

The Senate Higher Education Committee offered the following substitute to HB 697:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 3 of Title 20 of the Official Code of Georgia Annotated, relating to
2 postsecondary education, so as to revise the powers and duties of the Georgia Student
3 Finance Commission; to revise the functions and composition of the board of directors of the
4 Georgia Higher Education Assistance Corporation; to revise the composition of the board of
5 directors of the Georgia Student Finance Authority; to revise the powers and duties of the
6 Georgia Student Finance Authority; to change the distribution of funds contributed by
7 taxpayers to student loan funds; to establish nonprofit corporations for the distribution of
8 such funds; to provide for Zell Miller Grant Scholars; to provide for eligibility criteria to be
9 a Zell Miller Grant Scholar; to revise terminology relating to Zell Miller Scholarship
10 Scholars; to provide for related matters; to repeal conflicting laws; and for other purposes.

11 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

12 Chapter 3 of Title 20 of the Official Code of Georgia Annotated, relating to postsecondary
13 education, is amended by revising subparagraph (H) of paragraph (7) of Code Section
14 20-3-236, relating to the powers and duties of the Georgia Student Finance Commission,
15 board of commissioners, and officers, to read as follows:
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17 "(H) To solicit, receive, and accept funds from any source, public or private, by gift,
18 grant, bequest, or otherwise, either absolutely or in trust, and to hold, use, invest,
19 administer, and expend such funds on behalf of the commission and for any of its
20 purposes; and to acquire from any source, public or private, by purchase, lease, gift,
21 bequest, or devise, any property, real, personal, or mixed, either absolutely or in trust,
22 and to hold, use, administer, and dispose of such property on behalf of the commission
23 and for any of its purposes; and"

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SECTION 2.

Said chapter is further amended by revising subsection (a) of Code Section 20-3-264, relating to functions and composition of the board of directors of the Georgia Higher Education Assistance Corporation, to read as follows:

"(a) **Functions and composition.** The corporation shall be governed and all of its corporate powers, duties, and functions shall be exercised by a board of directors. The board of directors shall be composed of ~~13 members, who shall be~~ the same persons who are serving ~~and who shall serve~~ as members of the board of commissioners of the commission pursuant to Code Section 20-3-234. The executive director of the corporation, or president, if designated by such title by the board of directors, shall be an ex officio member of the board of directors. The board of directors provided for by this subsection shall be the successor to and a continuation of, without interruption, the board of directors of the previously existing Georgia Higher Education Assistance Corporation. No director shall be eligible to become an officer or employee of the corporation for a period of one year after expiration of the director's period of service as a director of the corporation."

SECTION 3.

Said chapter is further amended by revising subsection (a) of Code Section 20-3-314, relating to functions, composition, organization, and conduct of affairs of the board of directors of the Georgia Student Finance Authority, to read as follows:

"(a) **Functions and composition.** The authority shall be governed and all of its corporate powers, duties, and functions shall be exercised by a board of directors. The board of directors shall be composed of ~~13 members, who shall be~~ the same persons who are serving ~~and who shall serve~~ as members of the board of commissioners of the commission pursuant to Code Section 20-3-234. The executive director of the authority, or president, if designated by such title by the board of directors, shall be an ex officio member of the board of directors. The board of directors provided for by this subsection shall be the successor to and a continuation of, without interruption, the board of directors of the previously existing Georgia Higher Education Assistance Authority. No director shall be eligible to become an officer or employee of the authority for a period of one year after expiration of the director's period of service as a director of the authority."

SECTION 4.

Said chapter is further amended by revising subparagraph (O) of paragraph (1) of Code Section 20-3-316, relating to powers and duties of the Georgia Student Finance Authority, to read as follows:

93 to file a state income tax return who desires to contribute to these nonprofit corporations
 94 may designate such contribution as provided on the appropriate income tax return form.
 95 (b) The Department of Revenue shall determine annually the total amount so contributed,
 96 and shall transmit such amount to the authority for even division among and deposit in the
 97 nonprofit corporations established by subparagraph (Y) of paragraph (1) of Code Section
 98 20-3-316."

99 **SECTION 7.**

100 Said chapter is further amended by repealing Code Section 20-3-409, relating to a taxpayer
 101 opportunity to contribute to student loan funds.

102 **SECTION 8.**

103 Said chapter is further amended in Code Section 20-3-519, relating to definitions, by adding
 104 a new paragraph and revising paragraph (27) as follows:

105 "(26.1) 'Zell Miller Grant Scholar' means a student that has met the applicable eligibility
 106 requirements to receive a HOPE grant in accordance with Code Section 20-3-519.5 and
 107 earned a cumulative grade point average of at least 3.5 at the end of any quarter or
 108 semester in which the student has attended courses toward a diploma or certificate.

109 (27) 'Zell Miller Scholarship Scholar' means a student that has met the applicable
 110 eligibility requirements to receive a HOPE scholarship in accordance with Code Section
 111 20-3-519.2 and:

112 (A) As an incoming freshman:

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

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

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

127 (B) As a sophomore, junior, senior, or first professional student who met the
 128 requirements of subparagraph (A) of this paragraph, having a cumulative grade point
 129 average of at least 3.3 at the checkpoints set forth in paragraph (1) of subsection (b) of
 130 Code Section 20-3-519.2. Notwithstanding the foregoing, a student that entered an
 131 eligible postsecondary institution as a freshman between July 1, 2007, and June 30,
 132 2011, and met the requirements of subparagraph (A) of this paragraph may become a
 133 Zell Miller Scholarship Scholar as a sophomore, junior, senior, or first professional
 134 student.

135 A student that loses eligibility to be a Zell Miller Scholarship Scholar for any reason may
 136 regain eligibility one time if the student requalifies at one of the checkpoints set forth in
 137 paragraph (1) of subsection (b) of Code Section 20-3-519.2."

138 SECTION 9.

139 Said chapter is further amended in Code Section 20-3-519.2, relating to eligibility
 140 requirements for a HOPE scholarship, by revising subsection (f) as follows:

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

- 143 (1) If attending an eligible public institution, an amount equal to the difference between
 144 the HOPE award amount and the then current academic year standard undergraduate
 145 tuition amount at the institution to be paid; and
 146 (2) If attending an eligible private institution, an amount equal to the difference between
 147 the HOPE award amount and the HOPE tuition payment."

148 SECTION 10.

149 Said chapter is further amended in Code Section 20-3-519.5, relating to eligibility
 150 requirements for a HOPE grant, by adding a new subsection to read as follows:

151 "(d.1) For each semester or quarter following a semester or quarter that it is determined
 152 that a student is a Zell Miller Grant Scholar, a student shall be awarded an amount in
 153 addition to the HOPE award amount equal to the difference between the HOPE award
 154 amount and the then current academic year standard undergraduate tuition amount at the
 155 institution to be paid or the exceptional tuition rate amount in effect on January 1, 2014,
 156 for programs with exceptional tuition rates in effect on January 1, 2014. Eligibility to be
 157 a Zell Miller Grant Scholar shall be determined on a semester or quarter basis and paid
 158 for the next semester or quarter in which a student is enrolled. Notwithstanding the
 159 foregoing, a Zell Miller Grant Scholar shall also receive one semester or quarter of
 160 retroactive payment if the student was not eligible to be a Zell Miller Grant Scholar
 161 because he or she had no cumulative grade point average."

162 **SECTION 11.**
163 All laws and parts of laws in conflict with this Act are repealed.