

House Bill 1435

By: Representatives Martin of the 49th, Jones of the 47th, McDonald of the 26th, Gaines of the 117th, LaHood of the 175th, and others

A BILL TO BE ENTITLED

AN ACT

1 To amend Subpart 2A of Part 3 of Article 7 of Chapter 3 of Title 20 of the Official Code of
2 Georgia Annotated, relating to the needs based financial aid program, so as to include
3 eligibility for students with a financial aid gap; to provide for definitions; to limit awards to
4 undergraduate level postsecondary education; to provide for a maximum award amount; to
5 update the application process for the program; to change the authorization to conduct
6 compliance examinations from the state auditor to the Georgia Student Finance Commission;
7 to provide for rules and regulations; to allow for eligibility of part-time students; to authorize
8 the commission to suspend institutions from the program for failure to refund moneys in
9 certain circumstances; to revise the criminal penalty for persons making false statements or
10 misrepresentations in the application process; to provide for evaluation; to provide for related
11 matters; to provide for automatic repeal; to provide for an effective date; to repeal conflicting
12 laws; and for other purposes.

13 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

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15 Subpart 2A of Part 3 of Article 7 of Chapter 3 of Title 20 of the Official Code of Georgia
16 Annotated, relating to the needs based financial aid program, is amended by revising Code
17 Section 20-3-360, relating to definitions, as follows:

18 "20-3-360.

19 As used in this subpart, the term:

20 (1) 'Eligible student' means a person:

21 (A) Whose family income is considered economically disadvantaged, based on criteria
22 established by the commission, or who has a financial aid gap; and

23 (B) Who meets any academic or other standards established by the commission;

24 (C) Who is eligible for a scholarship or grant pursuant to Code Section 20-3-519.1;

25 (D) Who has completed the Free Application for Federal Student Aid (FAFSA); and

26 (E) Who has completed 80 percent of the credit requirements toward the credential of
27 his or her program of study.

28 (2) 'Financial aid gap' means the monetary amount remaining after other funding, as
29 determined by the commission, for the cost of attendance certified by a qualified
30 institution.

31 (3) 'Qualified institution' means an institution of the ~~university system~~ University System
32 of Georgia or an institution of the Technical College System of Georgia."

SECTION 2.

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34 Said subpart is further amended by revising Code Section 20-3-361, relating to grants,
35 individualized eligibility criteria, and criteria for retention, as follows:

36 "20-3-361.

37 Subject to appropriations, the commission shall establish a needs based financial aid
38 program to provide grants to eligible students for undergraduate level postsecondary
39 education at qualified institutions. The maximum award amount per eligible student shall

40 be \$2,500 in total. The commission may provide for individualized eligibility criteria and
41 grant amounts as determined ~~to be the most appropriate for the particular qualified~~
42 ~~institution and its student population~~ in accordance with this subpart and the rules and
43 regulations of the commission. The commission shall also establish criteria necessary for
44 eligible students to retain and continue to receive such grants in accordance with this
45 subpart."

46 **SECTION 3.**

47 Said subpart is further amended by revising Code Section 20-3-362, relating to application,
48 regulations, and refunds, as follows:

49 "20-3-362.

50 Each eligible student wishing to receive a grant pursuant to this subpart shall submit a grant
51 application in accordance with the rules, regulations, and procedures prescribed by the
52 commission. The commission is authorized to define such terms and prescribe such rules,
53 regulations, and procedures as may be reasonable and necessary to carry out the purposes
54 of this subpart. In the event a student on whose behalf a grant is paid does not enroll as a
55 full-time or part-time student for the academic semester for which the grant is paid, the
56 qualified institution shall make a refund to the commission in accordance with the rules and
57 regulations of the commission."

58 **SECTION 4.**

59 Said subpart is further amended by revising Code Section 20-3-363, relating to examination
60 of qualified institutions and purpose, as follows:

61 "20-3-363.

62 Each qualified institution shall be subject to examination by the ~~state auditor~~ commission
63 for the sole purpose of determining whether the institution has properly certified the cost
64 of attendance, eligibility, and enrollment of students; ~~and~~ accurately credited grants paid

65 on behalf of such students; and properly complied with the rules and regulations
66 established pursuant to this subpart; provided, however, that nothing in this subpart shall
67 be construed to interfere with the authority of the institution to determine admissibility of
68 students or to control its own curriculum, philosophy, purpose, or administration. In the
69 event it is determined that a qualified institution knowingly or through error certified an
70 ineligible student to be eligible for a grant under this subpart, the amount of the grant paid
71 to such institution pursuant to such certification shall be refunded by such institution to the
72 commission. The commission may suspend a qualified institution from receiving payments
73 under this subpart if it fails to refund any moneys as required by this subpart."

74 **SECTION 5.**

75 Said subpart is further amended by revising Code Section 20-3-364, relating to penalty for
76 false statement or misrepresentation, as follows:

77 "20-3-364.

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

83 **SECTION 6.**

84 Said subpart is further amended by adding a new Code section to read as follows:

85 "20-3-365.

86 The commission shall collect and monitor enrollment and student record data for the needs
87 based financial aid program established pursuant to this subpart. The commission shall
88 annually measure and evaluate the program. The Office of Planning and Budget, the

89 Department of Education, and qualified institutions shall cooperate with and provide data
90 as necessary to the commission to facilitate the provisions of this Code section."

91 **SECTION 7.**

92 Said subpart is further amended by adding a new Code section to read as follows:

93 "20-3-366.

94 This subpart shall stand repealed by operation of law on June 30, 2025."

95 **SECTION 8.**

96 This Act shall become effective on July 1, 2022.

97 **SECTION 9.**

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