



Sonny Perdue
GOVERNOR



Georgia Student Finance Commission
Georgia Student Finance Authority
Georgia Higher Education Assistance Corporation
GAcollege411

Timothy A. Connell
PRESIDENT

December 15, 2010

Re: HOPE Program Changes

Dear Colleagues:

As you may be aware, the HOPE and other Lottery-funded Program expenditures have outpaced the growth in Lottery revenues for the past several years. The Georgia Student Finance Commission (GSFC) staff has often referenced three statutory "triggers" that would be "hit" or "engaged" if that trend continued and funds from the Lottery reserve accounts continued to be used to fund current HOPE Program expenditures. According to the State of Georgia's Selected Summary Financial Information Report, Fiscal Year Ended 2010, the first trigger has now been hit.

The first trigger requires that the HOPE Book Allowance award be cut in half for all students, except for students that are eligible to participate in the federal Pell grant program. This change will be effective on July 1, 2011 for all HOPE Scholarship, HOPE Grant, and Accel awards and will impact awards made for the Summer term of FY2012, which you might refer to as Summer 2011, and beyond. Students eligible to participate in the federal Pell grant program, even if their current program of study or enrollment status does not warrant actual Pell grant payment, will continue to be eligible for the Book Allowance at the current FY2011 award amount.

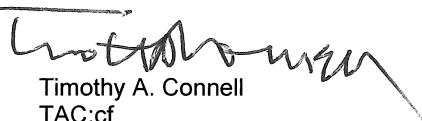
While the HOPE Book Allowance award amount will change on July 1 as required by current law, there is the strong likelihood that the Georgia General Assembly will pass new legislation enacting larger and more significant changes to the HOPE Programs that would effectively negate the HOPE Book Allowance award amount changes. Although it is far from clear what changes will be made given the magnitude of the program cuts needed to balance expenditures and revenues, you could see the elimination of all book and fees allowances plus some reduction in the tuition benefit. Please keep this in mind as you begin awarding, advising, and counseling students.

We will post official GSFC communications, legislative updates, and news articles related to any potential HOPE Program changes as they become available to the "What's New" section of our website, GAcollege411.org. Please direct your students and their parents to that website as well.

As warranted, we will also send out additional written communications and emails. If you do not wish to receive further communications of this nature directly, or similarly, if you know of other individuals that should be included in these types of communications, please let us know.

Please contact Caylee French, Division Director of Student Aid Services, at 770-724-9244 or via email at cayleef@gsfc.org if you have any questions related to the HOPE programs.

Sincerely,



Timothy A. Connell
TAC:cf

Expand Your Opportunities

2082 East Exchange Place
Tucker, GA 30084
Tel: 770-724-3080-800-505-GSFC
Fax: 770-724-9249
www.gsfc.org