

For Immediate Release

Contact:

Cindy Miller, 404-281-9975

Cindy@CindyMillerCommunications.com



HOPE Scholarship Funding in Jeopardy: General scholarship on track to be out of money when today's Pre-K students are in college

ATLANTA, Wednesday, Aug. 10, 2016 — If recent trends continue, the funds available for the HOPE Scholarship for 3.0 GPA students — the very students HOPE was created for more than 20 years ago — will be out of money by 2028, according to a new analysis of the wildly popular Georgia program.

“This Analysis confirms suspicions that Georgia’s HOPE Scholarship is in serious jeopardy,” said Chip Lake, President of the Committee to Preserve HOPE Scholarships, a group of Georgia citizens and businesses committed to protecting Georgia’s nationally acclaimed scholarship for generations to come. “Despite a tidal wave of cash from the Georgia Lottery, demand for tuition assistance among Georgia families is overtaking the ability to fund the scholarships as intended.”

“More than 1.7 million Georgia students of all backgrounds have been able to achieve the dream of college because of the HOPE Scholarship,” Lake said. “Without immediate action, thousands of Georgia families stand to lose the promise of affordable college for their children.”

Months of research by award-winning journalist Nancy Badertscher revealed that the HOPE Scholarship funding gap is real, and so are its consequences. The full special report, *Georgia’s HOPE Scholarship: A victim of its own success?* is available at www.preservehopega.com/downloads.

Key findings include:

- HOPE suffered an **89 percent drop in full-tuition scholarships** after 2011 reforms, forcing thousands of students out of the program.
- For the 2016 school year, **HOPE will cover only 71 to 88 percent of tuition costs**, depending on the college or university.
- About 62 percent of Georgia’s college students have loans, and **average student debt is about \$26,518** — statistics that alarm Georgia families.
- Technical colleges were hit especially hard. Throughout the Technical College System of Georgia, the **number of HOPE Grants is down 69 percent** from the number awarded before 2011 reforms.

Three Atlanta-based economists verified the data and conclusions that point to a deficit in 2028 in the Committee’s analysis. One expert noted that the HOPE funding crisis could actual be worse than the Analysis indicates.

“If anything, it suggests the best-case scenario. If there is a bias in this model, the risk is that [HOPE] could go into deficit even sooner,” said Jon T. Gabrielsen, CEO of an Atlanta-based firm specializing in market economic research and strategic consulting. “This model passes all the tests. It’s solid, and easily supports the results.”

Polling commissioned by the Committee earlier this year shows that 92 percent of Georgia voters view HOPE favorably, and 89 percent think fully funding HOPE should be an important priority for the Georgia Legislature. “We felt it was important to commission this Analysis to look at how HOPE has benefited Georgia and determine how long Georgia families can count on HOPE to last,” Lake said.

About the Committee

The Committee to Preserve HOPE Scholarships is a group of Georgia citizens and businesses committed to protecting Georgia’s HOPE Scholarship, a program created by Gov. Zell Miller with the intent to provide tuition-free higher education to students who graduated from high school with a 3.0 grade point average or higher. Learn more at www.PreserveHOPE.com

About Nancy Badertscher

Nancy Badertscher covered politics, government and education for more than 30 years at Georgia newspapers, including the last 16 years at *The Atlanta Journal-Constitution*. She has won more than a dozen state and national writing awards and has been a finalist for the Pulitzer Prize. Nancy has covered the HOPE Scholarship since it was created in 1993. She currently is a freelance writer in Atlanta.

Media Resources

Photos and video resources are available at www.preservehopega.com/downloads

Nancy Badertscher, Reporter
678-362-2944, nancybadertscher@gmail.com

Chip Lake, President of The Committee to Preserve HOPE Scholarships
678-662-0032, chip_lake@bellsouth.net

Jon T. Gabrielsen, President and CEO of J.T. Gabrielsen Consulting
678-642-0408

Michael Wald, economics analyst
770-262-4792, MichaelWald50@gmail.com

Thomas More Smith, Ph.D.
Associate Professor in the Practice of Finance
Goizueta Business School
404-727-3605, Tom.Smith@Emory.edu