

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007

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SENATE BILL 119  
Education/Higher Education Committee Substitute Adopted 3/19/07  
House Committee Substitute Favorable 7/27/07

Short Title: In-State Tuition for DOD Emps/Tuition Refund. (Public)

Sponsors:

Referred to:

February 12, 2007

A BILL TO BE ENTITLED

AN ACT TO PROVIDE THAT EMPLOYEES OF THE DEPARTMENT OF DEFENSE AND THEIR DEPENDENTS SHALL QUALIFY FOR THE IN-STATE TUITION RATE AND TO AUTHORIZE THE STATE BOARD OF COMMUNITY COLLEGES TO SET STANDARDS FOR TUITION REFUND POLICIES FOR PROPRIETARY SCHOOLS.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 14 of Chapter 116 of the General Statutes is amended by adding a new section to read:

**"§ 116-143.7. Tuition of employees of the Department of Defense and their dependents.**

(a) Definitions. – The following definitions apply in this section:

(1) "Abode" means the place where a person actually lives, whether temporarily or permanently; "abide" means to live in a given place.

(2) "Employee" means a person who is employed by the United States Department of Defense.

(b) Employee to Be Charged In-State Tuition. – Any employee qualifying for admission to an institution of higher education as defined in G.S. 116-143.1(a)(3) but not qualifying as a resident for tuition purposes under G.S. 116-143.1 shall be charged the in-State tuition rate and applicable mandatory fees for enrollment while the employee is abiding in this State incident to employment with the Department of Defense in this State. In the event the employee is reassigned by the Department of Defense outside of North Carolina or retires, the employee shall continue to be eligible for the in-State tuition rate and applicable mandatory fees so long as the employee is continuously enrolled in the degree or other program in which the employee was enrolled at the time the employee is reassigned. In the event the employee retires from the Department of Defense, the retired employee shall continue to be eligible for the in-State tuition rate and applicable mandatory fees so long as he or she establishes

1 residency in North Carolina within 30 days after the date of retirement and is  
2 continuously enrolled in the degree or other program in which the employee was  
3 enrolled at the time the employee retired.

4 (c) Dependent to Be Charged In-State Tuition. – Any dependent relative of an  
5 employee who is abiding in this State incident to employment by the Department of  
6 Defense while sharing the abode of the employee shall be eligible to be charged the  
7 in-State tuition rate if the dependent relative qualifies for admission to an institution of  
8 higher education as defined in G.S. 116-143.1(a)(3). The dependent relative shall  
9 comply with the requirements of the Selective Service System, if applicable, in order to  
10 be accorded this benefit. In the event the employee is reassigned by the Department of  
11 Defense outside of North Carolina or retires, the dependent relative shall continue to be  
12 eligible for the in-State tuition rate and applicable mandatory fees so long as the  
13 dependent relative is continuously enrolled in the degree or other program in which the  
14 dependent relative was enrolled at the time the employee is reassigned or retires. In the  
15 event the employee retires, the dependent relative shall continue to be eligible for the  
16 in-State tuition rate and applicable mandatory fees so long as the dependent relative  
17 establishes residency within North Carolina within 30 days after the date of retirement  
18 and is continuously enrolled in the degree or other program in which the dependent  
19 relative was enrolled at the time the employee retired.

20 (d) The person applying for the benefit of this section has the burden of proving  
21 entitlement to the benefit.

22 (e) A person charged less than the out-of-state tuition rate solely by reason of this  
23 section shall not, during the period of receiving that benefit, qualify for or be the basis  
24 of conferring the benefit of G.S. 116-143.1(g), (h), (i), (j), (k), or (l)."

25 **SECTION 2.** G.S. 115D-39(a) reads as rewritten:

26 "(a) The State Board of Community Colleges shall fix and regulate all tuition and  
27 fees charged to students for applying to or attending any institution pursuant to this  
28 Chapter.

29 The receipts from all student tuition and fees, other than student activity fees, shall  
30 be State funds and shall be deposited as provided by regulations of the State Board of  
31 Community Colleges.

32 The legal resident limitation with respect to tuition, set forth in ~~G.S. 116-143.1 and~~  
33 ~~G.S. 116-143.3, G.S. 116-143.1, 116-143.3, and 116-143.7~~ shall apply to students  
34 attending institutions operating pursuant to this Chapter; provided, however, that when  
35 an employer other than the armed services, as that term is defined in G.S. 116-143.3 or  
36 the United States Department of Defense under G.S. 116-143.7, pays tuition for an  
37 employee to attend an institution operating pursuant to this Chapter and when the  
38 employee works at a North Carolina business location, the employer shall be charged  
39 the in-State tuition rate; provided further, however, a community college may charge  
40 in-State tuition to up to one percent (1%) of its out-of-state students, rounded up to the  
41 next whole number, to accommodate the families transferred by business, the families  
42 transferred by industry, or the civilian families transferred by the military or the  
43 Department of Defense, consistent with the provisions of G.S. 116-143.3 or  
44 G.S. 116-143.7, into the State. Notwithstanding these requirements, a refugee who

1 lawfully entered the United States and who is living in this State shall be deemed to  
2 qualify as a domiciliary of this State under G.S. 116-143.1(a)(1) and as a State resident  
3 for community college tuition purposes as defined in G.S. 116-143.1(a)(2). Also, a  
4 nonresident of the United States who has resided in North Carolina for a 12-month  
5 qualifying period and has filed an immigrant petition with the United States  
6 Immigration and Naturalization Service shall be considered a State resident for  
7 community college tuition purposes."

8 **SECTION 3.** G.S. 116-21.3 is amended by adding a new subsection to read:

9 "(c1) Any employee, as defined in G.S. 116-143.7(a), abiding in this State incident  
10 to employment with the United States Department of Defense, who does not qualify as a  
11 resident for tuition purposes, as defined under G.S. 116-143.1, is eligible for a  
12 legislative tuition grant under this section if the employee is enrolled as a full-time  
13 undergraduate student or as a licensure student. The employee's legislative tuition grant  
14 shall not exceed the cost of tuition less any tuition assistance paid by the employee's  
15 employer."

16 **SECTION 4.** G.S. 116-22(2) reads as rewritten:

17 "(2) "Student" shall mean a person enrolled in and attending an institution  
18 located in the State who qualifies as a resident of North Carolina in  
19 accordance with definitions of residency that may from time to time be  
20 adopted by the Board of Governors of the University of North Carolina  
21 and published in the residency manual of said Board; and a person  
22 who has not received a bachelor's degree, or qualified therefore, and  
23 who is otherwise classified as an undergraduate under such regulations  
24 as the Board of Governors of the University of North Carolina may  
25 promulgate. The enrollment figures required by G.S. 116-19 through  
26 116-22 shall be the number of full-time equivalent students as  
27 computed under regulations prescribed by the Board of Governors of  
28 the University of North Carolina. Qualification for in-State tuition  
29 under G.S. 116-143.3 and G.S. 116-143.7 makes a person a "student"  
30 as defined in this subdivision."

31 **SECTION 5.** G.S. 116-43.5(a)(3) reads as rewritten:

32 "(a) Definitions. – The following definitions apply in this section:

33 ...

34 (3) "Student" means a person enrolled in and attending an institution  
35 located in the State (i) who qualifies as a resident of North Carolina in  
36 accordance with definitions of residency that may from time to time be  
37 adopted by the Board of Governors of The University of North  
38 Carolina and published in the residency manual of the Board, and (ii)  
39 who has not received a bachelors degree, or qualified therefor, and  
40 who is otherwise classified as an undergraduate under such regulations  
41 as the Board of Governors of The University of North Carolina may  
42 promulgate. Qualification for in-State tuition under G.S. 116-143.3  
43 and G.S. 116-143.7 makes a person a "student" as defined in this  
44 subdivision."

1           **SECTION 6.** G.S. 116-143.4 reads as rewritten:

2   "**§ 116-143.4. Admissions status of persons charged in-State tuition.**

3       A person eligible for the in-State tuition rate pursuant to this Article shall be  
4 considered an in-State applicant for the purpose of admission; provided that, a person  
5 eligible for in-State tuition pursuant to G.S. 116-143.3(c) or G.S. 116-143.7(c) shall be  
6 considered an in-State applicant for the purpose of admission only if at the time of  
7 seeking admission ~~he~~the person is enrolled in a high school located in North Carolina  
8 or enrolled in a general education development (GED) program in an institution located  
9 in this State."

10           **SECTION 7.** G.S. 116-235(b)(1) reads as rewritten:

11       "(b) Students. –

12       (1) Admission of Students. – The School shall admit students in  
13 accordance with criteria, standards, and procedures established by the  
14 Board of Trustees. To be eligible to be considered for admission, an  
15 applicant must be ~~either~~ (i) a legal resident of the State, as defined by  
16 G.S. 116-143.1(a)(1), ~~or~~ (ii) a student whose parent is an active duty  
17 member of the armed services, as defined by G.S. 116-143.3(a)(2),  
18 who is abiding in this State incident to active military duty at the time  
19 the application is submitted, provided the student shares the abode of  
20 that parent or (iii) a student whose parent is an employee, as defined  
21 by G.S. 116-143.7(a), who is abiding in this State incident to  
22 employment by the United States Department of Defense at the time  
23 the application is submitted, provided the student shares the abode of  
24 the employee; eligibility to remain enrolled in the School shall  
25 terminate at the end of any school year during which a student  
26 becomes a nonresident of the State. The Board of Trustees shall  
27 ensure, insofar as possible without jeopardizing admission standards,  
28 that an equal number of qualified rising high school juniors is admitted  
29 to the program and to the residential summer institutes in science and  
30 mathematics from each of North Carolina's congressional districts. In  
31 no event shall the differences in the number of rising high school  
32 juniors offered admission to the program from each of North  
33 Carolina's congressional districts be more than two and one-half  
34 percentage points from the average number per district who are offered  
35 admission."

36           **SECTION 8.** G.S. 115D-89(a) reads as rewritten:

37       "(a) The State Board of Community Colleges, acting by and through the President  
38 of the Community College System, shall have authority to administer and enforce this  
39 Article and to grant and issue licenses to proprietary business schools, proprietary trade  
40 schools, proprietary technical schools, and correspondence schools, whose sustained  
41 curriculum is of a grade equal to that prescribed for similar public schools and  
42 educational institutions of the State and which have met the standards set forth by the  
43 Board, including but not limited to course offerings, adequate facilities, financial

1 ~~stability, stability, tuition refund policies,~~ competent personnel and legitimate operating  
2 practices."

3           **SECTION 9.** This act is effective when it becomes law. Sections 1 through  
4 7 apply beginning with the 2007-2008 academic year.