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SENATE BILL DRS45389-MKa-119A

Short Title: Carolina's Guarantee Scholarship Program.	(Public)

Sponsors: Senators Garrett, Crawford, and Batch (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO ESTABLISH THE COMMUNITY COLLEGE PROMISE SCHOLARSHIP
3 PROGRAM AND TO APPROPRIATE FUNDS FOR THAT PURPOSE.
4 The General Assembly of North Carolina enacts:
5 **SECTION 1.** Article 23 of Chapter 116 of the General Statutes is amended by adding
6 a new Part to read:
7 "Part 5. Community College Promise Scholarship Program.
8 "**§ 116-209.80. Community College Promise Scholarship Program.**
9 (a) Program Purpose. – There is established the Community College Promise Scholarship
10 Program (Program) to be administered by the Authority. The purposes of the Community College
11 Promise Scholarship Program include the following:
12   (1) Utilize the State's educational resources to the fullest.
13   (2) Create more educational and career options for students.
14   (3) Realize significant cost-savings to the State.
15   (4) Develop a more competitive workforce.
16 (b) Award of Scholarships. – Within the funds made available for the Program, the
17 Authority shall annually award Community College Promise Scholarships to eligible students
18 for a maximum of four academic semesters at a North Carolina community college. The
19 Authority shall require eligible students to complete a Free Application for Federal Student Aid
20 (FAFSA) to apply for a scholarship award and shall reduce the amount of the scholarship award
21 for any student by the amount of grants or scholarships received by that student from other State
22 or federal sources. The Authority shall award scholarships to eligible students in the order in
23 which applications are received.
24 (c) Student Eligibility. – A student shall be considered an eligible student in order to
25 receive a Community College Promise Scholarship under the Program if the student meets all of
26 the following requirements:
27   (1) In the academic semester prior to enrolling in a community college, the
28   student graduates with at least a 2.0 unweighted grade point average from
29   either a (i) public high school located in this State or (ii) a nonpublic high
30   school or home school, as defined in Article 39 of Chapter 115C of the
31   General Statutes, located in this State.
32   (2) Qualify as a resident for tuition purposes under the criteria set forth in
33   G.S. 116-143.1 and in accordance with the coordinated and centralized
34   residency determination process administered by the Authority.
35   (3) The student gains admission as a student at a North Carolina community
36   college in a curriculum program.

(d)   Scholarship Renewal. – A scholarship awarded to an eligible student shall be annually renewed if the student demonstrates all of the following:

           (1)   A cumulative 2.3 grade point average.

           (2)   Maintain satisfactory academic progress, as determined by the community college.

(e)   Administration; Funds. – The Authority shall adopt rules for administration of the Community College Promise Scholarship Program in accordance with the requirements of this Part. The Authority may use up to five percent (5%) of the funds appropriated each fiscal year for the Program for administrative costs associated with the Program. Any unexpended funds for the Program at the end of the fiscal year shall not revert to the General Fund but shall remain available to award scholarships to eligible students in accordance with this Part.

"**116-209.82. Financial aid counseling program.**

Within the funds available, the Authority shall partner with the Community Colleges System Office and local school administrative units to place higher education advisers in secondary public schools throughout the State to provide outreach to high school students on the Community College Promise Scholarship Program and other financial aid assistance programs. The Authority shall ensure that the higher education advisers provide information to students on college affordability to students, FAFSA assistance, and scholarship options.

"**§ 116-209.83. Reporting requirements.**

The Authority shall report annually on or before November 1, beginning in 2022, to the Joint Legislative Education Oversight Committee on the implementation of the Community College Promise Scholarship Program. The report shall include at least the following information:

           (1)   Number of students applying for the scholarship, including information about student demographics and geographic location.

           (2)   Number of students awarded the scholarship, including information about student demographics and geographic location, and community college attended.

           (3)   Amount of funds expended for scholarships.

           (4)   Other relevant information as determined by the Authority."

SECTION 2. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of three hundred thousand dollars ($300,000) in nonrecurring funds for the 2021-2022 fiscal year to be allocated to the State Education Assistance Authority (Authority) for administrative costs in establishing the Community College Promise Scholarship Program and the financial aid counseling program pursuant to Part 5 of Article 23 of Chapter 116 of the General Statutes, as enacted by this act. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of two hundred forty-two million nine hundred sixty-two thousand forty-seven dollars ($242,962,047) in recurring funds for the 2022-2023 fiscal year to be allocated to the Authority for the purpose of awarding scholarships and for the financial aid counseling program under the Community College Promise Scholarship Program pursuant to Part 5 of Article 23 of Chapter 116 of the General Statutes, as enacted by this act, beginning with the 2022-2023 academic year. The Authority shall use the funds appropriated under this section to hire up to 100 full-time higher education advisers to be assigned, at the discretion of the Authority, in partnership with local school administrative units in accordance with G.S. 116-209.82, as enacted by this act.

SECTION 3. This act becomes effective July 1, 2021, and applies beginning with the 2022-2023 academic year.