

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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1

HOUSE BILL 42

Short Title: Education Improvement Act.

(Public)

Sponsors: Representative Warner.

Referred to: Education.

January 30, 1995

A BILL TO BE ENTITLED

1
2 AN ACT TO IMPROVE EDUCATIONAL OPPORTUNITIES FOR NORTH
3 CAROLINIANS.

Whereas, The North Carolina Constitution mandates that the benefits of The University of North Carolina, as well as other public institutions of higher education, be extended to the people of the State free of expense, as far as practicable; and

Whereas, many students who are residents of North Carolina and who can prove their ability to benefit from higher education by meeting high academic standards are unable to attend a public institution of higher education because of a lack of economic resources; and

Whereas, attendance at our public institutions of higher education should be based on the ability to learn, not the ability to pay; and

Whereas, State action that guarantees that North Carolina students with proven ability to learn can attend an institution of higher education will result in far greater long-range savings to the State than it would cost in terms of these students' increased earning capacity and the increased contributions that these students would be able to make to their society; Now, therefore,

4 The General Assembly of North Carolina enacts:

5 Section 1. This act shall be known and cited as "The Education Improvement
6 Act of 1995".

1 (3) Have no record of criminal activity since first receiving a North
2 Carolina Education Improvement Grant; and

3 (4) Be found to be in financial need.

4 **"§ 116-174.6. Financial need.**

5 All applicants must apply for Federal Title IV student financial assistance. If the
6 applicant is eligible for a Pell Grant of an amount less than the total of tuition and fees,
7 the amount of a State grant shall be equal to the difference between the amount of tuition
8 and fees and the Pell Grant amount.

9 An applicant who is found to be ineligible for a Pell Grant shall be found to be in
10 financial need for purposes of a North Carolina Education Improvement Grant if:

11 (1) The applicant's custodial parent or guardian has one dependent child
12 under the age of 21 and the adjusted gross income of the family for the
13 tax year immediately preceding the determination of financial need is
14 less than thirty thousand dollars (\$30,000);

15 (2) The applicant's custodial parent or guardian has two dependent children
16 under the age of 21 and the annual adjusted gross income of the family
17 for the tax year immediately preceding the determination of financial
18 need is less than thirty-five thousand dollars (\$35,000); or

19 (3) The applicant's custodial parent or guardian has three or more dependent
20 children under the age of 21 and the annual adjusted gross income of the
21 family for the tax year immediately preceding the determination of
22 financial need is less than forty thousand dollars (\$40,000).

23 The annual adjusted gross income of the family for the tax year immediately preceding
24 the determination of financial need shall be verified by that year's Internal Revenue
25 Service tax returns.

26 **"§ 116-174.7. Program administration.**

27 The Commission shall make determinations of eligibility to receive grants under this
28 Article. Administration of the funding for these grants shall be vested in the Authority.

29 **"§ 116-174.8. Education Improvement Commission.**

30 (a) There is created the Education Improvement Commission. The Commission
31 shall be responsible for determining eligibility to receive grants under this Article. The
32 Commission shall be located administratively under the Board of Governors of The
33 University of North Carolina but shall exercise all its prescribed statutory powers
34 independently of the Board of Governors.

35 (b) The Commission shall consist of 13 members as follows: three members
36 appointed by the General Assembly upon the recommendation of the President Pro
37 Tempore of the Senate in accordance with G.S. 120-121, one of whom shall be
38 recommended by the President Pro Tempore of the Senate to serve as cochair; three
39 members appointed by the General Assembly upon the recommendation of the Speaker
40 of the House of Representatives in accordance with G.S. 120-121, one of whom shall be
41 recommended by the Speaker of the House of Representatives to serve as cochair; three
42 members to be appointed by the Governor; and four members serving ex officio: the
43 Chairman of the Board of Governors of The University of North Carolina; the Chairman

1 of the State Board of Community Colleges; the Chairman of the North Carolina
2 Association of Independent Colleges and Universities; and the Chairman of the State
3 Board of Education. Members serving ex officio may designate others to represent them
4 on the Commission.

5 (c) One of the members recommended by the President Pro Tempore of the
6 Senate, one of the members recommended by the Speaker of the House of
7 Representatives, and two of the members appointed by the Governor shall serve an initial
8 term of two years, to expire on July 1, 1997. The remainder of the appointive members
9 shall serve an initial term of four years, to expire on July 1, 1999. Their successors shall
10 serve for four-year terms. Vacancies shall be filled by the office making the initial
11 appointment and for the remainder of the expired term only. The initial meeting of the
12 Commission shall be called jointly by the cochairs and the Commission shall meet at
13 least once each quarter at the call of the cochairs.

14 (d) Members of the Commission who are not State officers or employees shall
15 receive per diem and necessary travel and subsistence expenses in accordance with G.S.
16 138-5. Members who are State officers or employees shall be reimbursed for travel and
17 subsistence in accordance with G.S. 138-6.

18 (e) The Board of Governors shall provide requested professional and clerical staff
19 to the Commission. The Commission may also employ professional and clerical staff and
20 may hire outside consultants to assist it in its work.

21 (f) The Commission, in consultation with the Authority, shall develop and adopt
22 rules pursuant to Chapter 150B of the General Statutes to govern eligibility
23 determinations. These rules shall include:

24 (1) A mechanism for informing all students of the availability of the
25 assistance provided pursuant to this section early enough in their
26 schooling that a salutary motivational effect is possible;

27 (2) Applications, forms, financial audit procedures, eligibility, and other
28 program audit procedures, and other matters related to efficient
29 operation; and

30 (3) Provision for appeals of eligibility determinations. All appeals shall be
31 heard pursuant to Article 3 of Chapter 150B of the General Statutes.

32 (g) The Commission is an authorized agency pursuant to G.S. 7A-675 to have
33 access to juvenile records. When any person who has not reached the eighteenth birthday
34 is convicted of any felony or misdemeanor or offense under G.S. 90-95 or Article 3 of
35 Chapter 18B of the General Statutes or is adjudicated delinquent for acts that would
36 constitute one or more of these specified offenses if committed by an adult, the court
37 shall report the conviction or adjudication of delinquency to the Commission within 30
38 days.

39 **"§ 116-174.9. Amount of grants/payment.**

40 (a) Eligible students shall receive a grant to cover the costs of tuition and fees at
41 the institution of higher education in which the student enrolls, as follows:

42 (1) If the student attends a senior constituent institution of The University
43 of North Carolina or a community college, full tuition and fees; or

1 (2) If the student attends a private junior or senior college, the average of
2 the amount of tuition and fees charged by the senior constituent
3 institutions of The University of North Carolina, which designation
4 excludes the North Carolina School of the Arts.

5 (b) Payments of tuition and fees shall be made by the Authority directly to the
6 institution to which the tuition is due after notice from the Commission to the institution
7 that the State shall pay the tuition of a student and after notice from the institution to the
8 Authority that the student has actually enrolled.

9 (c) No student shall receive a grant pursuant to this Article in an amount greater
10 than the tuition and fees charged by the institution. The student shall apply for a federal
11 grant prior to receiving State aid pursuant to this Article."

12 Sec. 3. Article 23 of Chapter 116 of the General Statutes is amended by
13 adding a new section to read:

14 "**§ 116-209.25. North Carolina Education Improvement Grants.**

15 In addition to all other powers and duties vested or imposed under this Article, the
16 Authority shall administer the funding for the North Carolina Education Improvement
17 Grants awarded by the Education Improvement Commission pursuant to Article 18B of
18 this Chapter. In order to accomplish the purposes of this section, the Authority may:

19 (1) In consultation with the Education Improvement Commission, adopt
20 rules to implement the funding of the North Carolina Education
21 Improvement Grants;

22 (2) Receive from the General Fund or other sources those funds the General
23 Assembly may authorize to cover, in addition to any other available
24 funds, the costs of tuition and fees required to be paid to eligible
25 students under Article 18B of this Chapter, both initial and continuing,
26 for the coming academic year; and

27 (3) Seek, accept, and expend funds from any source, including private
28 business, industry, foundations, and other groups as well as any federal
29 or other governmental funding available for this purpose."

30 Sec. 4. There is appropriated from the General Fund to the Board of
31 Governors of The University of North Carolina the sum of ten million dollars
32 (\$10,000,000) for the 1995-96 fiscal year and the sum of twenty million dollars
33 (\$20,000,000) for the 1996-97 fiscal year, to implement this act. The Board of Governors
34 shall allocate funds to the Education Improvement Commission established by this act
35 and to the Education Assistance Authority according to a schedule of allocation it
36 establishes.

37 Sec. 5. This act becomes effective July 1, 1995, and applies to payments made
38 for academic years beginning with the 1995-96 academic year.