



DEPARTMENT OF AUDITS AND ACCOUNTS

270 Washington St., S.W., Suite 1-156
Atlanta, Georgia 30334-8400

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

January 30, 2018

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

SUBJECT: Fiscal Note
House Bill (LC 39 1740)

Dear Chairman Jasperse:

The bill would amend O.C.G.A. 20-3-519 relating to Zell Miller Scholarship eligibility requirements for students that have completed a home study program or graduated from an ineligible high school. The bill would decrease the required ACT and SAT score for these incoming freshmen from the ninety-third percentile to the ninety-first percentile. Section 1 of the bill would become effective July 1, 2018 and Section 2 would become effective on July 1, 2020.

Analysis of FY 2017 data shows that nearly 100 home school and ineligible high school students currently qualify for the HOPE Scholarship but are ineligible for the Zell Miller Scholarship due to ACT or SAT scores below the ninety-third percentile. Lowering the required ACT or SAT score to the ninety-first percentile would allow 15 of these students to become eligible for the Zell Miller Scholarship. Because these students already receive the Hope Scholarship, the additional annual cost per student to receive the Zell Miller Scholarship is approximately \$3,808.¹

The bill would result in additional expenditures of approximately \$57,120 annually for the additional students that would qualify for the Zell Miller Scholarship (Table 1). Assuming the students retain eligibility, the additional costs per student are the same during their college tenure, and four years to complete a degree, the total cost for each cohort of newly eligible freshmen would be more than \$228,480. Also, the additional costs would increase annually as incoming freshmen become eligible for the Zell Miller Scholarship. By the fourth year, when 60 newly eligible students are in school, the annual costs would be more than \$228,480.

¹ This is the average difference between the two awards across multiple schools.

It should be noted that the additional costs will be impacted by a number of factors. These include students losing eligibility for the Zell Miller Scholarship, tuition increases that could result in a larger difference between the HOPE Scholarship awards and Zell Miller Scholarship awards, and whether the schools with the newly qualifying students have a lesser or greater differences between the two award types.

Table 1. Estimated Additional Cost for Zell Miller Scholarship

	Students	Total Costs
Year One	15	\$57,120
Year Two	30	\$114,240
Year Three	45	\$171,360
Year Four	60	\$228,480

Sincerely,



Greg S. Griffin
State Auditor



Teresa A. MacCartney, Director
Office of Planning and Budget