

House Bill 1413

By: Representatives Martin of the 49th, Hatchett of the 155th, Evans of the 57th, Newton of the 127th, Erwin of the 32nd, and others

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 establish a needs
3 based scholarship program for students at eligible public and private postsecondary
4 institutions; to provide for eligibility; to establish a fund for the scholarship; to provide
5 definitions; to provide for an effective date and applicability; to provide for related matters;
6 to 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 2B

13 20-3-367.

14 As used in this subpart, the term:

H. B. 1413

15 (1) 'Academic year,' 'certificate' or 'diploma,' 'first professional degree program,'
16 'matriculated status,' 'quarter hours,' and 'semester hours' shall have the same meanings
17 as set forth in Code Section 20-3-519.

18 (2) 'Cost of attendance' means the estimate of a student's educational expenses as
19 calculated by the eligible postsecondary institution at which such student is enrolled
20 pursuant to Title IV.

21 (3) 'Eligible nonpublic postsecondary institution' means an institution specified in
22 paragraph (10) of subsection (a) of Code Section 20-3-250.3.

23 (4) 'Eligible postsecondary institution' means:

24 (A) An institution of the University System of Georgia;

25 (B) A unit of the Technical College System of Georgia; and

26 (C) An eligible nonpublic postsecondary institution.

27 (5) 'Financial aid' means all scholarships, loans, and grants awarded to a student,
28 excluding the scholarship provided for in this subpart.

29 (6) 'Grade point average' means the grade point average calculated by the commission
30 for purposes of the HOPE scholarship provided for in Part 7 of this article

31 (7) 'Scholarship' means the needs based scholarship provided for in this subpart.

32 (8) 'Student aid index' means the student aid index calculated in accordance with
33 Title IV.

34 (9) 'Title IV' means Title IV of the federal Higher Education Act of 1965, as amended,
35 20 U.S.C. Section 1070, et seq.

36 (10) 'Unmet financial need' means the amount of the cost of attendance remaining after
37 the student aid index and all other financial aid received by the student have been applied.

38 20-3-367.1.

39 (a) To be eligible for a scholarship under this subpart, a student seeking a degree, diploma,
40 or certificate at an eligible postsecondary institution shall:

- 41 (1) Meet the requirements provided for in paragraph (1) of subsection (a) and
42 subsection (b) of Code Section 20-3-519.1;
- 43 (2) Complete the Free Application for Federal Student Aid (FAFSA);
- 44 (3) Meet enrollment standards by being admitted, enrolled, and classified as an
45 undergraduate student in a matriculated status;
- 46 (4) Be enrolled for not less than six semester hours, or the equivalent quarter hours, in
47 any given semester or quarter;
- 48 (5) Have not yet earned a baccalaureate or first professional degree; and
- 49 (6) Have unmet financial need.
- 50 (b) To maintain eligibility for a scholarship under this subpart, a student shall:
- 51 (1) Continue to meet the eligibility requirements provided for in subsection (a) of this
52 Code section; and
- 53 (2) Maintain a minimum 2.0 grade point average and satisfactory academic progress in
54 accordance with the standards and practices used for Title IV programs by the institution
55 at which such student is enrolled.
- 56 (c) Using funds from the fund established pursuant to Code Section 20-3-367.2, the
57 authority shall provide scholarships to eligible students in accordance with the following
58 conditions:
- 59 (1) The maximum award amount per student per academic year shall be \$3,000.00;
60 provided, however, that no student shall be awarded an amount that is more than such
61 student's unmet financial need;
- 62 (2) No student shall receive a scholarship award for more than eight semesters or
63 12 quarters;
- 64 (3) Scholarships shall be awarded only in the fall and spring semesters and fall, winter,
65 and spring quarters; and

66 (4) For a student enrolled in an eligible nonpublic postsecondary institution, the eligible
67 nonpublic postsecondary institution shall provide institutional financial aid on a matching
68 basis.

69 (d) Each student who is awarded a scholarship shall:

70 (1) Complete a financial literacy course; and

71 (2) Be engaged in paid or unpaid work at least part-time, which may include, but shall
72 not be limited to, employment, an internship or externship, volunteer work, or military
73 service.

74 20-3-367.2.

75 (a) The authority shall establish and maintain a separate fund for the program to which
76 shall be credited:

77 (1) Funds appropriated for the program; and

78 (2) Public or private grants, gifts, donations, or contributions dedicated to the fund for
79 the program.

80 (b) All funds appropriated, donated, or otherwise paid or credited to the fund shall be
81 presumptively concluded to have been committed to the purpose for which they have been
82 appropriated or paid and shall not lapse. All funds appropriated, donated, or otherwise
83 received for the specific purpose of the scholarship shall be credited to the trust fund and
84 used exclusively for the scholarship.

85 (c) The authority shall invest the money held in the fund in the same manner in which
86 money held in other funds provided for in this part are invested. Interest earned by money
87 held in the fund shall be accounted for separately and shall be credited to the fund.

88 (d) Moneys in the fund shall be expended by the authority only for awarding scholarships
89 as provided for in this subpart."

90 **SECTION 2.**

91 This Act shall become effective on July 1, 2026, and shall apply to all academic years
92 beginning with the 2026-2027 academic year.

93 **SECTION 3.**

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