

The Senate Committee on Higher Education offered the following substitute to SB 405:

**A BILL TO BE ENTITLED
AN ACT**

1 To amend Part 3 of Article 7 of Chapter 3 of Title 20 of the Official Code of Georgia
2 Annotated, relating to the Georgia Student Finance Authority, so as to provide for grants for
3 certain eligible students enrolled in an institution of the University System of Georgia; to
4 define certain terms; to provide for application and administration; to provide for pro rata
5 application; to provide for audits; to provide for penalties; to provide for related matters; to
6 repeal conflicting laws; and for other purposes.

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

8 **SECTION 1.**

9 Part 3 of Article 7 of Chapter 3 of Title 20 of the Official Code of Georgia Annotated,
10 relating to the Georgia Student Finance Authority, is amended by adding a new subpart to
11 read as follows:

12 "Subpart 2A

13 20-3-360.

14 As used in this subpart, the term:

15 (1) 'Eligible student' means a person whose family income does not exceed \$48,000.00
16 and who:

17 (A) Has been accepted for enrollment as a first year student in a qualified institution
18 who has qualified for and is receiving a federal Pell Grant, is not qualified to receive
19 a HOPE scholarship, achieved a high school grade point average of 2.3 through 3.0, and
20 meets at least one of the following requirements:

21 (i) Has achieved an ACT composite scale score of 21 or higher;
22 (ii) Has achieved an SAT score of 480 or higher on evidence based reading and
23 writing and 530 on mathematics;

- 24 (iii) Has achieved a score of 3 or higher on at least two advanced placement
25 examinations;
- 26 (iv) Has achieved a score of 4 or higher on at least two international baccalaureate
27 examinations;
- 28 (v) Has passed an end-of-pathway assessment under the Carl D. Perkins Vocational
29 and Technical Education Act, 20 U.S.C. Section 2301, et seq.; or
- 30 (vi) Has completed a work based learning experience in a field related to at least one
31 course in the same pathway of study;
- 32 (B) Is an enrolled continuing first year student in a qualified institution who is making
33 satisfactory progress in his or her degree program; or
- 34 (C) Is a continuing student in a qualified institution who has become ineligible for a
35 HOPE scholarship and qualifies under one of the provisions of divisions (i) through (vi)
36 of subparagraph (A) of this paragraph during his or her high school career.
- 37 (2) 'Income' means federal adjusted gross income determined pursuant to the Internal
38 Revenue Code of 1986, as amended, from all sources, and income derived from
39 municipal bonds which is not included in federal adjusted gross income for federal
40 income tax purposes.
- 41 (3) 'Qualified institution' means an institution of the university system.

42 20-3-361.

43 There is awarded to each eligible student a grant in an amount not to exceed \$1,500.00 per
44 academic semester, contingent upon appropriations by the General Assembly. In order to
45 remain eligible to receive such grant, a student must be employed at least 15 hours per
46 week during the semester and maintain at least a 2.3 grade point average.

47 20-3-362.

48 Each eligible student wishing to receive the grant provided for in this subpart shall submit
49 to the qualifying institution an application for the grant payment at the time and in
50 accordance with procedures prescribed by the authority. The authority is authorized to
51 define such terms and prescribe such rules, regulations, and procedures as may be
52 reasonable and necessary to carry out the purposes of this subpart. The authority shall not
53 approve payment of any grant until it has received from an appropriate officer of the
54 qualifying institution a certification that the student applying for the grant is an eligible
55 student. Upon timely receipt of such certification, in proper form, the authority is
56 authorized to pay the grant to the qualifying institution on behalf of and to the credit of the
57 student. In the event a student on whose behalf a grant is paid does not enroll as a full-time

58 student for the academic semester for which the grant is paid, the qualifying institution
59 shall make a refund to the authority in accordance with regulations of the authority.

60 20-3-363.

61 (a) In the event funds available to the authority are not sufficient to enable the authority
62 to pay on behalf of eligible students the full grant prescribed by the General Assembly,
63 grants payable for the remaining academic semesters shall be reduced by the authority on
64 a pro rata basis.

65 (b) The authority shall use the following formula in calculating the budget for each
66 qualifying institution: the combined amount of average annual tuition and mandatory fees
67 minus the average annual Pell Grant award multiplied by the number of Pell Grant
68 recipients from which has been subtracted the combined number of HOPE and Zell Miller
69 scholarship recipients.

70 20-3-364.

71 Each qualified institution shall be subject to examination by the state auditor for the sole
72 purpose of determining whether the institution has properly certified eligibility and
73 enrollment of students and credited grants paid on behalf of such students; provided,
74 however, that nothing in this subpart shall be construed to interfere with the authority of
75 the institution to determine admissibility of students or to control its own curriculum,
76 philosophy, purpose, or administration. In the event it is determined that a qualified
77 institution knowingly or through error certified an ineligible student to be eligible for a
78 grant under this subpart, the amount of the grant paid to such institution pursuant to such
79 certification shall be refunded by such institution to the authority.

80 20-3-365.

81 Any person who knowingly makes or furnishes any false statement or misrepresentation
82 or who accepts such statement or misrepresentation knowing it to be false for the purpose
83 of enabling an ineligible student to obtain wrongfully a grant under this subpart shall be
84 guilty of a misdemeanor."

85 **SECTION 2.**

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