



Sonny Perdue
GOVERNOR



Timothy A. Connell
PRESIDENT

June 18, 2008

RE: 2008 Legislative and Regulatory Changes to State Programs

Dear Colleague:

The purpose of this letter is to provide you with a summary of the new laws, passed by the General Assembly and signed by Governor Perdue, as well as new regulations that impact the financial aid community. Below you will find a brief overview of key changes. We are continuing to review how the new laws will affect the administration of our various State programs, so additional information on implementation will follow in a subsequent letter.

- The State budget for FY 2009 includes an increase in the HOPE Scholarship for Private Institutions from \$3,000 to \$3,500 per academic year for full-time students, and from \$1,500 to \$1,750 per academic year for half-time students. In addition, the Tuition Equalization Grant (TEG) was increased from \$1,100 to \$1,200 per academic year.
- HB 152 allows otherwise eligible students who receive a GED after June 30, 1993, graduate from an ineligible high school, or complete an unaccredited home study program to receive the HOPE Scholarship their freshman year (1st Tier) if they score in the 85th percentile or higher nationally on a standardized college admission test. Operationally, GSFC will use the SAT and ACT as the primary basis for determining HOPE scholarship eligibility since they are the two most widely used standardized exams. Eligibility will be determined by using the student's highest total SAT or ACT score based on a single test administration.
- SB 480 provides for certain private postsecondary institutions which were, but are no longer, accredited by the Southern Association of Colleges and Schools (SACS) to be an "approved school" for HOPE scholarship purposes. The bill also provides for certain high schools in Georgia which had been accredited within the last two years to be considered an "eligible high school" for HOPE scholarship purposes. Currently, SB 480 applies only to Morris Brown College and would apply to Clayton County Schools should they lose their SACS accreditation this fall.
- SB 492 makes several changes to the HOPE programs, including the following:
 - Increases the Georgia residency requirement for the HOPE Scholarship from 12 months to 24 months for students who do not meet Georgia residency requirements at the time of graduation from high school or completion of a home study program.

- Requires all college degree level classes taken prior to high school graduation to be counted as HOPE Attempted-Hours if the student did not meet the academic requirements to be a HOPE Scholar at the time of high school graduation, and those hours are accepted as credit by a freshman student's college or university. It should be noted that the grades earned by a student in degree level courses taken prior to high school graduation must not be included in the grade point average (GPA) calculation.
- Exempts Dual Credit Enrollment hours, earned while a student is in high school, from being counted as HOPE Grant Paid-Hours or Combined Paid-Hours. This provision does not apply to Joint Enrollment students.
- Adds the Florida Council of Independent Schools as an approved accrediting entity for out-of-state high schools.
- HB 311 expands the eligibility criteria for the Georgia HERO Scholarship and establishes an application cut-off date.
 - The deployment date for HERO eligibility has been moved back from May 3, 2005 to February 1, 2003.
 - The definition of a Qualifying Term of Service was broadened from 181 consecutive days to serving in a combat zone for a minimum of 181 cumulative days on and after February 1, 2003.
 - The spouse of a qualifying service member is now eligible for the HERO Scholarship, for a maximum of \$2,000 per year for up to four Award Years, if the service member is 100% disabled as a result of service in a combat zone.
 - An otherwise eligible student must apply for a HERO Scholarship by July 1, 2010, or within two years after becoming eligible, whichever is later.
- SB 169 creates three new loan programs, which will be implemented when funded, and a new grant program for Reserve Officers' Training Corps (ROTC) students at North Georgia College and State University (NGCSU).
 - The Student Access Loan Program is for students with a high school grade point average of at least a 75 on a numeric scale or a 2.50 on a 4.00 scale in the core curriculum, who have sought other scholarships, grants, and state funded or Title IV loans, and who still have a need for additional funds. Students earning a cumulative GPA of at least a 2.00 at an eligible postsecondary institution are eligible for loans for subsequent years of college.
 - The Graduate On Time Loan Program is for students who commit to and graduate with a bachelor's degree within a specified period of time and have at least a 2.00 cumulative GPA. Such students would have the loan's interest rate reduced to as low as 1%.
 - The Education for Public Service Loan Program is designed for students who are considering a career in public service. Students who graduate with a minimum 2.00 cumulative GPA and provide at least five years of public service may have

the loan's interest rate reduced to 1%, or be converted to an interest-free loan with additional years of public service.

- The NGCSU ROTC Grant for Future Officers Program is for NGCSU ROTC students who sign a contract by the end of their junior year to accept a commission as an officer. Such students would receive a grant of \$1,500 per semester. This grant would replace the \$750 per semester award made under the existing NGCSU ROTC Grant program.

In addition to changes to our programs made as a result of legislation, we have made some other regulatory revisions that I know will be of interest to you. Those revisions include the following:

- Once a valid GSFAPPS or paper HOPE Scholarship and Grant application has been accepted by GSFC, it will remain active for a 72-month period. If a student submits a new application during that 72-month window, both applications will remain valid for 72 months following the second application's approval date. Also, previously submitted e-HOPE applications will remain valid until November 30, 2011, at which time they will expire. Finally, colleges will have until November 30, 2011, to invoice GSFC based on paper applications that were on file and completed prior to the 2006-2007 Award Year, but had not been submitted to us for data entry.
- Public institutions may now make internal adjustments to individual Mandatory Fees covered by the HOPE Scholarship and Grant programs as long as the overall institutional cap is not exceeded.
- The Accel program has been expanded to allow 9th and 10th graders to participate if they have earned at least a 3.50 cumulative GPA, have been approved by the student's high school and postsecondary institution for Dual Credit Enrollment, and the high school has certified that the student has exhausted all core coursework required for graduation in any one or more core subject areas (English, Mathematics, Social Science, Science, and Foreign Language).
- The Governor's Scholarship can now be awarded to more than one STAR student from the same high school's graduating class. However, each high school must continue to designate only one Valedictorian for this scholarship. Additionally, beginning with the high school graduating class of 2009, students who are nominated by their high school as both the STAR student and the Valedictorian will be eligible to receive two Governor's Scholarship awards.

As you see, many changes were made to our financial aid programs this year. In the near future, we will provide you with more detailed guidance and information regarding some of these changes. Even so, I expect you will have many questions in the coming months. As these questions arise, I would encourage you to contact our Program Administration unit at ProgramAdmin@gsfc.org or 800-414-3080. Thank you for your continued cooperation and partnership.

Sincerely,



Timothy A. Connell