



## DEPARTMENT OF AUDITS AND ACCOUNTS

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**Greg S. Griffin**  
STATE AUDITOR  
(404) 656-2174

February 27, 2018

Honorable Rick Jasperse  
Chairman, Higher Education  
401-H State Capitol  
Atlanta, Georgia 30334

SUBJECT: Fiscal Note  
House Bill 928 (LC 21 5971S)

Dear Chairman Jasperse:

The bill would extend the period of time for which a student is eligible to receive a HOPE or Zell Miller scholarship from seven years from a student's graduation from high school to 15 years. Active duty military service does not count against the time period.

The Georgia Student Finance Commission (GSFC) estimates the population of eligible individuals under the bill is 136,921. This estimate was determined by calculating the number of individuals who had at some point in the past received a HOPE or Zell award, graduated from high school (or the equivalent) between eight and 14 years ago, had not permanently lost HOPE eligibility, and had completed fewer than 120 semester credit hours.

GSFC expects this population to have a low rate of continuing their postsecondary education. In Table 1 are two scenarios, for a one percent and a five percent participation rate. Assuming one percent of these individuals take the same average course load as students at USG institutions over the age of 25, which is approximately 10 credit hours per semester, the cost would be approximately \$4.5 million. The state cost would be \$22.3 million if five percent of individuals participate.

**Table 1. Estimated Costs of Extending HOPE Eligibility Period**

	<u>1% Participation</u>	<u>5% Participation</u>
Students	1,369	6,846
Average Annual Credit Hours	20	20
<b>Additional State Costs</b>	<b>\$4.5 million</b>	<b>\$22.3 million</b>

Assumes an average per credit hour amount of \$163. Estimates do not factor in any additional costs for Zell Miller scholars.

Sincerely,

A handwritten signature in blue ink that reads "Greg S. Griffin". The signature is written in a cursive style with a horizontal line at the end.

Greg S. Griffin  
State Auditor

A handwritten signature in blue ink that reads "Teresa A. MacCartney". The signature is written in a cursive style with a horizontal line at the end.

Teresa A. MacCartney, Director  
Office of Planning and Budget

GSG/TAM/nc