

DATE: January 27, 2011

SUBJECT: 2010 Lottery Scholarship Annual Report

ACTION RECOMMENDED: Information

BACKGROUND INFORMATION: Pursuant to T.C.A. § 49-4-903(b), the Tennessee Higher Education Commission is to annually report findings related to lottery scholarship programs to the Senate and House Education Committees at the beginning of each legislative session.

Staff will present an overview of the Tennessee Lottery Education Lottery Scholarship Special Report, which consists of the following four chapters:

Impact of the Provisional Renewal Rule

This chapter provides analyses of the impact of T.C.A. §49-4-911 (a)(2), a new lottery scholarship renewal rule adopted by the 105th General Assembly in 2008. This provision became effective in the Fall 2008 semester, lowering the previous scholarship renewal criteria.

Impact of the Lower GPA Requirement at the 48 Hour Benchmark on College Retention

This chapter analyzes the impact of the revised scholarship renewal rule on college retention rates. The revised renewal rule, also adopted during the 105th General Assembly in 2008, lowered the minimum GPA criteria at the benchmark of 48 cumulative credit hours from 3.0 to 2.75.

Lottery Scholarship and Affordability

This chapter analyzes the extent to which the lottery scholarship has contributed to reducing student payments for the cost of higher education across different levels of family income. It also explores how unmet needs can be reduced through the TELS program.

The General Assembly Merit Scholarship and its Outcomes

Pursuant to T.C.A. §49-4-903(d), the new statute that directs THEC to evaluate the General Assembly Merit Scholarship (GAMS) program, this chapter analyzes scholarship renewal and college completion for the high-achieving students in the GAMS program.