

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

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HOUSE BILL 1195

Short Title: Campus Initiated Tuition & Fee Increase.

(Public)

Sponsors: Representatives Gorman; and Barnhart.

Referred to: Education.

April 10, 2003

A BILL TO BE ENTITLED

1 AN ACT TO PROVIDE THAT THE GENERAL ASSEMBLY MUST BE
2 INFORMED OF ANY REQUEST FOR A CAMPUS INITIATED INCREASE IN
3 TUITION OR FEES THAT IS APPROVED BY THE BOARD OF GOVERNORS
4 OF THE UNIVERSITY OF NORTH CAROLINA AND TO PROVIDE THAT THE
5 CAMPUS INITIATED INCREASE IN TUITION OR FEES SHALL NOT
6 BECOME EFFECTIVE UNLESS SPECIFICALLY AUTHORIZED BY THE
7 GENERAL ASSEMBLY.
8

9 The General Assembly of North Carolina enacts:

10 **SECTION 1.** G.S. 116-40.22(c) reads as rewritten:

11 "(c) Tuition and Fees. – Notwithstanding any provision in Chapter 116 of the
12 General Statutes to the contrary, in addition to any tuition and fees set by the Board of
13 Governors pursuant to G.S. 116-11(7), the Board of Trustees of the institution may
14 recommend to the Board of Governors tuition and fees for program-specific and
15 institution-specific needs at that institution without regard to whether an emergency
16 situation exists and not inconsistent with the actions of the General Assembly. If the
17 Board of Governors approves the request, then the Board of Governors shall include the
18 request in the recommended budget presented to the Governor, the Advisory Budget
19 Commission, and the General Assembly pursuant to G.S. 116-11. ~~The~~ If the request is
20 approved by the General Assembly, the institution shall retain any tuition and fees set
21 pursuant to this subsection for use by the institution."

22 **SECTION 2.** G.S. 116-11(7) reads as rewritten:

23 "(7) The Board shall set tuition and required fees at the institutions, not
24 inconsistent with actions of the General ~~Assembly.~~ Assembly;
25 however, no tuition or fee increase requested by a constituent
26 institution under G.S. 116-40.22(c) shall become effective until it is
27 specifically authorized by the General Assembly."

28 **SECTION 3.** G.S. 116-11(9) reads as rewritten:

- 1 "(9) a. The Board of Governors shall develop, prepare and present to
2 the Governor, the Advisory Budget Commission and the
3 General Assembly a single, unified recommended budget for all
4 of public senior higher education. The recommendations shall
5 consist of requests in three general categories: (i) funds for the
6 continuing operation of each constituent institution, (ii) funds
7 for salary increases for employees exempt from the State
8 Personnel Act and (iii) funds requested without reference to
9 constituent institutions, itemized as to priority and covering
10 such areas as new programs and activities, expansions of
11 programs and activities, increases in enrollments, increases to
12 accommodate internal shifts and categories of persons served,
13 capital improvements, improvements in levels of operation and
14 increases to remedy deficiencies, as well as other areas. The
15 Board of Governors shall also include in the recommended
16 budget for consideration of the General Assembly any increase
17 in tuition and fees for program-specific and institution-specific
18 needs requested by a constituent institution and approved by the
19 Board of Governors under G.S. 116-40.22. The function of the
20 Advisory Budget Commission under this section applies only if
21 the Director of the Budget consults with the Commission in
22 preparation of the budget.
- 23 b. Funds for the continuing operation of each constituent
24 institution shall be appropriated directly to the institution. Funds
25 for salary increases for employees exempt from the State
26 Personnel Act shall be appropriated to the Board in a lump sum
27 for allocation to the institutions. Funds for the third category in
28 paragraph a of this subdivision shall be appropriated to the
29 Board in a lump sum for allocation to the institutions. The
30 Board shall make allocations among the institutions in
31 accordance with the Board's schedule of priorities and any
32 specifications in the Current Operations Appropriations Act.
33 When both the Board and the Director of the Budget deem it to
34 be in the best interest of the State, funds in the third category
35 may be allocated, in whole or in part, for other items within the
36 list of priorities or for items not included in the list. Provided,
37 nothing herein shall be construed to allow the General
38 Assembly, except as to capital improvements, to refer to
39 particular constituent institutions in any specifications as to
40 priorities in the third category. Prior to taking any action under
41 this paragraph, the Director of the Budget may consult with the
42 Advisory Budget Commission.
- 43 c. The Director of the Budget may, on recommendation of the
44 Board, authorize transfer of appropriated funds from one

1 institution to another to provide adjustments for over or under
2 enrollment or may make any other adjustments among
3 institutions that would provide for the orderly and efficient
4 operation of the institutions. Prior to taking any action under
5 this paragraph, the Director of the Budget may consult with the
6 Advisory Budget Commission.

7 d. Repealed by Session Laws 1987, c. 795, s. 27."

8 **SECTION 4.** This act becomes effective July 1, 2003.