

House Bill 697 (AS PASSED HOUSE AND SENATE)

By: Representatives Evans of the 42<sup>nd</sup>, Ehrhart of the 36<sup>th</sup>, Abrams of the 89<sup>th</sup>, Riley of the 50<sup>th</sup>, Nimmer of the 178<sup>th</sup>, and others

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:

12 style="text-align:center">**SECTION 1.**

13 Chapter 3 of Title 20 of the Official Code of Georgia Annotated, relating to postsecondary  
14 education, is amended by revising subparagraph (H) of paragraph (7) of Code Section  
15 20-3-236, relating to the powers and duties of the Georgia Student Finance Commission,  
16 board of commissioners, and officers, to read as follows:

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"

24 **SECTION 2.**

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

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

39 **SECTION 3.**

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

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

54 **SECTION 4.**

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

58 "(O) To solicit, receive, and accept funds from any source, public or private, by gift,  
 59 grant, bequest, loan, or otherwise, either absolutely or in trust, and to hold, use,  
 60 administer, and expend such funds on its behalf and for any of its corporate purposes;  
 61 and to acquire from any source, public or private, by purchase, lease, gift, bequest, or  
 62 devise, any property, real, personal, or mixed, either absolutely or in trust, and to hold,  
 63 use, administer, and dispose of such property on its behalf and for any of its corporate  
 64 purposes;"

#### 65 SECTION 5.

66 Said chapter is further amended by substituting a semicolon for "; and" at the end of division  
 67 (1)(W)(iv), by substituting "; and" for the semicolon at the end of subparagraph (X) of  
 68 paragraph (1), and by adding a new subparagraph to paragraph (1) of Code Section 20-3-316,  
 69 relating to powers and duties of the Georgia Student Finance Authority, as follows:

70 "(Y) To incorporate one or more nonprofit corporations to aid the authority in carrying  
 71 out any of its powers, duties, and functions. Any such nonprofit corporation created  
 72 pursuant to this subparagraph shall be a body corporate and politic and shall be created  
 73 pursuant to Chapter 3 of Title 14, the 'Georgia Nonprofit Corporation Code,' and the  
 74 Secretary of State shall be authorized to accept such filing. Upon dissolution of any  
 75 such nonprofit corporation, any assets of such nonprofit corporation shall revert to the  
 76 authority or to any successor to the authority, or failing such succession, to the State of  
 77 Georgia. The authority shall not be liable for the debts, obligations, or bonds of any  
 78 such nonprofit corporation or for the actions or omissions to act of any such nonprofit  
 79 corporation unless the authority so consents;"

#### 80 SECTION 6.

81 Said chapter is further amended by adding a new Code section to read as follows:

82 "20-3-316.1.

83 (a) Each Georgia income tax return form for taxable years beginning on or after January  
 84 1, 2015, shall contain appropriate language, to be determined by the state revenue  
 85 commissioner, offering the taxpayer the opportunity to contribute to the nonprofit  
 86 corporations established by subparagraph (Y) of paragraph (1) of Code Section 20-3-316  
 87 to assist students with educational expenses by either donating all or any part of any tax  
 88 refund due and by authorizing a reduction in the refund check otherwise payable, or by  
 89 contributing any amount over and above any amount of tax owed by adding that amount  
 90 to the taxpayer's payment. The instructions accompanying the income tax return shall  
 91 include a description of the purposes for which the nonprofit corporations were established  
 92 and the intended use of moneys received from the contributions. Each taxpayer required

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.