

House Bill 326 (COMMITTEE SUBSTITUTE) (AM)

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)~~ (5) '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;~~

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

69 ~~(6.1) On and after January 1, 2011, 'eligible high school' means a public or private~~  
 70 secondary school which is:

- 71 (A) Located in Georgia and accredited as such by:  
 72 (i) The Southern Association of Colleges and Schools;  
 73 (ii) The Georgia Accrediting Commission;  
 74 (iii) The Georgia Association of Christian Schools;  
 75 (iv) The Association of Christian Schools International;  
 76 (v) The Georgia Private School Accreditation Council; or  
 77 ~~(vi) The Accrediting Commission for Independent Study; or~~  
 78 ~~(vii) The Southern Association of Independent Schools; or~~  
 79 (B) Located in another state and accredited by one of the following regional agencies:  
 80 (i) The Southern Association of Colleges and Schools;  
 81 (ii) The New England Association of Schools and Colleges;  
 82 (iii) The Middle States Association of Colleges and Schools;  
 83 (iv) The North Central Association of Colleges and Schools;  
 84 (v) The Northwestern Association of Schools and Colleges;  
 85 (vi) The Western Association of Schools and Colleges;  
 86 (vii) The Alabama Independent School Association; or  
 87 (viii) The Southern Association of Independent Schools.

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

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

97 (8) 'Eligible private postsecondary institution' means an eligible postsecondary institution  
 98 which meets the criteria set out in subparagraph (C) or (D) of paragraph (7) of this Code  
 99 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~~ 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

209 (B) As a sophomore, junior, senior, or first professional student, having a cumulative  
 210 grade point average of at least 3.3 at the checkpoints set forth in paragraph (1) of  
 211 subsection (b) of Code Section 20-3-519.2. Notwithstanding the foregoing, a student  
 212 that entered an eligible postsecondary institution as a freshman between July 1, 2007,  
 213 and June 30, 2011, and met the requirements of subparagraph (A) of this paragraph may  
 214 become a Zell Miller Scholar as a sophomore, junior, senior, or first professional  
 215 student.

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

219 **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:

224 (1) Meets residency requirements by:

225 (A)(i) Being classified as a legal resident of Georgia as established by the program  
 226 regulations promulgated by the Georgia Student Finance Commission which shall be  
 227 based upon the in-state tuition policy of the board of regents and the in-state tuition  
 228 guidelines set by the Technical College System of Georgia; and

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

234 (II) If the student was not classified as a legal resident at the time of graduation from  
 235 high school or from a home study program meeting the requirements of Code Section  
 236 20-2-690, then the student must have met the requirements set forth in division (i) of  
 237 this subparagraph for a period of at least 24 months immediately prior to the first day  
 238 of classes for which the scholarship or grant is to be awarded; or

239 (B) Being classified as a legal resident of Georgia if such student is an active duty  
 240 military service member or the spouse or dependent child of an active duty military  
 241 service member and the active duty military service member is stationed in Georgia.

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

244 (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~~

281 ~~in subparagraph (A) of this paragraph for a period of at least 12 months immediately~~  
 282 ~~prior to the first day of classes for which the HOPE scholarship is to be awarded; or~~  
 283 ~~(ii) If the student was not classified as a legal resident at the time of graduation from~~  
 284 ~~high school or from a home study program meeting the requirements of Code Section~~  
 285 ~~20-2-690, then the student must have met the requirements set forth in subparagraph~~  
 286 ~~(A) of this paragraph for a period of at least 24 months immediately prior to the first~~  
 287 ~~day of classes for which the HOPE scholarship is to be awarded.~~

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

294 ~~(2)~~(1) Meet achievement standards by:

295 (A) Having graduated from an eligible high school while meeting the curriculum  
 296 requirements of his or her program of study in 1993 or thereafter and meeting the  
 297 requirements set out in the applicable subsection and paragraph of Code Section  
 298 20-2-157;

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

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

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

313 (iii) Graduated from a high school which is not an eligible high school, earning a  
 314 cumulative grade point average of at least 3.0 at an eligible ~~public~~ postsecondary  
 315 institution at the end of the quarter or semester in which the student has attempted 45  
 316 quarter hours or 30 semester hours, provided that such student shall be eligible to

317 receive a retroactive HOPE scholarship for such student's freshman year to be paid  
 318 at the end of the freshman year; or

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

320 (i) Did not graduate from high school or complete a home study program meeting the  
 321 requirements of subsection (c) of Code Section 20-2-690 but received the general  
 322 educational development (GED) diploma awarded by the Department of Technical  
 323 and Adult Education, now known as the Technical College System of Georgia, after  
 324 June 30, 1993;

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

327 (iii) Graduated from a high school which is not an eligible high school,  
 328 earning a score in the eighty-fifth percentile or higher nationally on a standardized  
 329 college admission test, such as the SAT or ACT; and

330 ~~(3)~~(2) Meet enrollment standards by being admitted, enrolled, and classified as an  
 331 undergraduate student in a matriculated status.

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

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

337 ~~(A) Meeting the requirements to be classified as a legal resident of Georgia as~~  
 338 ~~established by the program regulations promulgated by the Georgia Student Finance~~  
 339 ~~Commission which shall be based upon the in-state tuition policy of the board of~~  
 340 ~~regents and the in-state tuition guidelines set by the Technical College System of~~  
 341 ~~Georgia; and~~

342 ~~(B)(i) If the student was classified as a legal resident of Georgia at the time of~~  
 343 ~~graduation from high school or from a home study program meeting the requirements~~  
 344 ~~of Code Section 20-2-690, then the student must have met the requirements set forth~~  
 345 ~~in subparagraph (A) of this paragraph for a period of at least 12 months immediately~~  
 346 ~~prior to the first day of classes for which the HOPE scholarship is to be awarded; or~~  
 347 ~~(ii) If the student was not classified as a legal resident at the time of graduation from~~  
 348 ~~high school or from a home study program meeting the requirements of Code Section~~  
 349 ~~20-2-690, then the student must have met the requirements set forth in subparagraph~~  
 350 ~~(A) of this paragraph for a period of at least 24 months immediately prior to the first~~  
 351 ~~day of classes for which the HOPE scholarship is to be awarded;~~

352 ~~(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)(1)(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 2011, 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)~~(f)~~ 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."

**SECTION 7.**

602  
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  
609 to promulgate rules and regulations related to grants, loans, and scholarships no longer in  
610 effect as of the effective date of this Act, under this part but for which the Georgia Student  
611 Finance Commission or the Georgia Student Finance Authority and the student were  
612 previously obligated.

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

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

635 ~~(b)~~(d) Notwithstanding any provision of this part, the Georgia Student Finance  
636 Commission is authorized to promulgate rules and regulations restricting eligibility for the  
637 scholarships and grants described in this part or reducing the dollar amount of scholarships  
638 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 ~~(c)~~(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."

654 **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.

661 **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 ~~(C)~~ (B) of paragraph (2) of Code Section 20-3-411."

668 **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."

679 **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:

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

703 ~~(B) A nonproprietary institution of higher education located outside the State of~~  
 704 ~~Georgia which is a four-year or graduate level institution of higher education that is, or~~  
 705 ~~is a part of, a college or university system that is owned and operated by a state other~~  
 706 ~~than Georgia; which is accredited by the Southern Association of Colleges and Schools;~~  
 707 ~~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

816 (5) Advanced foreign language courses.  
 817 Students shall take one or more courses in each category provided however that a course  
 818 may only be counted one time. The Georgia Student Finance Commission shall be  
 819 authorized to promulgate rules and regulations necessary to carry out the intent of this  
 820 subsection."

821 **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. In total,  
 831 bonuses shall not exceed 1 percent of the net increase over the prior year's deposit into the  
 832 Lottery for Education Account. No bonuses may be awarded in years in which there is not  
 833 a net increase over the prior year's deposit into the Lottery for Education Account."

834 **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:

837 "(b)(1) On or before the fifteenth day of each ~~quarter~~ month, the corporation shall transfer  
 838 to the general fund of the state treasury, for credit to the Lottery for Education Account for  
 839 the preceding ~~quarter~~ month, the amount of all net proceeds during the preceding ~~quarter~~  
 840 month. The state treasurer shall separately account for net proceeds by establishing and  
 841 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~~

851 total amount of lottery proceeds disbursed during the preceding fiscal year in the form of  
 852 scholarships and grants for higher education shall be deposited from lottery proceeds each  
 853 year until such amount equals 50 percent of such sum. Thereafter, only an amount  
 854 necessary to maintain the scholarship shortfall reserve subaccount in an amount equal to  
 855 50 percent of the amount of lottery proceeds disbursed during the preceding fiscal year  
 856 shall be deposited into the subaccount. If the net proceeds paid into the Lottery for  
 857 Education Account in any year are not sufficient to meet the amount appropriated for  
 858 higher education scholarships education purposes, the shortfall reserve subaccount may  
 859 be drawn upon to meet the deficiency. In the event the shortfall reserve is drawn upon  
 860 and falls below 50 percent of net proceeds deposited into such account for the preceding  
 861 fiscal year, the shortfall reserve shall be replenished to the level required by this  
 862 paragraph in the next fiscal year and the lottery-funded programs shall be reviewed and  
 863 adjusted accordingly. In the event it becomes necessary to draw from the reserve  
 864 subaccount in any fiscal year, the scholarship program shall be reviewed and shall be  
 865 reduced to accommodate available lottery proceeds, exclusive of the scholarship shortfall  
 866 reserve subaccount, through such methods as reducing the family income cap  
 867 qualification, reducing or eliminating grants for student fees and books, and reducing the  
 868 academic years funded.

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

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

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

886 (ii) 'Year-end balance' means the amount, as determined by the state auditor, of  
 887 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 5~~ of 6 percent of gross sales and may provide  
929 for other forms ~~of compensation for services rendered in the sale or cashing of lottery~~  
930 ~~tickets or shares~~ of incentive compensation beginning on July 1, 2016; provided, however,  
931 that other forms of incentive compensation may be provided beginning on July 1, 2014, if  
932 the Lottery for Education Account deposits exceed \$1 billion in the previous fiscal year or  
933 may be provided prior to July 1, 2016, as authorized by the Governor."

934 **SECTION 17.**

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

937 **SECTION 18.**

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