



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

Committee:	House Education - Universities, if favorable, Appropriations	Date:	March 24, 2015
Introduced by:	Reps. Elmore, Dobson, Holloway, McNeill	Prepared by:	Denise Adams
Analysis of:	PCS to Second Edition H129-CSTB-7		Legislative Analyst

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:

- Modifies the eligibility criteria to require: (i) evidence the student is either a United States citizen or eligible noncitizen, (ii) admission to a community college in a curriculum program, and (iii) an affirmative statement the student does not have a felony drug conviction.
- Modifies the scholarship renewal criteria to (i) clarify a student must have a cumulative 3.0 GPA and (ii) require an affirmative statement the student does not have a felony drug conviction.
- Modifies the appropriations piece to appropriate \$50,000 to the State Education Assistance Authority (SEAA) for the 2015-2016 fiscal year for administrative costs and \$2.0 million for the 2016-2017 fiscal year to implement the Program. Clarifies the SEAA may use up to five percent (5%) of the appropriated funds for administrative costs and provides unexpended funds would not revert at the end of the fiscal year.
- Clarifies that deferred admission awarded to students would be contingent upon the successful completion of an associate's degree and remaining in good standing in the Program.
- Makes other conforming changes.

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) evidence the student is either a United States citizen or eligible noncitizen (iii) State residency for tuition purposes, (iv) admission in a curriculum program at a community college, (v) compliance with Selective Service registration requirements, and (vi) an affirmative statement the student does not have a felony drug conviction.

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



House Bill 129

Page 2

amount of grants or scholarships received by a student from other state or federal sources. The SEAA would be 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 (i) maintains a cumulative 3.0 GPA, (ii) completes a minimum of 30 semester credit hours by the end of the academic year, and (iii) makes an affirmative statement the student does not have a felony drug conviction.

Section 5 of the PCS would require a Scholarship to be revoked at the conclusion of the first semester of an academic year if the student failed to maintain a course load of at least 12 credit hours or defaulted on a student financial aid program.

Section 6 of the PCS would direct the 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 and maintaining the necessary GPA. 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 \$50,000 from the General Fund to the SEAA for the 2015-2016 fiscal year for administrative costs. The PCS would appropriate \$2 million from the General Fund to the SEAA for the 2016-2017 fiscal year for administrative costs and award of Scholarships. The PCS would authorize the SEA to use up to five percent (5%) of the funds appropriated for administrative costs associated with the Program. Any unexpended funds at the end of the fiscal year would not revert.

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. Deferred admission awarded to students would be contingent upon the successful completion of an associate's degree and remaining in good standing in the Program.

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 15, 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.