House Bill 1435 (AS PASSED HOUSE AND SENATE)
By: Representatives Martin of the 49th, Jones of the 47th, McDonald of the 26th, Gaines of the 117th, LaHood of the 175th, and others

A BILL TO BE ENTITLED
AN ACT

To amend Subpart 2A of Part 3 of Article 7 of Chapter 3 of Title 20 of the Official Code of Georgia Annotated, relating to the needs based financial aid program, so as to include eligibility for students with a financial aid gap; to provide for definitions; to limit awards to undergraduate level postsecondary education; to provide for a maximum award amount; to update the application process for the program; to change the authorization to conduct compliance examinations from the state auditor to the Georgia Student Finance Commission; to provide for rules and regulations; to allow for eligibility of part-time students; to authorize the commission to suspend institutions from the program for failure to refund moneys in certain circumstances; to revise the criminal penalty for persons making false statements or misrepresentations in the application process; to provide for evaluation; to provide for related matters; to provide for automatic repeal; to provide for an effective date; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:
SECTION 1.
Subpart 2A of Part 3 of Article 7 of Chapter 3 of Title 20 of the Official Code of Georgia Annotated, relating to the needs based financial aid program, is amended by revising Code Section 20-3-360, relating to definitions, as follows:

As used in this subpart, the term:

(1) 'Eligible student' means a person:
   (A) Whose family income is considered economically disadvantaged, based on criteria established by the commission, or who has a financial aid gap; and
   (B) Who meets any academic or other standards established by the commission;
   (C) Who is eligible for a scholarship or grant pursuant to Code Section 20-3-519.1;
   (D) Who has completed the Free Application for Federal Student Aid (FAFSA); and
   (E) Who has completed 80 percent of the credit requirements toward the credential of his or her program of study.

(2) 'Financial aid gap' means the monetary amount remaining after other funding, as determined by the commission, for the cost of attendance certified by a qualified institution.

(3) 'Qualified institution' means an institution of the University System of Georgia, an institution of the Technical College System of Georgia, or a nonproprietary institution of higher education eligible for tuition equalization grants in accordance with subparagraph (A) of paragraph (2) of Code Section 20-3-411.

SECTION 2.
Said subpart is further amended by revising Code Section 20-3-361, relating to grants, individualized eligibility criteria, and criteria for retention, as follows:
"20-3-361.

Subject to appropriations, the commission shall establish a needs based financial aid program to provide grants to eligible students for undergraduate level postsecondary education at qualified institutions. The maximum award amount per eligible student shall be $2,500 in total. The commission may provide for individualized eligibility criteria and grant amounts as determined to be the most appropriate for the particular qualified institution and its student population in accordance with this subpart and the rules and regulations of the commission. The commission shall also establish criteria necessary for eligible students to retain and continue to receive such grants in accordance with this subpart."

SECTION 3.

Said subpart is further amended by revising Code Section 20-3-362, relating to application, regulations, and refunds, as follows:

"20-3-362.

Each eligible student wishing to receive a grant pursuant to this subpart shall submit a grant application in accordance with the rules, regulations, and procedures prescribed by the commission. The commission is authorized to define such terms and prescribe such rules, regulations, and procedures as may be reasonable and necessary to carry out the purposes of this subpart. In the event a student on whose behalf a grant is paid does not enroll as a full-time or part-time student for the academic semester for which the grant is paid, the qualified institution shall make a refund to the commission in accordance with the rules and regulations of the commission."

SECTION 4.

Said subpart is further amended by revising Code Section 20-3-363, relating to examination of qualified institutions and purpose, as follows:

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Each qualified institution shall be subject to examination by the state auditor commission for the sole purpose of determining whether the institution has properly certified the cost of attendance, eligibility, and enrollment of students; and accurately credited grants paid on behalf of such students; and properly complied with the rules and regulations established pursuant to this subpart; provided, however, that nothing in this subpart shall be construed to interfere with the authority of the institution to determine admissibility of students or to control its own curriculum, philosophy, purpose, or administration. In the event it is determined that a qualified institution knowingly or through error certified an ineligible student to be eligible for a grant under this subpart, the amount of the grant paid to such institution pursuant to such certification shall be refunded by such institution to the commission. The commission may suspend a qualified institution from receiving payments under this subpart if it fails to refund any moneys as required by this subpart."

SECTION 5.

Said subpart is further amended by revising Code Section 20-3-364, relating to penalty for false statement or misrepresentation, as follows:

"20-3-364.

Any person applying for a grant under this subpart or assisting a person applying for a grant under this subpart who knowingly makes or furnishes any false statement or misrepresentation, or who accepts such statement or misrepresentation knowing it to be false, for the purpose of enabling an ineligible student to wrongfully obtain a grant under this subpart shall be guilty of a misdemeanor."

SECTION 6.

Said subpart is further amended by adding a new Code section to read as follows:

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"20-3-365. The commission shall collect and monitor enrollment and student record data for the needs based financial aid program established pursuant to this subpart. The commission shall annually measure and evaluate the program. Such evaluation shall include, but shall not be limited to, the total number of grants dispersed, the total dollar amount of grants dispersed, the total number of grants dispersed per qualified institution, and the total dollar amount of grants dispersed per qualified institution. The Office of Planning and Budget, the Department of Education, and qualified institutions shall cooperate with and provide data as necessary to the commission to facilitate the provisions of this Code section.”

SECTION 7.
Said subpart is further amended by adding a new Code section to read as follows:
"20-3-366. This subpart shall stand repealed by operation of law on June 30, 2025.”

SECTION 8.
This Act shall become effective on July 1, 2022.

SECTION 9.
All laws and parts of laws in conflict with this Act are repealed.