

The Senate Higher Education Committee offered the following substitute to HB 326:

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:

SECTION 1.

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

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;~~

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 Georgia Student
104 Finance Commission against which the previous year HOPE award amount is multiplied.

105 (9.2) 'First professional degree program' means a nonundergraduate degree program that
106 meets the requirements established by the program regulations promulgated by the
107 Georgia Student Finance Commission which, at a minimum, shall include, but not be
108 limited to, the following:

109 (A) Accepts students after the completion of the sophomore or junior year; and

110 (B) Results in the award of a nonundergraduate degree.

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

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

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

118 (12.1) 'Half-time student' means a matriculated student attending a postsecondary
119 educational institution and enrolled for six to 11 semester hours or the equivalent in any
120 given semester or quarter.

121 (12.2) 'HOPE award rate' means the rate equal to the previous academic year HOPE
122 tuition payment to the eligible public postsecondary institution multiplied by the factor
123 rate divided by 15. Notwithstanding the foregoing, the Georgia Student Finance
124 Commission may adjust the previous academic year HOPE tuition payment used to
125 calculate the HOPE award rate to reflect changes in the mission or sector of an eligible
126 public postsecondary institution that affects the tuition charged by that institution.

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

129 (13.1) 'HOPE award amount' means the amount of HOPE award to be made to an
130 eligible student as follows:

131 (A) At an eligible public postsecondary institution, the HOPE award amount is equal
132 to the HOPE award rate multiplied by the number of credit hours, up to a maximum of
133 15, in which an eligible student is enrolled per quarter or semester; provided, however,
134 that the quarter award shall equal two-thirds of the semester award and that credit hours
135 for remedial and developmental courses shall not be included for the HOPE
136 scholarship; or

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

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

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

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

152 (16.1) 'HOPE tuition payment' means, in the case of an eligible public postsecondary
 153 institution, the amount paid for tuition only based on the standard undergraduate full-time
 154 tuition rate for 15 hours; and, in the case of an eligible private postsecondary institution,
 155 the amount paid for tuition based on the amount established by the General Assembly in
 156 an appropriations Act.

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

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

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

165 (19.1) 'Part-time student' means a matriculated student attending a postsecondary
 166 educational institution and enrolled for less than 12 semester hours or the equivalent in
 167 any given semester or quarter and who has never been enrolled for 12 or more semester
 168 hours or the equivalent in any given semester or quarter.

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

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

174 (21.1) 'Remedial and developmental courses' means coursework required by the
 175 postsecondary institution or chosen by the student that does not count toward program
 176 requirements for college degrees in the case of the HOPE scholarship, or, diplomas or
 177 certificates in the case of the HOPE grant.

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

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

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

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

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

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

195 (A) As an incoming freshman:

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

200 (ii) Having completed a home study program meeting the requirements of subsection
 201 (c) of Code Section 20-2-690, having received a score of at least 1,200 combined
 202 critical reading score and math score on a single administration of the SAT or an ACT
 203 composite scale score of at least 26, and earning a cumulative grade point average of
 204 at least 3.3 at an eligible postsecondary institution at the end of the quarter or semester
 205 in which the student has attempted 45 quarter hours or 30 semester hours, provided
 206 that such student shall be eligible to receive a retroactive scholarship for such
 207 student's freshman year to be paid at the end of the freshman year; and

208 (B) As a sophomore, junior, senior, or first professional student who met the
 209 requirements of subparagraph (A) of this paragraph, having a cumulative grade point
 210 average of at least 3.3 at the checkpoints set forth in paragraph (1) of subsection (b) of

211 Code Section 20-3-519.2. Notwithstanding the foregoing, a student that entered an
 212 eligible postsecondary institution as a freshman between July 1, 2007, and June 30,
 213 2011, and met the requirements of subparagraph (A) of this paragraph may become a
 214 Zell Miller Scholar as a sophomore, junior, senior, or first professional student.
 215 A student that loses eligibility to be a Zell Miller Scholar for any reason may regain
 216 eligibility one time if the student requalifies at one of the checkpoints set forth in
 217 paragraph (1) of subsection (b) of Code Section 20-3-519.2."

218 **SECTION 2.**

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

221 "20-3-519.1.

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

223 (1) Meets residency requirements by:

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

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

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

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

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) An otherwise eligible part-time student who regains or attains a cumulative grade~~
437 ~~point average of at least 3.0 at the end of a quarter or semester in which the part-time~~
438 ~~student has attempted 45, 90, or 135 quarter hours or 30, 60, or 90 semester hours may~~
439 ~~attain or requalify for a HOPE scholarship.~~

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

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

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

456 ~~(A)(1) The student has earned a baccalaureate or first professional degree; or~~

457 ~~(B)(2) The student has attempted at any postsecondary institution a total of 190 quarter~~
458 ~~hours or 127 semester hours; or~~

459 (3) Beginning with those students receiving HOPE for the first time on or after July 1,
460 2011, seven years from a student's graduation from high school or the equivalent
461 thereof as determined by the Georgia Student Finance Commission in its rules and
462 regulations; provided, however, that for a student that serves in the military during such
463 seven-year period, any such military service served as active duty shall not count
464 against the seven-year period. A student that is ineligible to receive a HOPE

465 scholarship pursuant to this paragraph but who received the HOPE scholarship during
 466 the 2010-2011 academic year shall continue to be eligible for the HOPE scholarship
 467 until June 30, 2015, as long as such student meets all other eligibility requirements,
 468 including, but not limited to, paragraphs (1) and (2) of this subsection.

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

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

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

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

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

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

491 ~~(3) Paragraph (2) of this subsection shall not apply to an eligible public postsecondary~~
 492 ~~institution established by law on or after January 1, 2004. For any eligible public~~
 493 ~~postsecondary institution established on or after January 1, 2004, the amount of the~~
 494 ~~mandatory fees paid shall be equal to such amount or amounts initially approved for that~~
 495 ~~new eligible public postsecondary institution for its first year of operation by action of~~
 496 ~~the board of regents or the Technical College System of Georgia, as applicable, except~~
 497 ~~as otherwise provided for in Code Section 50-27-13.~~

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

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

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

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

508 **SECTION 4.**

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

512 "20-3-519.5.

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

517 ~~(1) Meet residency requirements by meeting the requirements to be classified as a legal~~
 518 ~~resident of Georgia as established by the program promulgated by the Georgia Student~~
 519 ~~Finance Commission which shall be based upon the in-state tuition policy of the board~~
 520 ~~of regents and the in-state tuition guidelines set by the Technical College System of~~
 521 ~~Georgia~~ Meet achievement standards by earning a cumulative grade point average of at
 522 least 3.0 at the end of the quarter or semester in which the student has attended 30 or 60
 523 semester hours or 45 or 90 quarter hours of courses towards a diploma or certificate for
 524 which the student received HOPE funds pursuant to this part. The grade point average
 525 shall be calculated using such 30 semester or 45 quarter hours taken pursuant to this
 526 subsection. An otherwise eligible student who attains or regains a cumulative grade point
 527 average of at least 3.0 at the end of a quarter or semester in which the student has
 528 attempted 30 or 60 semester hours or 45 or 90 quarter hours may qualify or requalify for
 529 a HOPE grant; provided, however, that a student who receives a HOPE grant and loses
 530 eligibility pursuant to this paragraph is only eligible to regain or requalify for the HOPE
 531 grant one time; and

532 (2) Meet enrollment standards by being admitted, enrolled, and classified as an
 533 undergraduate student in a matriculated status in a program of study leading to a
 534 certificate or diploma and maintaining satisfactory academic progress in accordance with

535 the standards and practices used for federal Title IV programs by the institution at which
536 the student is enrolled.

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

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

543 (d)(1) Subject to the amounts appropriated by the General Assembly and provisions
544 relating to the Lottery for Education Account in Code Section 50-27-13, a HOPE grant
545 awarded under this Code section shall equal the HOPE award amount. ~~include tuition,~~
546 ~~approved mandatory fees, and a book allowance not to exceed \$100.00 per quarter or~~
547 ~~\$150.00 per semester, except as otherwise provided for in paragraph (2) of this~~
548 ~~subsection.~~

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

552 (e) No student that has a baccalaureate degree, its equivalent or higher, from any
553 postsecondary institution shall be eligible to receive a HOPE grant. No student may
554 receive HOPE grants for more than 95 quarter hours or 63 semester hours of attempted
555 coursework, ~~except as provided for in subsection (f) of this Code section~~. No student may
556 receive more than a cumulative total of 190 quarter hours or 127 semester hours of
557 combined HOPE scholarships and grants, ~~unless in accordance with Code Sections~~
558 ~~20-3-519.2 and 20-3-519.3~~. For purposes of this subsection, attempted hours shall not
559 include hours for courses taken and paid for by a HOPE grant while a student is
560 participating in dual credit enrollment with both an eligible high school and a branch of the
561 Technical College System of Georgia or a unit of the University System of Georgia. The
562 Technical College System of Georgia or the University System of Georgia, as applicable,
563 shall verify that the student is enrolled in an eligible high school and shall notify the
564 Georgia Student Finance Commission of the student's participation in dual credit
565 enrollment.

566 (f) ~~A student enrolled in a diploma program designed to be more than 95 quarter hours or~~
567 ~~63 semester hours in length is eligible to receive a HOPE grant for the lesser of:~~

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

569 (2) ~~The number of hours required for graduation.~~

570 ~~(g) A dependent child of military personnel stationed in Georgia on active duty shall be~~
 571 ~~deemed to meet the residency requirements of paragraph (1) of subsection (a) of this Code~~
 572 ~~section."~~

573 **SECTION 5.**

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

576 "20-3-519.6.

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

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

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

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

599 **SECTION 6.**

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

602 "20-3-519.10.

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

606 **SECTION 7.**

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

609 "20-3-519.11.

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

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

635 (c) Any person who knowingly makes or furnishes any false statement or
636 misrepresentation, or who accepts such statement or misrepresentation knowing it to be

637 false, for the purpose of enabling an ineligible student to obtain wrongfully a scholarship
 638 or grant under this part shall be guilty of a misdemeanor.

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

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

658 **SECTION 8.**

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

665 **SECTION 9.**

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

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

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SECTION 10.

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

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

SECTION 11.

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

"20-3-411.

As used in this subpart, the term:

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

707 ~~(B) A nonproprietary institution of higher education located outside the State of~~
 708 ~~Georgia which is a four-year or graduate level institution of higher education that is, or~~
 709 ~~is a part of, a college or university system that is owned and operated by a state other~~
 710 ~~than Georgia; which is accredited by the Southern Association of Colleges and Schools;~~
 711 ~~which is not a graduate level school or college of theology or divinity; and which is~~
 712 ~~located within 50 road miles, by the nearest practical route of travel, of the home~~
 713 ~~residence of one or more eligible students. The term 'home residence,' for purposes of~~
 714 ~~this subpart, shall, in the case of a dependent student, mean the principal residence of~~
 715 ~~the parent or legal guardian of a student; and~~

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

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

740 (iii) Any proprietary institution of higher education that is otherwise qualified
 741 pursuant to division (i) of this subparagraph on January 1, 2011, shall continue to be
 742 an approved school pursuant to this paragraph as long as it continues to meet the

743 requirements of division (i) of this subparagraph as such existed on the day prior to
 744 the effective date of this division.

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

746 (A) Is enrolled in or accepted for enrollment as a full-time undergraduate level student
 747 in an approved school or as a graduate level student if funds are specifically
 748 appropriated in appropriations Acts of the General Assembly for payment of grants to
 749 graduate level students;

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

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

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

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

764 **SECTION 12.**

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

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

779

SECTION 13.

780

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

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

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

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

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(3) Advanced placement courses in core subjects;

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(4) International baccalaureate courses in core subjects; or

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(5) Advanced foreign language courses.

793

Students may 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.

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

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

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

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(3) Advanced placement courses in core subjects;

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(4) International baccalaureate in core courses; or

806

(5) Advanced foreign language courses.

807

Students may 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.

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

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

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- 816 (2) Advanced science, such as Chemistry, Physics, Biology II, or an equivalent or higher
 817 course;
 818 (3) Advanced placement courses in core subjects;
 819 (4) International baccalaureate in core courses; or
 820 (5) Advanced foreign language courses.

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

825 **SECTION 14.**

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

830 "(a) The corporation shall establish and maintain a personnel program for its employees
 831 and fix the compensation and terms of compensation of its employees, including, but not
 832 limited to, production incentive payments; provided, however, that production incentive
 833 payments, bonuses, or any other consideration in addition to an employee's base
 834 compensation shall not exceed 25 percent of such employee's base compensation. In total,
 835 bonuses shall not exceed 1 percent of the net increase over the prior year's deposit into the
 836 Lottery for Education Account. No bonuses may be awarded in years in which there is not
 837 a net increase over the prior year's deposit into the Lottery for Education Account."

838 **SECTION 15.**

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

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

846 (2) Upon their deposit into the state treasury, any moneys representing a deposit of net
 847 proceeds shall then become the unencumbered property of the State of Georgia and the
 848 corporation shall have no power to agree or undertake otherwise. Such moneys shall be
 849 invested by the state treasurer in accordance with state investment practices. All earnings

850 attributable to such investments shall likewise be the unencumbered property of the state
851 and shall accrue to the credit of the Lottery for Education Account.

852 (3) A scholarship shortfall reserve subaccount shall be maintained within the Lottery for
853 Education Account in an amount equal to at least 50 percent of net proceeds deposited
854 into such account for the preceding fiscal year. ~~An amount equal to 10 percent of the~~
855 ~~total amount of lottery proceeds disbursed during the preceding fiscal year in the form of~~
856 ~~scholarships and grants for higher education shall be deposited from lottery proceeds each~~
857 ~~year until such amount equals 50 percent of such sum. Thereafter, only an amount~~
858 ~~necessary to maintain the scholarship shortfall reserve subaccount in an amount equal to~~
859 ~~50 percent of the amount of lottery proceeds disbursed during the preceding fiscal year~~
860 ~~shall be deposited into the subaccount.~~ If the net proceeds paid into the Lottery for
861 Education Account in any year are not sufficient to meet the amount appropriated for
862 higher education scholarships education purposes, the shortfall reserve subaccount may
863 be drawn upon to meet the deficiency. In the event the shortfall reserve is drawn upon
864 and falls below 50 percent of net proceeds deposited into such account for the preceding
865 fiscal year, the shortfall reserve shall be replenished to the level required by this
866 paragraph in the next fiscal year and the lottery-funded programs shall be reviewed and
867 adjusted accordingly. ~~In the event it becomes necessary to draw from the reserve~~
868 ~~subaccount in any fiscal year, the scholarship program shall be reviewed and shall be~~
869 ~~reduced to accommodate available lottery proceeds, exclusive of the scholarship shortfall~~
870 ~~reserve subaccount, through such methods as reducing the family income cap~~
871 ~~qualification, reducing or eliminating grants for student fees and books, and reducing the~~
872 ~~academic years funded.~~

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

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

884 (i) ~~'Highest year-end balance' means the highest total amount of unexpended and~~
885 ~~uncommitted funds in the Lottery for Education Account, as determined by the state~~
886 ~~auditor, at the end of any fiscal year beginning with Fiscal Year 2004 and~~

887 ~~continuing through the most recent fiscal year for which the state auditor has~~
 888 ~~verified the amount of such funds, which shall not include amounts contained in the~~
 889 ~~subaccounts provided for in paragraphs (3) and (4) of this subsection.~~

890 ~~(ii) 'Year-end balance' means the amount, as determined by the state auditor, of~~
 891 ~~unexpended and uncommitted funds in the Lottery for Education Account at the end~~
 892 ~~of a fiscal year, which shall not include amounts contained in the subaccounts~~
 893 ~~provided for in paragraphs (3) and (4) of this subsection.~~

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

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

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

910 "(f) In compliance with the requirement of the Constitution that there shall be a separate
 911 accounting of lottery proceeds, no deficiency in the Lottery for Education Account shall
 912 be replenished by book entries reducing any nonlottery reserve of general funds, including
 913 specifically but without limitation the revenue shortfall reserve or the midyear adjustment
 914 reserve; ~~nor shall any program or project started specifically from lottery proceeds be~~
 915 ~~continued from the general fund;~~ such programs must be adjusted or discontinued
 916 according to available lottery proceeds unless the General Assembly by general law
 917 establishes eligibility requirements and appropriates specific funds within the general
 918 appropriations Act; nor shall any nonlottery surplus in the general fund be reduced. No
 919 surplus in the Lottery for Education Account shall be reduced to correct any nonlottery
 920 deficiencies in sums available for general appropriations, and no surplus in the Lottery for
 921 Education Account shall be included in any surplus calculated for setting aside any
 922 nonlottery reserve or midyear adjustment reserve. In calculating net revenue collections

923 for the revenue shortfall reserve and midyear adjustment reserve, the state accounting
924 officer shall not include the net proceeds."

925 **SECTION 16.**

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

928 "(c) The corporation shall provide for compensation to lottery retailers in the form of
929 commissions in an amount of ~~not less than 5~~ of 6 percent of gross sales and may provide
930 for other forms ~~of compensation for services rendered in the sale or cashing of lottery~~
931 ~~tickets or shares~~ of incentive compensation beginning on July 1, 2016; provided, however,
932 that other forms of incentive compensation may be provided beginning on July 1, 2014, if
933 the Lottery for Education Account deposits exceed \$1 billion in the previous fiscal year or
934 may be provided prior to July 1, 2016, as authorized by the Governor."

935 **SECTION 17.**

936 This Act shall become effective on July 1, 2011.

937 **SECTION 18.**

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