



This Bill Analysis reflects the contents of the bill as it was presented in committee.

# HOUSE BILL 129: High Achieving Tuition Scholarships

2015-2016 General Assembly

<b>Committee:</b>	House Education - Community Colleges, if favorable, Education - Universities, if favorable, Appropriations	<b>Date:</b>	March 17, 2015
<b>Introduced by:</b>	Reps. Elmore, Dobson, Holloway, McNeill	<b>Prepared by:</b>	Denise Adams Legislative Analyst
<b>Analysis of:</b>	PCS to First Edition H129-CSTB-5		

**SUMMARY:** House Bill 129 would create the High Achieving Tuition Scholarship Program for top performing high school students attending North Carolina Community Colleges.

The Proposed Committee Substitute (PCS) for House Bill 129 would make a variety of changes, including:

- Clarify the application process to allow eligible high school students to apply for the High Achieving Tuition Scholarship (Scholarship) prior to high school graduation.
- Clarify that the amount of the Scholarship award for any student would be reduced by the amount of grants or scholarships received by that student from other state or federal sources.
- Remove the requirement that the State Board of Community Colleges must adopt rules to ensure Scholarship recipients are providing counseling and assistance in selecting coursework and leaves the responsibility instead with the community college itself.
- Change the annual reporting date for the State Education Assistance Authority (SEAA) from March 1 to September 1.

**CURRENT LAW:** There is not currently a High Achieving Tuition Scholarship Program.

**BILL ANALYSIS:** Section 1 of the PCS would create the High Achieving Tuition Scholarship Program (Program) and describe the purposes of the Program.

Section 2 of the PCS would outline the criteria for eligible students, including (i) a minimum unweighted GPA of 3.5, (ii) United States citizenship, (iii) State residency for tuition purposes, (iv) admission as a degree-seeking student at a community college, and (v) compliance with Selective Service registration requirements.

Section 3 of the PCS would authorize the SEAA to annually award Scholarships to all eligible students not to exceed the cost of 16 credit hours of tuition per academic semester for a maximum of four academic semesters. Students must complete a Free Application for Federal Student Aid (FAFSA) to be eligible for a Scholarship. The PCS would direct the SEAA to award Scholarships to eligible students in the order in which they are received and must reduce the amount of the Scholarship award by the amount of grants or scholarships received by a student from other state or federal sources. The SEAA is directed to award Scholarships beginning with the fall semester of the 2016-2017 school year to students graduating from high school in the 2015-2016 school year.

Section 4 of the PCS would require the Scholarship to be renewed if the student maintains a 3.0 GPA and completes a minimum of 30 semester credit hours by the end of the academic year.



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**Section 5** of the PCS would require a Scholarship to be revoked for any of the following at the conclusion of each semester: (i) failure to maintain a 2.5 GPA, (ii) failure to maintain a course load of at least 12 credit hours, (iii) default or unpaid refund on a student loan financial aid program, or (iv) felony conviction for a controlled substance.

**Section 6** of the PCS would direct SEAA to adopt rules for administering the Program.

**Section 7** of the PCS would require the community colleges to ensure that Scholarship recipients are provided counseling and assistance in selecting coursework. The State Board of Community Colleges (SBCC) would be required to ensure credits earned by participating students are transferable into constituent institutions of The University of North Carolina (UNC).

**Section 8** of the PCS would appropriate \$2 million from the General Fund to SEAA for 2016-2017 for administrative costs and award of Scholarships, and states the intent of the General Assembly for future appropriations.

**Section 9** of the PCS would require the UNC Board of Governors to adopt a policy to allow any student admitted to a constituent institution who receives a Scholarship to defer admission for two years, beginning with the 2016-2017 school year.

**Section 10** of the PCS would require the following reports:

- For the 2015-2016 school year, the State Board of Education (SBE) must direct local boards of education to survey high school seniors who meet the eligibility criteria for the Scholarship to determine interest in the Program. The SBE must report the survey results to the Joint Legislative Education Oversight Committee (JLEOC) by December 1, 2015.
- The UNC Board of Governors and the SBCC must jointly identify and report to the JLEOC by April 1, 2016, on potential issues with the Program
- Beginning on or before September 1, 2017, the SEAA must file an annual report with the JLEOC on the implementation of the Program.

**EFFECTIVE DATE:** The PCS would become effective July 1, 2015.