

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2011

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HOUSE BILL 702  
PROPOSED COMMITTEE SUBSTITUTE H702-PCS30350-RJ-17

Short Title: Estab. Minimum Wage Worker Scholarship Fund.

(Public)

Sponsors:

Referred to:

April 7, 2011

1 A BILL TO BE ENTITLED  
2 AN ACT TO ESTABLISH THE MINIMUM WAGE WORKER SCHOLARSHIP FUND.  
3 The General Assembly of North Carolina enacts:

4 SECTION 1. Article 23 of Chapter 116 of the General Statutes is amended by  
5 adding a new section to read:

6 "**§ 116-209.46. Minimum Wage Worker Scholarship Fund.**

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

8 (1) Eligible institution. – A school that is:

9 a. A constituent institution of The University of North Carolina as  
10 defined in G.S. 116-2(4);

11 b. A community college as defined in G.S. 115D-2(2);

12 c. A nonprofit postsecondary institution as defined in G.S. 116-22(1) or  
13 G.S. 116-43.5(a)(1); or

14 d. A postsecondary institution owned or operated by a hospital  
15 authority as defined in G.S. 131E-16(14) or school of nursing  
16 affiliated with a nonprofit postsecondary institution as defined in  
17 G.S. 116-22(1).

18 (2) Title IV. – Title IV of the Higher Education Act of 1965, as amended.

19 (b) Establish Fund. – The Minimum Wage Worker Scholarship Fund is established. The  
20 purpose of the Fund is to provide scholarships to students who have worked long term in  
21 minimum wage jobs and are pursuing a college degree. The scholarships shall be available for  
22 part-time or full-time coursework. The Authority shall administer the Fund.

23 (c) Eligibility Requirements for a Scholarship. – The Authority shall develop criteria  
24 for awarding scholarships from the Fund that include the following:

25 (1) The student shall have worked full time in a minimum wage or subminimum  
26 wage job for at least 18 consecutive months of the 24-month period  
27 immediately preceding the student's application. The student shall report the  
28 amount of time that the student has worked in a minimum wage or  
29 subminimum wage job on the application for financial aid. Applicants who  
30 have worked the greatest number of consecutive months at such jobs shall  
31 receive special consideration in awarding the scholarships.

32 (2) The student shall qualify as a legal resident of North Carolina and as a  
33 resident for tuition purposes in accordance with definitions of residency that



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- 1 may from time to time be adopted by the Board of Governors of The  
2 University of North Carolina and published in the residency manual of the  
3 Board of Governors.
- 4 (3) The student shall meet enrollment standards by one of the following  
5 methods:
- 6 a. Being admitted and enrolled in a basic skills program at a community  
7 college as defined in G.S. 115D-2(2). In order to continue to be  
8 eligible for a scholarship for a second academic year, the student  
9 shall meet achievement standards by maintaining satisfactory  
10 academic progress to enable the student to enter a degree, diploma,  
11 or certificate program at the community college in which the student  
12 is enrolled at the end of the second academic year or sooner.
- 13 b. Being admitted, enrolled, and classified as an undergraduate student  
14 in a matriculated status at an eligible postsecondary institution. In  
15 order to continue to be eligible for a scholarship for subsequent  
16 academic years, the student shall meet achievement standards by  
17 maintaining satisfactory academic progress in a course of study in  
18 accordance with the standards and practices used for federal Title IV  
19 programs by the eligible postsecondary institution in which the  
20 student is enrolled.
- 21 (4) The student shall be an eligible independent student. For purposes of this  
22 subdivision, an "eligible independent student" is a student who is classified  
23 as independent for the Title IV programs or is not a ward or dependent of the  
24 court.
- 25 (5) A student shall not receive a scholarship for study in a basic skills program  
26 for more than two full academic years. The student shall not receive a  
27 scholarship under this Article for more than four full academic years,  
28 including the academic years spent in a basic skills program.
- 29 (d) Amount of Scholarship Awards. – To the extent funds are made available for this  
30 purpose, the following shall apply:
- 31 (1) A scholarship for a minimum wage worker awarded to a student admitted to  
32 and enrolled in a basic skills program at an eligible postsecondary institution  
33 shall not exceed eleven thousand dollars (\$11,000) per academic year.
- 34 (2) A scholarship for a minimum wage worker awarded to a student who is not  
35 eligible for any federal Pell Grant and who is admitted, enrolled, and  
36 classified as an undergraduate student in a matriculated status at an eligible  
37 postsecondary institution shall not exceed eleven thousand dollars (\$11,000)  
38 per academic year.
- 39 (3) A scholarship for a minimum wage worker awarded to a student who is  
40 eligible for a federal Pell Grant shall be based upon the enrollment status and  
41 expected family contribution of the student and shall not exceed twelve  
42 thousand five hundred dollars (\$12,500) per academic year.
- 43 (4) Any other scholarship for a student at an eligible postsecondary institution  
44 shall be based upon the enrollment status and expected family contribution  
45 of the student and shall not exceed four thousand dollars (\$4,000) per  
46 academic year.
- 47 (5) No student shall receive a scholarship in an amount, that when combined  
48 with all other federal and State financial aid received by the student, exceeds  
49 the student's costs of attendance per academic year as defined for federal  
50 Title IV programs.
- 51 (e) Rule-Making Authority. – The Authority shall adopt rules to administer this Fund.

1       (f)   Report to the General Assembly. – The Authority shall report annually to the Joint  
2 Legislative Education Oversight Committee by December 1 regarding the Fund and  
3 scholarships awarded from the Fund."

4               **SECTION 2.** This act is effective when it becomes law.