

SENATE SUBSTITUTE TO HB 326

AS PASSED SENATE

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 provide
 11 for loans to cover the difference between the amount of tuition and the HOPE award; to
 12 revise definitions relating to tuition equalization grants at private colleges and universities;
 13 to amend Code Section 20-2-157 of the Official Code of Georgia Annotated, relating to the
 14 uniform reporting system for determining eligibility of students seeking enrollment in
 15 postsecondary courses, so as to require certain coursework; to amend Article 1 of Chapter
 16 27 of Title 50 of the Official Code of Georgia Annotated, relating to general provisions
 17 relative to the "Georgia Lottery for Education Act," so as to revise provisions relating to
 18 compensation of employees of the Georgia Lottery Corporation; to eliminate a reserve
 19 subaccount and automatic reduction triggers relating to books and fees; to revise a provision
 20 relating to retailers; to provide for related matters; to provide for an effective date; to repeal
 21 conflicting laws; and for other purposes.

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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

27 "20-3-519.

28 As used in this part, the term:

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

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

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

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

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

44 ~~(5.1)~~ (5) 'Dual credit enrollment' means enrollment by a student in a postsecondary course
45 in which an agreement has been established between an eligible high school and an
46 eligible postsecondary institution wherein the student earns Carnegie units of credit that
47 count toward both high school graduation requirements and postsecondary coursework
48 requirements.

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

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

53 ~~(i) The Southern Association of Colleges and Schools;~~

54 ~~(ii) The Georgia Accrediting Commission;~~

55 ~~(iii) The Georgia Association of Christian Schools;~~

56 ~~(iv) The Association of Christian Schools International;~~

57 ~~(v) The Georgia Private School Accreditation Council; or~~

58 ~~(vi) The Southern Association of Independent Schools; or~~

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

61 ~~(i) The Southern Association of Colleges and Schools;~~

62 ~~(ii) The New England Association of Schools and Colleges;~~

63 ~~(iii) The Middle States Association of Colleges and Schools;~~

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

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

72 (A) Located in Georgia and accredited as such by:

- 73 (i) The Southern Association of Colleges and Schools;
 74 (ii) The Georgia Accrediting Commission;
 75 (iii) The Georgia Association of Christian Schools;
 76 (iv) The Association of Christian Schools International;
 77 (v) The Georgia Private School Accreditation Council; or
 78 ~~(vi) The Accrediting Commission for Independent Study; or~~
 79 ~~(vii) The Southern Association of Independent Schools;~~

80 (B) Located in another state and accredited by one of the following regional agencies:

- 81 (i) The Southern Association of Colleges and Schools;
 82 (ii) The New England Association of Schools and Colleges;
 83 (iii) The Middle States Association of Colleges and Schools;
 84 (iv) The North Central Association of Colleges and Schools;
 85 (v) The Northwestern Association of Schools and Colleges;
 86 (vi) The Western Association of Schools and Colleges;
 87 (vii) The Alabama Independent School Association; or
 88 (viii) The Southern Association of Independent Schools.

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

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

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

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

104 (9.1) 'Factor rate' means the percentage amount established by the Georgia Student
105 Finance Commission against which the previous year HOPE award amount is 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 an eligible high school with a grade point average of at
 198 least 3.7 calculated in accordance with Code Section 20-2-157 and having received
 199 a score of 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;

201 (ii) Having graduated from an eligible high school as a valedictorian or salutatorian;
 202 or

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

211 (B) As a sophomore, junior, senior, or first professional student who met the
 212 requirements of subparagraph (A) of this paragraph, having a cumulative grade point
 213 average of at least 3.3 at the checkpoints set forth in paragraph (1) of subsection (b) of
 214 Code Section 20-3-519.2. Notwithstanding the foregoing, a student that entered an
 215 eligible postsecondary institution as a freshman between July 1, 2007, and June 30,
 216 2011, and met the requirements of subparagraph (A) of this paragraph may become a
 217 Zell Miller Scholar as a sophomore, junior, senior, or first professional student.
 218 A student that loses eligibility to be a Zell Miller Scholar for any reason may regain
 219 eligibility one time if the student requalifies at one of the checkpoints set forth in
 220 paragraph (1) of subsection (b) of Code Section 20-3-519.2."

221 **SECTION 2.**

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

224 "20-3-519.1.

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

226 (1) Meets residency requirements by:

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

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

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

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

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

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

267 **SECTION 3.**

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

270 "20-3-519.2.

271 (a) To be eligible for a HOPE scholarship, an entering freshman student seeking an
 272 associate or baccalaureate degree at an eligible public postsecondary institution shall, in
 273 addition to meeting the residency requirements set forth in subsection (a) of Code Section
 274 20-3-519.1:

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

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

281 ~~(B)(i) If the student was classified as a legal resident of Georgia at the time of~~
 282 ~~graduation from high school or from a home study program meeting the requirements~~

283 of Code Section 20-2-690, then the student must have met the requirements set forth
 284 in subparagraph (A) of this paragraph for a period of at least 12 months immediately
 285 prior to the first day of classes for which the HOPE scholarship is to be awarded; or
 286 (ii) If the student was not classified as a legal resident at the time of graduation from
 287 high school or from a home study program meeting the requirements of Code Section
 288 20-2-690, then the student must have met the requirements set forth in subparagraph
 289 (A) of this paragraph for a period of at least 24 months immediately prior to the first
 290 day of classes for which the HOPE scholarship is to be awarded.

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

297 ~~(2)~~(1) Meet achievement standards by:

298 (A) Having graduated from an eligible high school while meeting the curriculum
 299 requirements of his or her program of study in 1993 or thereafter and meeting the
 300 requirements set out in the applicable subsection and paragraph of Code Section
 301 20-2-157;

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

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

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

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

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

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

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

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

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

333 ~~(3)~~(2) Meet enrollment standards by being admitted, enrolled, and classified as an
 334 undergraduate student in a matriculated status.

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

339 (1) Meet residency requirements by:

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

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

350 ~~(ii) If the student was not classified as a legal resident at the time of graduation from~~
 351 ~~high school or from a home study program meeting the requirements of Code Section~~
 352 ~~20-2-690, then the student must have met the requirements set forth in subparagraph~~
 353 ~~(A) of this paragraph for a period of at least 24 months immediately prior to the first~~
 354 ~~day of classes for which the HOPE scholarship is to be awarded;~~

355 ~~(2)~~(1) Meet achievement standards by meeting the following criteria:

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

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

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

429 ~~(c)(1)(A)~~ A full-time student who fails to maintain a cumulative grade point average
 430 of at least 3.0 at the end of the quarter or semester in which the student has attempted
 431 45, 90, or 135 quarter hours or 30, 60, or 90 semester hours may attend the next 45
 432 quarter or 30 semester hours without a HOPE scholarship.

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

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

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

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

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

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

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

462 (3) Beginning with those students receiving HOPE for the first time on or after July 1,
 463 2011, seven years from a student's graduation from high school or the equivalent

464 thereof as determined by the Georgia Student Finance Commission in its rules and
 465 regulations; provided, however, that for a student that serves in the military during such
 466 seven-year period, any such military service served as active duty shall not count
 467 against the seven-year period. A student that is ineligible to receive a HOPE
 468 scholarship pursuant to this paragraph but who received the HOPE scholarship during
 469 the 2010-2011 academic year shall continue to be eligible for the HOPE scholarship
 470 until June 30, 2015, as long as such student meets all other eligibility requirements,
 471 including, but not limited to, paragraphs (1) and (2) of this subsection.

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

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

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

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

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

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

- 501 (f) For each semester of eligibility, Zell Miller Scholars shall be awarded an amount in
 502 addition to the HOPE award amount as follows:
- 503 (1) If attending an eligible public institution, an amount equal to the difference between
 504 the HOPE award amount and the then current academic year standard undergraduate
 505 tuition amount at the institution to be paid; and
- 506 (2) If attending an eligible private institution, an amount equal to the difference between
 507 the HOPE award amount and the HOPE tuition payment.
- 508 ~~(i) A dependent child of military personnel stationed in Georgia on active duty shall be~~
 509 ~~deemed to meet the residency requirements of paragraph (1) of subsections (a), (b), (c), and~~
 510 ~~(d) of this Code section."~~

511 **SECTION 4.**

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

515 "20-3-519.5.

- 516 (a) To be eligible for a HOPE grant, a student seeking a diploma or certificate at a branch
 517 of the Technical College System of Georgia or a unit of the University System of Georgia
 518 shall, in addition to meeting the residency requirements set forth in subsection (a) of Code
 519 Section 20-3-519.1:
- 520 ~~(1) Meet residency requirements by meeting the requirements to be classified as a legal~~
 521 ~~resident of Georgia as established by the program promulgated by the Georgia Student~~
 522 ~~Finance Commission which shall be based upon the in-state tuition policy of the board~~
 523 ~~of regents and the in-state tuition guidelines set by the Technical College System of~~
 524 ~~Georgia~~ Meet achievement standards by earning a cumulative grade point average of at
 525 least 3.0 at the end of the quarter or semester in which the student has attended 30 or 60
 526 semester hours or 45 or 90 quarter hours of courses towards a diploma or certificate for
 527 which the student received HOPE funds pursuant to this part. The grade point average
 528 shall be calculated using such 30 semester or 45 quarter hours taken pursuant to this
 529 subsection. An otherwise eligible student who attains or regains a cumulative grade point
 530 average of at least 3.0 at the end of a quarter or semester in which the student has
 531 attempted 30 or 60 semester hours or 45 or 90 quarter hours may qualify or requalify for
 532 a HOPE grant; provided, however, that a student who receives a HOPE grant and loses
 533 eligibility pursuant to this paragraph is only eligible to regain or requalify for the HOPE
 534 grant one time; and
- 535 (2) Meet enrollment standards by being admitted, enrolled, and classified as an
 536 undergraduate student in a matriculated status in a program of study leading to a

537 certificate or diploma and maintaining satisfactory academic progress in accordance with
 538 the standards and practices used for federal Title IV programs by the institution at which
 539 the student is enrolled.

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

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

546 (d)(~~1~~) Subject to the amounts appropriated by the General Assembly and provisions
 547 relating to the Lottery for Education Account in Code Section 50-27-13, a HOPE grant
 548 awarded under this Code section shall equal the HOPE award amount, ~~include tuition,~~
 549 ~~approved mandatory fees, and a book allowance not to exceed \$100.00 per quarter or~~
 550 ~~\$150.00 per semester, except as otherwise provided for in paragraph (2) of this~~
 551 ~~subsection.~~

552 (~~2~~) ~~Effective beginning with the fall quarter or semester commencing after July 1, 2004,~~
 553 ~~the amount of mandatory fees paid shall be equal to such amount or amounts that were~~
 554 ~~paid on January 1, 2004, except as otherwise provided for in Code Section 50-27-13.~~

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

569 (~~f~~) ~~A student enrolled in a diploma program designed to be more than 95 quarter hours or~~
 570 ~~63 semester hours in length is eligible to receive a HOPE grant for the lesser of:~~

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

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

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

576

SECTION 5.

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

579 "20-3-519.6.

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

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

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

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

602

SECTION 6.

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

605 "20-3-519.10.

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

609 **SECTION 7.**

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

612 "20-3-519.11.

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

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

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

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

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

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

661 **SECTION 8.**

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

668 **SECTION 9.**

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

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

675

SECTION 9.1.

676

Said article is further amended in Code Section 20-3-400.2, relating to eligibility, repayment period, maximum amount, interest rate, and requirements, by adding a new subsection to read as follows:

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"(e.1) The annual interest rate for any GOT Student Loan shall be converted to 1 percent retroactive to the origination date of the GOT Student Loan for any student that has met the applicable eligibility requirements to receive a HOPE scholarship under Code Section 20-3-519.2 or a HOPE grant under Code Section 20-3-519.5 as follows:

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

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

687

688

The provisions of this subsection shall be subject to funding."

689

SECTION 10.

690

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:

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"(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."

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SECTION 11.

701

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:

702

703

"20-3-411.

704

As used in this subpart, the term:

705

(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.

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(2) 'Approved school' means:

709 (A) A nonproprietary institution of higher education located in this state which is not
 710 a branch of the university system; which is not a four-year or graduate level institution
 711 of higher education that is, or is a part of, a college or university system that is owned
 712 and operated by a state other than Georgia; which is accredited by the Southern
 713 Association of Colleges and Schools; which is not a graduate level school or college of
 714 theology or divinity; and which is not presently receiving state funds under Article 4
 715 of this chapter; provided, however, that an institution which otherwise meets the
 716 requirements of this definition and of this subpart except for the lack of accreditation
 717 by the Southern Association of Colleges and Schools shall be deemed to be an
 718 'approved school' during the period that the institution holds candidate for accreditation
 719 status with the Southern Association of Colleges and Schools; provided, further, that
 720 an institution which was previously accredited by the Southern Association of Colleges
 721 and Schools within the last seven years and which otherwise meets the requirements of
 722 this definition and of this subpart except for the lack of accreditation by the Southern
 723 Association of Colleges and Schools shall be deemed to be an 'approved school'; and
 724 ~~(B) A nonproprietary institution of higher education located outside the State of~~
 725 ~~Georgia which is a four-year or graduate level institution of higher education that is, or~~
 726 ~~is a part of, a college or university system that is owned and operated by a state other~~
 727 ~~than Georgia; which is accredited by the Southern Association of Colleges and Schools;~~
 728 ~~which is not a graduate level school or college of theology or divinity; and which is~~
 729 ~~located within 50 road miles, by the nearest practical route of travel, of the home~~
 730 ~~residence of one or more eligible students. The term 'home residence,' for purposes of~~
 731 ~~this subpart, shall, in the case of a dependent student, mean the principal residence of~~
 732 ~~the parent or legal guardian of a student; and~~

733 ~~(C)~~(B)(i) A qualified proprietary institution of higher education located in this state
 734 which is a baccalaureate degree-granting institution of higher education; which is
 735 accredited by ~~a regional accrediting agency recognized by the United States~~
 736 ~~Department of Education~~ the Southern Association of Colleges and Schools; which
 737 is not a Bible school or college (or, at the graduate level, a school or college of
 738 theology or divinity); which admits as regular students only persons who have a high
 739 school diploma, a general educational development (GED) diploma, or a degree from
 740 an accredited postsecondary institution; whose students are eligible to participate in
 741 the federal Pell Grant program; which has been reviewed and approved for operation
 742 and for receipt of tuition equalization grant funds by the Georgia Nonpublic
 743 Postsecondary Education Commission; which is domiciled and incorporated in the
 744 State of Georgia; ~~and~~ which has been in existence in the State of Georgia for at least
 745 ten years; and which met all of the requirements of this subparagraph by January 1,

746 2011; provided, however, that the criteria for approval for receipt of tuition
 747 equalization grant funds shall include but not be limited to areas of course study,
 748 quality of instruction, student placement rate, research and library sources, faculty,
 749 support staff, financial resources, physical plant facilities resources, and support and
 750 equipment resources.

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

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

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

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

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

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

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

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

781 **SECTION 12.**

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

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

796 **SECTION 13.**

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

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

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

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

807 (3) Advanced placement courses in core subjects;

808 (4) International baccalaureate courses in core subjects;

809 (5) Courses taken at a unit of the University System of Georgia in core subjects where
 810 such courses are not remedial and developmental courses, as defined in Code Section
 811 20-3-519; or

812 (6) Advanced foreign language courses.

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

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

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

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

824 (3) Advanced placement courses in core subjects;

825 (4) International baccalaureate in core courses;

826 (5) Courses taken at a unit of the University System of Georgia in core subjects where
827 such courses are not remedial and developmental courses, as defined in Code Section
828 20-3-519; or

829 (6) Advanced foreign language courses.

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

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

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

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

841 (3) Advanced placement courses in core subjects;

842 (4) International baccalaureate in core courses;

843 (5) Courses taken at a unit of the University System of Georgia in core subjects where
844 such courses are not remedial and developmental courses, as defined in Code Section
845 20-3-519; or

846 (6) Advanced foreign language courses.

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

851

SECTION 14.

852

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

856

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

864

SECTION 15.

865

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

867

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

872

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

878

(3) A ~~scholarship~~ shortfall reserve ~~subaccount~~ shall be maintained within the Lottery for
 879 Education Account in an amount equal to at least 50 percent of net proceeds deposited
 880 into such account for the preceding fiscal year. ~~An amount equal to 10 percent of the~~
 881 ~~total amount of lottery proceeds disbursed during the preceding fiscal year in the form of~~
 882 ~~scholarships and grants for higher education shall be deposited from lottery proceeds each~~
 883 ~~year until such amount equals 50 percent of such sum. Thereafter, only an amount~~
 884 ~~necessary to maintain the scholarship shortfall reserve subaccount in an amount equal to~~
 885 ~~50 percent of the amount of lottery proceeds disbursed during the preceding fiscal year~~
 886 ~~shall be deposited into the subaccount.~~ If the net proceeds paid into the Lottery for

887 Education Account in any year are not sufficient to meet the amount appropriated for
 888 ~~higher education scholarships~~ education purposes, the shortfall reserve subaccount may
 889 be drawn upon to meet the deficiency. In the event the shortfall reserve is drawn upon
 890 and falls below 50 percent of net proceeds deposited into such account for the preceding
 891 fiscal year, the shortfall reserve shall be replenished to the level required by this
 892 paragraph in the next fiscal year and the lottery-funded programs shall be reviewed and
 893 adjusted accordingly. ~~In the event it becomes necessary to draw from the reserve~~
 894 ~~subaccount in any fiscal year, the scholarship program shall be reviewed and shall be~~
 895 ~~reduced to accommodate available lottery proceeds, exclusive of the scholarship shortfall~~
 896 ~~reserve subaccount, through such methods as reducing the family income cap~~
 897 ~~qualification, reducing or eliminating grants for student fees and books, and reducing the~~
 898 ~~academic years funded.~~

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

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

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

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

920 ~~(B)(i) In the event that the year-end balance of a fiscal year is less than 92 percent of~~
 921 ~~the highest year-end balance, as defined in this paragraph, then all scholarships and~~
 922 ~~grants for book allowances under Part 7 of Article 7 of Chapter 3 of Title 20 shall not~~
 923 ~~exceed \$150.00 per year beginning in the next fiscal year and thereafter. This~~

924 ~~provision shall not apply to students who are eligible to participate in the federal Pell~~
 925 ~~Grant program.~~

926 ~~(ii) In the event that the year-end balance of any subsequent fiscal year is less than~~
 927 ~~84 percent of the highest year-end balance, as defined in this paragraph, then all~~
 928 ~~scholarships and grants for book allowances under Part 7 of Article 7 of Chapter 3 of~~
 929 ~~Title 20 shall be eliminated beginning in the subsequent fiscal year and thereafter.~~
 930 ~~This provision shall not apply to students who are eligible to participate in the federal~~
 931 ~~Pell Grant program.~~

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

936 "(f) In compliance with the requirement of the Constitution that there shall be a separate
 937 accounting of lottery proceeds, no deficiency in the Lottery for Education Account shall
 938 be replenished by book entries reducing any nonlottery reserve of general funds, including
 939 specifically but without limitation the revenue shortfall reserve or the midyear adjustment
 940 reserve; ~~nor shall any program or project started specifically from lottery proceeds be~~
 941 ~~continued from the general fund;~~ such programs must be adjusted or discontinued
 942 according to available lottery proceeds unless the General Assembly by general law
 943 establishes eligibility requirements and appropriates specific funds within the general
 944 appropriations Act; nor shall any nonlottery surplus in the general fund be reduced. No
 945 surplus in the Lottery for Education Account shall be reduced to correct any nonlottery
 946 deficiencies in sums available for general appropriations, and no surplus in the Lottery for
 947 Education Account shall be included in any surplus calculated for setting aside any
 948 nonlottery reserve or midyear adjustment reserve. In calculating net revenue collections
 949 for the revenue shortfall reserve and midyear adjustment reserve, the state accounting
 950 officer shall not include the net proceeds."

951 **SECTION 16.**

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

954 "(c) The corporation shall provide for compensation to lottery retailers in the form of
 955 commissions in an amount of ~~not less than 5~~ 6 percent of gross sales and may provide
 956 for other forms ~~of compensation for services rendered in the sale or cashing of lottery~~
 957 ~~tickets or shares~~ of incentive compensation beginning on July 1, 2016; provided, however,
 958 that other forms of incentive compensation may be provided beginning on July 1, 2014, if

959 the Lottery for Education Account deposits exceed \$1 billion in the previous fiscal year or
960 may be provided prior to July 1, 2016, as authorized by the Governor."

961 **SECTION 17.**

962 This Act shall become effective upon its approval by the Governor or upon its becoming
963 law without such approval. This Act shall be applicable to postsecondary students
964 beginning in the fall of 2011.

965 **SECTION 18.**

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