



HOUSE BILL 132: High Achieving Tuition Scholarships.

2017-2018 General Assembly

Committee:	House Education - K-12. If favorable, re-refer to Education - Community Colleges. If favorable, re-refer to Appropriations	Date:	April 4, 2017
Introduced by:	Reps. Elmore, McNeill, Howard	Prepared by:	Drupti Chauhan
Analysis of:	First Edition		Committee Counsel

SUMMARY: *House Bill 132 would create the High Achieving Tuition Scholarship Program for top performing high school students attending North Carolina Community Colleges.*

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

Section 2 would outline the eligibility requirements, which include: (i) a minimum unweighted GPA of 3.5 in the academic semester prior to enrolling in a community college from public or nonpublic high school in the State or a home school located in the State, (ii) evidence the student is either a United States citizen or eligible noncitizen (iii) resident of the State 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 would authorize the State Education Assistance Authority (SEAA) to annually award High Achieving Tuition Scholarships (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 SEAA 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 would award Scholarships beginning with the fall semester of the 2018-2019 academic year to students graduating from high school in the 2017-2018 school year.

Section 4 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 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 would direct the SEAA to adopt rules for administering the Program.

Section 7 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.

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Section 8 would appropriate \$50,000 from the General Fund to the SEAA for the 2017-2018 fiscal year for administrative costs of implementation of the Program. The bill would appropriate \$2 million for the 2018-2019 fiscal year for administrative costs and award of the Scholarships. The SEAA may 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 would require the Board of Governors of The University of North Carolina 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 2018-2019 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 would require the following reports:

- For the 2017-2018 school year, the State Board of Education (SBE) must direct local boards of education to survey high school seniors who meet the eligibility requirements for the Scholarship to determine interest in the Program, including numbers of students who intend to apply for the Scholarships and reasons that eligible students may choose not to apply. The SBE must report the survey results to the Joint Legislative Education Oversight Committee (JLEOC) by December 15, 2017.
- The Board of Governors of The University of North Carolina and the SBCC must jointly identify and report to the JLEOC by April 1, 2020, on potential issues related to the transition of Scholarship recipients from community college to university enrollment and other recommendations to improve and expand the Program.
- Beginning on or before September 1, 2019, the SEAA must file an annual report with the JLEOC on the implementation of the Program and must include information on the number of students applying for and being awarded Scholarships; the amount of funds expended for the scholarships; number of revocations of Scholarships and the reasons for the revocation; and other relevant information as determined by the SEAA.

EFFECTIVE DATE: The bill would become effective July 1, 2017.