A BILL TO BE ENTITLED
AN ACT TO PROVIDE ACCESS TO EDUCATION AND JOB READINESS SKILLS FOR INDIVIDUALS INCARCERATED IN STATE PRISONS AND LOCAL JAILS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 115C-499.2 reads as rewritten:
"(2) The student must meet all other eligibility requirements for the federal Pell Grant, with the exception of the expected family contribution and any eligibility requirements related to whether an individual is incarcerated in a State penal institution."

SECTION 2. G.S. 115D-40.1(c) reads as rewritten:
"(c) Administration of Program. – The State Board shall adopt rules and policies for the disbursement of the financial assistance provided in subsections (a) and (b) of this section. Degree, diploma, and certificate students must complete a Free Application for Federal Student Aid (FAFSA) to be eligible for financial assistance. An incarcerated individual who is not eligible for federal assistance on the basis of the incarceration shall not be disqualified from receiving financial assistance pursuant to this section. The State Board may contract with the State Education Assistance Authority for administration of these financial assistance funds. These funds shall not revert at the end of each fiscal year but shall remain available until expended for need-based financial assistance. The interest earned on the funds provided in subsections (a) and (b) of this section may be used to support the costs of administering the Community College Grant Program. If the interest earnings are not adequate to support the administrative costs, up to one percent (1%) of funds provided in subsection (a) of this section may be used to support the costs of administering the Community College Grant Program."

SECTION 3. G.S. 116-25.1 reads as rewritten:
"§ 116-25.1. Semester limitation on eligibility for The University of North Carolina need-based financial aid grants.
(a) Except as otherwise provided by this section, a student shall not receive a grant from The University of North Carolina Need-Based Financial Aid Program for more than 10 full-time academic semesters, or its equivalent if enrolled part-time, unless the student is enrolled in a program officially designated by the Board of Governors as a five-year degree program. If a student is enrolled in such a five-year degree program, then the student shall not receive a need-based grant from The University of North Carolina Need-Based Financial Aid Program for more than 12 full-time academic semesters or its equivalent if enrolled part-time.
(b) Upon application by a student, the constituent institution may grant a waiver to the student who may then receive a grant for the equivalent of one additional full-time academic semester if the student demonstrates that any of the following have substantially disrupted or
interrupted the student's pursuit of a degree: (i) a military service obligation, (ii) serious medical
debilitation, (iii) a short-term or long-term disability, or (iv) other extraordinary hardship. The
Board of Governors shall establish policies and procedures to implement the waiver provided by
this subsection.

(c) An incarcerated individual who is not eligible for federal assistance on the basis of
the incarceration shall not be disqualified from receiving financial assistance under The
University of North Carolina Need-Based Financial Aid Program if the individual otherwise
meets the requirements of the program."

SECTION 4. G.S. 116-143.1 is amended by adding a new subsection to read:

"(e1) Notwithstanding any other provision of this section, an individual's incarceration in a
State penal institution located in North Carolina shall be prima facie evidence of the individual's
legal residence in North Carolina, which may be reinforced or rebutted by other evidence of legal
residence requested of the individual. The individual qualifying as a legal resident under this
subsection shall be (i) permitted to enroll in an institution of higher education and receive State
financial assistance as a resident without necessity of meeting the 12-month duration
requirement of this section and (ii) classified as a resident for the purposes of receiving the
in-State tuition rate. Nothing in this subsection shall be deemed to confer legal residency on an
individual for any other purpose."

SECTION 5. G.S. 116-281 reads as rewritten:

"(2) The student must meet all other eligibility requirements for the federal Pell
Grant, with the exception of the expected family contribution, contribution and
any eligibility requirements related to whether an individual is incarcerated in
a State penal institution."

SECTION 6.(a) Section 8.3 of S.L. 2010-31 reads as rewritten:

"SECTION 8.3(a) Funds appropriated for community college courses for prison inmates
shall be used only for inmates in State prisons. The first priority for the use of these funds shall
be to restore the FTE for basic skills courses to the FY 2008-2009 level. Funds not needed for
this purpose may be used for continuing education and curriculum courses related to job skills
training. These funds shall not be used for Associate of Arts, Associate of Science, or Associate
of General Education degrees.

"SECTION 8.3(b) Courses in federal prisons or local jails shall not earn regular budget
full-time equivalents, but may be offered on a self-supporting basis.

..."

SECTION 6.(b) G.S. 115D-5(c) reads as rewritten:

"(c) No course of instruction shall be offered by any community college at State expense
or partial State expense to any captive or co-opted group of students, as defined by the State
Board of Community Colleges, without prior approval of the State Board of Community
Colleges. All course offerings approved for State prison inmates or prisoners in local jails must
be tied to clearly identified job skills, transition needs, or both. Approval by the State Board of
Community Colleges shall be presumed to constitute approval of both the course and the group
served by that institution. The State Board of Community Colleges may delegate to the President
the power to make an initial approval, with final approval to be made by the State Board of
Community Colleges. A course taught without such approval will not yield any full-time
equivalent students, as defined by the State Board of Community Colleges."

SECTION 6.(c) Beginning with the 2019-2020 academic year, community college
courses offered in local jails shall earn regular budget full-time equivalents.

SECTION 7. This act becomes effective July 1, 2019. Sections 1 through 5 of this
act apply to the award of State financial assistance beginning with the 2020-2021 academic year.