order  
794       to be eligible to receive a HOPE scholarship, a student shall receive credit in at least three  
795       courses from the following categories:

796       (1) Advanced math, such as Advanced Algebra and Trigonometry, Math III, or an  
797       equivalent or higher course;

798       (2) Advanced science, such as Chemistry, Physics, Biology II, or an equivalent or higher  
799       course;

800       (3) Advanced placement courses in core subjects;

801       (4) International baccalaureate in core courses; or

802       (5) Advanced foreign language courses.

803     Students may take one or more courses in each category; provided, however, that a course  
804       may only be counted one time. The Georgia Student Finance Commission shall be  
805       authorized to promulgate rules and regulations necessary to carry out the intent of this  
806       subsection.

807     (f) Beginning with students graduating from high school on or after May 1, 2017, in order  
808       to be eligible to receive a HOPE scholarship, a student shall receive credit in at least four  
809       courses from the following categories:

810       (1) Advanced math, such as Advanced Algebra and Trigonometry, Math III, or an  
811       equivalent or higher course;

812       (2) Advanced science, such as Chemistry, Physics, Biology II, or an equivalent or higher  
813       course;

814       (3) Advanced placement courses in core subjects;

815       (4) International baccalaureate in core courses; or

#### (5) Advanced foreign language courses.

Students shall take one or more courses in each category provided however that a course may only be counted one time. The Georgia Student Finance Commission shall be authorized to promulgate rules and regulations necessary to carry out the intent of this subsection."

## **SECTION 14.**

822 Article 1 of Chapter 27 of Title 50 of the Official Code of Georgia Annotated, relating to  
823 general provisions relative to the "Georgia Lottery for Education Act," is amended by  
824 revising subsection (a) of Code Section 50-27-12, relating to employees of the Georgia  
825 Lottery Corporation, as follows:

826     "(a) The corporation shall establish and maintain a personnel program for its employees  
827     and fix the compensation and terms of compensation of its employees, including, but not  
828     limited to, production incentive payments; provided, however, that production incentive  
829     payments, bonuses, or any other consideration in addition to an employee's base  
830     compensation shall not exceed 25 percent of such employee's base compensation and shall  
831     be conditioned on and available only upon an increase in net proceeds from the prior year  
832     transferred to the Lottery for Education Account pursuant to subsection (a) of Code Section  
833     50-27-13."

## **SECTION 15.**

835 Said article is further amended in Code Section 50-27-13, relating to disposition of lottery  
836 proceeds, by revising subsections (b) and (f) as follows:

"(b)(1) On or before the fifteenth day of each quarter month, the corporation shall transfer to the general fund of the state treasury, for credit to the Lottery for Education Account for the preceding quarter month, the amount of all net proceeds during the preceding quarter month. The state treasurer shall separately account for net proceeds by establishing and maintaining a Lottery for Education Account within the state treasury.

842 (2) Upon their deposit into the state treasury, any moneys representing a deposit of net  
843 proceeds shall then become the unencumbered property of the State of Georgia and the  
844 corporation shall have no power to agree or undertake otherwise. Such moneys shall be  
845 invested by the state treasurer in accordance with state investment practices. All earnings  
846 attributable to such investments shall likewise be the unencumbered property of the state  
847 and shall accrue to the credit of the Lottery for Education Account.

848 (3) A scholarship shortfall reserve subaccount shall be maintained within the Lottery for  
849 Education Account in an amount equal to at least 50 percent of net proceeds deposited  
850 into such account for the preceding fiscal year. 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 education purposes, the shortfall reserve subaccount may be drawn upon to meet the deficiency. In the event the shortfall reserve is drawn upon and falls below 50 percent of net proceeds deposited into such account for the preceding fiscal year, the shortfall reserve shall be replenished to the level required by this paragraph in the next fiscal year and the lottery-funded programs shall be reviewed and adjusted accordingly. 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.

(4) A shortfall reserve subaccount shall be maintained within the Lottery for Education Account. The amount of the shortfall reserve subaccount shall be equal to 10 percent of the total amount of lottery proceeds deposited into the Lottery for Education Account for the preceding fiscal year. If the net proceeds deposited into the Lottery for Education Account in any year, exclusive of the amount in the shortfall reserve subaccount, are not sufficient to meet the amount appropriated for education purposes pursuant to subsection (c) of this Code section, the shortfall reserve subaccount may be drawn upon to meet the deficiency. In the event the shortfall reserve subaccount is drawn upon, the subaccount shall be brought back to the appropriate level with the first available funds duly deposited into the Lottery for Education Account.

(5)(A) For purposes of this subsection, the term:

(i) 'Highest year-end balance' means the highest total amount of unexpended and uncommitted funds in the Lottery for Education Account, as determined by the state auditor, at the end of any fiscal year beginning with Fiscal Year 2004 and continuing through the most recent fiscal year for which the state auditor has verified the amount of such funds, which shall not include amounts contained in the subaccounts provided for in paragraphs (3) and (4) of this subsection.

(ii) 'Year-end balance' means the amount, as determined by the state auditor, of unexpended and uncommitted funds in the Lottery for Education Account at the end

888 of a fiscal year, which shall not include amounts contained in the subaccounts  
889 provided for in paragraphs (3) and (4) of this subsection.

890 (B)(i) In the event that the year-end balance of a fiscal year is less than 92 percent of  
891 the highest year-end balance, as defined in this paragraph, then all scholarships and  
892 grants for book allowances under Part 7 of Article 7 of Chapter 3 of Title 20 shall not  
893 exceed \$150.00 per year beginning in the next fiscal year and thereafter. This  
894 provision shall not apply to students who are eligible to participate in the federal Pell  
895 Grant program.

896 (ii) In the event that the year-end balance of any subsequent fiscal year is less than  
897 84 percent of the highest year-end balance, as defined in this paragraph, then all  
898 scholarships and grants for book allowances under Part 7 of Article 7 of Chapter 3 of  
899 Title 20 shall be eliminated beginning in the subsequent fiscal year and thereafter.  
900 This provision shall not apply to students who are eligible to participate in the federal  
901 Pell Grant program.

902 (iii) In the event that the year-end balance of any further subsequent fiscal year is less  
903 than 75 percent of the highest year-end balance, as defined in this paragraph, then all  
904 scholarships and grants for mandatory fees under Part 7 of Article 7 of Chapter 3 of  
905 Title 20 shall be eliminated beginning in the next fiscal year and thereafter.

906 "(f) In compliance with the requirement of the Constitution that there shall be a separate  
907 accounting of lottery proceeds, no deficiency in the Lottery for Education Account shall  
908 be replenished by book entries reducing any nonlottery reserve of general funds, including  
909 specifically but without limitation the revenue shortfall reserve or the midyear adjustment  
910 reserve; nor shall any program or project started specifically from lottery proceeds be  
911 continued from the general fund; such programs must be adjusted or discontinued  
912 according to available lottery proceeds unless the General Assembly by general law  
913 establishes eligibility requirements and appropriates specific funds within the general  
914 appropriations Act; nor shall any nonlottery surplus in the general fund be reduced. No  
915 surplus in the Lottery for Education Account shall be reduced to correct any nonlottery  
916 deficiencies in sums available for general appropriations, and no surplus in the Lottery for  
917 Education Account shall be included in any surplus calculated for setting aside any  
918 nonlottery reserve or midyear adjustment reserve. In calculating net revenue collections  
919 for the revenue shortfall reserve and midyear adjustment reserve, the state accounting  
920 officer shall not include the net proceeds. Any program or project started specifically with  
921 lottery proceeds may be continued from the general fund; provided, however, that no  
922 program or project started specifically with lottery proceeds and continued from the general  
923 fund may then be continued in whole or in part from lottery proceeds."

924

**SECTION 16.**

925 Said article is further amended in Code Section 50-27-17, relating to the state-wide network  
926 of retailers, by revising subsection (c) as follows:

927 "(c) The corporation shall provide for compensation to lottery retailers in the form of  
928 commissions in an amount ~~of not less than~~ of not more than 5 percent of gross sales ~~and~~  
929 may provide for other forms of compensation for services rendered in the sale or cashing  
930 of lottery tickets or shares."

931

**SECTION 17.**

932 This Act shall become effective upon its approval by the Governor or upon its becoming law  
933 without such approval.

934

**SECTION 18.**

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