

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

S

1

SENATE BILL 904

Short Title: N.C. Students/Pr. Coll. Aid.

(Public)

Sponsors: Senators Smith, Cochrane; Seymour, Tally, Kincaid, Marshall, Edwards, Martin of Pitt, Hoyle, Plyler, Speed, Ward, Allran, Hunt, Carpenter, Warren, Sherron, and Forrester.

Referred to: Education/Higher Education.

April 19, 1993

A BILL TO BE ENTITLED

AN ACT TO CHANGE THE LAW REGARDING STATE AID TO PRIVATE COLLEGES.

The General Assembly of North Carolina enacts:

Section 1. (a) Funds appropriated for the 1993-95 fiscal biennium to the Board of Governors of The University of North Carolina for aid to private colleges shall be disbursed in accordance with the provisions of G.S. 116-19, 116-21, and 116-22. These funds shall provide up to five hundred dollars (\$500.00) per full-time equivalent North Carolina undergraduate student enrolled at a private institution as of October 1 each year.

These funds shall be placed in a separate, identifiable account in each eligible institution's budget or chart of accounts. All funds in this account shall be provided as scholarship funds for needy North Carolina students during the fiscal year. Each student awarded a scholarship from this account shall be notified of the source of the funds and of the amount of the award. Funds not utilized under G.S. 116-19 shall be made available for the tuition grant program as defined in subsection (b) of this section.

(b) In addition to any funds appropriated pursuant to G.S. 116-19 and in addition to all other financial assistance made available to private educational institutions located within the State, or to students attending these institutions, there is granted to each full-time North Carolina undergraduate student attending an approved institution as defined in G.S. 116-22, a sum that is either two thousand dollars (\$2,000), or at least one-fourth of the average amount of General Fund support for resident students attending The

1 University of North Carolina except for the School of the Arts, the East Carolina
2 University School of Medicine, and the University of North Carolina at Chapel Hill
3 Division of Health Affairs, per academic year, whichever is greater. This sum shall be
4 distributed to the student as hereinafter provided.

5 The tuition grants provided for in this section shall be administered by the
6 State Education Assistance Authority pursuant to rules adopted by the State Education
7 Assistance Authority not inconsistent with this section. The State Education Assistance
8 Authority may not approve any grant until it receives proper certification from an
9 approved institution that the student applying for the grant is an eligible student. Upon
10 receipt of the certification, the State Education Assistance Authority shall remit at such
11 times as it shall prescribe the grant to the approved institution on behalf, and to the
12 credit, of the student.

13 In the event a student on whose behalf a grant has been paid is not enrolled
14 and carrying a minimum academic load as of October 1 of the first academic term or on
15 the tenth classroom day following the beginning of the second school term for which the
16 grant was paid, the institution shall refund the full amount of the grant to the State
17 Education Assistance Authority. Each approved institution shall be subject to
18 examination by the State Auditor for the purpose of determining whether the institution
19 has properly certified eligibility and enrollment of students and credited grants paid on
20 the behalf of the students.

21 In the event there are not sufficient funds to provide each eligible student
22 with a full grant:

- 23 (1) The Board of Governors of The University of North Carolina, with the
24 approval of the Office of State Budget and Management, may transfer
25 available funds to meet the needs of the programs provided by
26 subsections (a) and (b) of this section; and
27 (2) Each eligible student shall receive a pro rata share of funds then
28 available for the remainder of the academic year within the fiscal
29 period covered by the current appropriation.

30 Any remaining funds shall revert to the General Fund.

31 (c) Expenditures made pursuant to this section may be used only for secular
32 educational purposes at nonprofit institutions of higher learning.

33 (d) The amount of a tuition grant awarded to a student enrolled in a degree
34 program at a site away from the main campus of the approved private institution, as
35 defined in G.S. 116-22(1), may be no more than the result of the ratio of the cost per
36 credit hour for off-campus instruction at that site to the cost per credit hour for regular,
37 full-time on-campus instruction, multiplied by the maximum grant award, or the
38 maximum grant award allowable under subsection (b) of this section, is less.

39 (e) No Legislative Tuition Grant funds may be expended for a program at an
40 off-campus site of a private institution, as defined in G.S. 116-22(1), established after
41 May 15, 1987, unless (i) the private institution offering the program has previously
42 notified and secured agreement from other private institutions operating degree
43 programs in the county in which the off-campus program is located or operating in the

1 counties adjacent to that county or (ii) the degree program is neither available nor
2 planned in the county with the off-campus site or in the counties adjacent to that county.

3 An "off-campus program" is any program offered for degree credit away from
4 the institution's main, permanent campus.

5 (f) Any member of the armed services as defined in G.S. 116-143.3(a),
6 abiding in this State incident to active military duty, who does not qualify as a resident
7 for tuition purposes as defined under G.S. 116-143.1, is eligible for a Legislative
8 Tuition Grant pursuant to this section if the member is enrolled as a full-time student.
9 The member's Legislative Tuition Grant may not exceed the cost of tuition less any
10 tuition assistance paid by the member's employer.

11 Sec. 2. This act becomes effective July 1, 1993.