GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2003

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HOUSE DRH45048-LH-138 (03/25)

Short Title: Campus Initiated Tuition & Fee Increase. (Public)

Sponsors: Representative Gorman.

Referred to:

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A BILL TO BE ENTITLED

AN ACT TO PROVIDE THAT THE GENERAL ASSEMBLY MUST BE INFORMED OF ANY REQUEST FOR A CAMPUS INITIATED INCREASE IN TUITION OR FEES THAT IS APPROVED BY THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA AND TO PROVIDE THAT THE CAMPUS INITIATED INCREASE IN TUITION OR FEES SHALL NOT BECOME EFFECTIVE UNLESS SPECIFICALLY AUTHORIZED BY THE GENERAL ASSEMBLY.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 116-40.22(c) reads as rewritten:

"(c) Tuition and Fees. – Notwithstanding any provision in Chapter 116 of the General Statutes to the contrary, in addition to any tuition and fees set by the Board of Governors pursuant to G.S. 116-11(7), the Board of Trustees of the institution may recommend to the Board of Governors tuition and fees for program-specific and institution-specific needs at that institution without regard to whether an emergency situation exists and not inconsistent with the actions of the General Assembly. If the Board of Governors approves the request, then the Board of Governors shall include the request in the recommended budget presented to the Governor, the Advisory Budget Commission, and the General Assembly pursuant to G.S. 116-11. The If the request is approved by the General Assembly, the institution shall retain any tuition and fees set pursuant to this subsection for use by the institution."

SECTION 2. G.S. 116-11(7) reads as rewritten:

"(7) The Board shall set tuition and required fees at the institutions, not inconsistent with actions of the General—Assembly. Assembly; however, no tuition or fee increase requested by a constituent institution under G.S. 116-40.22(c) shall become effective until it is specifically authorized by the General Assembly."

SECTION 3. G.S. 116-11(9) reads as rewritten:

"(9) a. The Board of Governors shall develop, prepare and present to the Governor, the Advisory Budget Commission and the General Assembly a single, unified recommended budget for all of public senior higher education. The recommendations shall consist of requests in three general categories: (i) funds for the continuing operation of each constituent institution, (ii) funds for salary increases for employees exempt from the State Personnel Act and (iii) funds requested without reference to constituent institutions, itemized as to priority and covering such areas as new programs and activities, expansions of programs and activities, increases in enrollments, increases to accommodate internal shifts and categories of persons served, capital improvements, improvements in levels of operation and increases to remedy deficiencies, as well as other areas. The Board of Governors shall also include in the recommended budget for consideration of the General Assembly any increase in tuition and fees for program-specific and institution-specific needs requested by a constituent institution and approved by the Board of Governors under G.S. 116-40.22. The function of the Advisory Budget Commission under this section applies only if the Director of the Budget consults with the Commission in preparation of the budget.

Funds for the continuing operation of each constituent b. institution shall be appropriated directly to the institution. Funds for salary increases for employees exempt from the State Personnel Act shall be appropriated to the Board in a lump sum for allocation to the institutions. Funds for the third category in paragraph a of this subdivision shall be appropriated to the Board in a lump sum for allocation to the institutions. The Board shall make allocations among the institutions in accordance with the Board's schedule of priorities and any specifications in the Current Operations Appropriations Act. When both the Board and the Director of the Budget deem it to be in the best interest of the State, funds in the third category may be allocated, in whole or in part, for other items within the list of priorities or for items not included in the list. Provided, nothing herein shall be construed to allow the General Assembly, except as to capital improvements, to refer to particular constituent institutions in any specifications as to priorities in the third category. Prior to taking any action under this paragraph, the Director of the Budget may consult with the Advisory Budget Commission.

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| 1 | c. | The Director of the Budget may, on recommendation of the |
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| 2 | | Board, authorize transfer of appropriated funds from one |
| 3 | | institution to another to provide adjustments for over or under |
| 4 | | enrollment or may make any other adjustments among |
| 5 | | institutions that would provide for the orderly and efficient |
| 6 | | operation of the institutions. Prior to taking any action under |
| 7 | | this paragraph, the Director of the Budget may consult with the |
| 8 | | Advisory Budget Commission. |
| 9 | d. | Repealed by Session Laws 1987, c. 795, s. 27." |
| 10 | SECTION 4 | This act becomes effective July 1, 2003. |
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