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GOVERNOR



Georgia Student Finance Commission
Georgia Student Finance Authority
Georgia Higher Education Assistance Corporation
GAfutures.org

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Subject: HOPE Scholarship and Grant Award Rates

Dear Colleague:

As you may recall, House Bill 801 from the 2016 session provides for a new HOPE Award calculation beginning in FY 2021. The Georgia Student Finance Commission (GSFC) has worked over the last year to analyze different implementation options and the impact of each. This letter details the HOPE Award rate methodology that will be presented to the Board of Commissioners at the May 2020 board meeting to set the rates beginning July 1, 2020 for FY2021. The rates will become effective beginning with Summer 2020 HOPE Scholarship and HOPE Grant awards.

House Bill 801 changes key terminology included in the definitions of the HOPE Factor Rate and the HOPE Award Rate. Instead of applying a factor rate to the prior year's HOPE Award amount, a factor or percentage will be applied to the prior year's tuition.

GSFC has calculated the percentage of tuition covered by HOPE this year. These exact percentages will be used upon implementation in FY 2021 and applied towards the prior year's tuition, as required in the bill. As a result, the percentages will be applied towards the FY 2020 tuition rates, resulting in the same HOPE award rates currently in effect. A detailed chart is enclosed.

This methodology avoids changing award rates at each institution and avoids the need for additional lottery funding this year. These rates are effective for FY 2021; rates for FY 2022 and beyond will be published annually.

The official rates will be published after the Board of Commissioners sets them at the May 2020 board meeting, but we anticipate the rates to closely mirror the enclosed chart.

We hope this guidance provides you with the information needed to continue communicating award information to your students.

January 31, 2020

Please contact Pennie Strong, Vice President of Program Administration, with any questions at 770-724-9014 or via email at pennies@gsfc.org. We appreciate your continued partnership in administering the HOPE Programs.

Sincerely,

A handwritten signature in black ink, appearing to read 'A. Parsons', with a stylized flourish at the end.

Andy Parsons

Executive Vice President