



## DEPARTMENT OF AUDITS AND ACCOUNTS

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February 7, 2018

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

SUBJECT: Revised Fiscal Note  
House Bill (LC 39 1740)

Dear Chairman Jasperse:

The original fiscal note for LC 39 1740, dated January 30, 2018, has been revised and replaced. The fiscal note did not account for the fact that the newly eligible students under the bill may already become eligible for the Zell Miller Scholarship at the end of 30 semester hours. The eligibility is retroactive, with the state paying the full Zell Miller amount for those first 30 hours. In those cases, the state would not incur an additional cost under this bill for those students. Only the timing of the state costs would be moved.

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 immediately eligible for the Zell Miller Scholarship. Currently, these students may become eligible for the Zell Miller Scholarship if they have a 3.3 GPA at the end of 30 semester hours.

For those students who become eligible for the Zell Miller Scholarship at 30 semester hours, the bill would result in no additional costs. This is because the eligibility is retroactive, meaning the state pays the full tuition amount for the first 30 semester hours. The bill would simply shift the

timing of the award payments. If any of the 15 students do not have a 3.3 GPA at the end of 30 hours, the state would incur an additional cost of approximately \$3,808.<sup>1</sup> This is the difference between the HOPE award they receive under current law and the Zell Miller Scholarship award they would receive under the bill.

It should be noted that the additional costs could be impacted by tuition increases that could result in a larger difference between the HOPE Scholarship awards and Zell Miller Scholarship awards.

Sincerely,



Greg S. Griffin  
State Auditor



Teresa A. MacCartney, Director  
Office of Planning and Budget

GSG/TAM/jb

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<sup>1</sup> This is the average difference between the two awards across multiple schools.