



## 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

February 10, 2021

Honorable Chuck Martin  
Chairman, House Higher Education  
417-A State Capitol  
Atlanta, Georgia 30334

SUBJECT: Fiscal Note  
House Bill 89 (LC 49 0281)

Dear Chairman Martin:

This bill would change the Zell Miller Scholarship eligibility requirements to make students that achieve a HOPE GPA of 3.3 or higher at two consecutive HOPE checkpoints eligible for the scholarship.<sup>1</sup> Currently, students must meet the Zell Miller Scholarship eligibility requirements at the time of high school completion.<sup>2</sup>

Data from the Georgia Student Finance Commission (GSFC) estimates that the bill would increase expenditures for the Zell Miller Scholarship by \$49.2 million in FY 2023 and approximately \$102.0 million in FY 2024 (Table 1). Program costs were calculated for students who would earn the scholarship based on meeting the requirement in a second checkpoint in FY 2022, and they took into consideration the 5.2% of students who historically did not continue receive the scholarship for a second year, whether due to late entry, inability to maintain eligibility, or other reasons. The estimate assumes year-to-year growth would be consistent with current Zell Miller Scholarship students (12%).

**Table 1. Estimated Cost of Expanding Zell Miller Scholarship Eligibility FY 2023-2025**

<b>Year of 2<sup>nd</sup> Checkpoint</b>	<b>Students</b>	<b>FY23 Dollars</b>	<b>FY24 Dollars</b>	<b>FY25 Dollars</b>
<b>FY22</b>	14,404	\$49,297,730	\$46,734,248	-
<b>FY23</b>	16,134	-	\$55,217,730	\$52,346,408
<b>FY24</b>	18,071	-	-	\$61,846,633
<b>Total Costs</b>		<b>\$49,297,730</b>	<b>\$101,951,978</b>	<b>\$114,193,041</b>

<sup>1</sup> "Checkpoint" means the end of a term at which a student's postsecondary cumulative grade point average must be calculated to determine the student's continued eligibility for HOPE and Zell Miller programs. Terms occur at 30, 60, and 90 semester or 45, 90, and 135 quarter hours.

<sup>2</sup> To meet eligibility, students must: (1) earn a 3.7 cumulative HOPE GPA, (2) meet HOPE academic rigor course requirements, and (3) earn a combined 1,200 on the math and reading portions of the SAT in a single national administration or a minimum composite score of 26 on the ACT in a single national administration.

It is important to note that the Zell Miller Scholarship award amount is equal to tuition. Therefore, increases in tuition will increase Zell Millar Scholarship award amounts and subsequently increase program costs.

One-time Administrative Costs

According to GSFC, the bill would require changes to the College HOPE Eligibility Calculation Service (CHECS) data system. Information technology redevelopment is estimated to cost an average of \$60 per hour for 1,000 person hours, resulting in approximately \$60,000 in one-time administrative costs.

Sincerely,



Greg S. Griffin  
State Auditor



Kelly Farr, Director  
Office of Planning and Budget

GSG/KF/tj