

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

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SENATE BILL 602

Short Title: NC Hope Tuition Program. (Public)

Sponsors: Senators D. Davis, Steinburg, and Britt (Primary Sponsors).

Referred to: Rules and Operations of the Senate

April 4, 2019

A BILL TO BE ENTITLED

1 AN ACT TO ESTABLISH THE NC HOPE TUITION WAIVER PROGRAM FOR CERTAIN
2 STUDENTS GRADUATING FROM COOPERATIVE INNOVATIVE HIGH SCHOOLS
3 WHO ATTEND AN NC PROMISE CONSTITUENT INSTITUTION.
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5 Whereas, dual enrollment opportunities for high school students have been available
6 in North Carolina for many years but have significantly grown since the establishment of the
7 early college model, now known as the cooperative innovative high school program; and

8 Whereas, enrollment at a North Carolina cooperative innovative high school enables
9 students to concurrently obtain a high school diploma and complete an associate degree program
10 at no cost to the student; and

11 Whereas, this type of early college high school program can increase access to higher
12 education for low-income, first-generation college, and underrepresented students by providing
13 support to students in a smaller learning environment and preparing them for the transition to
14 postsecondary education; and

15 Whereas, research has shown graduates of this type of early college high school
16 program are five to seven times more likely to complete postsecondary credentials within four
17 years of high school graduation compared to graduates from traditional high schools; and

18 Whereas, research has shown that students of color who attend this type of early
19 college high school program are nearly ten times more likely to obtain a college degree than
20 students of color who attend traditional high schools; and

21 Whereas, research has shown that among students from low-income families, those
22 who attend this type of early college high school program are approximately 8.5 times more
23 likely to obtain a college degree than those who attend traditional high schools; and

24 Whereas, according to the most recent data from the Federal Reserve Bank of New
25 York, total student debt now tops \$1.5 trillion and has been increasing by 170 percent over the
26 past decade; and

27 Whereas, North Carolina is ranked 10th among the states with the highest amount of
28 aggregate student loan debt at \$38.2 billion and 1,100,000 borrowers; and

29 Whereas, the General Assembly created the NC Promise Program, beginning in 2018,
30 to increase enrollment at three constituent institutions to include Elizabeth City State University,
31 a Historically Black College and University (HBCU) in northeastern North Carolina; UNC
32 Pembroke, a Historically Minority Serving Institution (MSI) in southeastern North Carolina; and
33 Western Carolina University, an institution seeking to enroll underserved students in western
34 North Carolina, by fixing tuition at a lower rate for resident and nonresident students with the
35 goal of strengthening educational programs at the institutions, providing more opportunities for



1 underrepresented and underserved students, reducing student debt, and invigorating the
2 surrounding communities; Now, therefore,
3 The General Assembly of North Carolina enacts:

4 **SECTION 1.** Article 14 of Chapter 116 of the General Statutes is amended by adding
5 a new section to read:

6 **"§ 116-143.15. NC Hope Tuition Waiver Program; establishment and purpose.**

7 (a) Program Established; Purpose. – Notwithstanding any other provision of law, the NC
8 Hope Tuition Waiver Program (Program) is established to waive the cost of tuition for up to two
9 years for students who (i) graduate from a cooperative innovate high school approved pursuant
10 to G.S. 115C-238.51A, (ii) earn at least an associate degree prior to graduation from the high
11 school, and (iii) meet enrollment requirements and attend Elizabeth City State University, the
12 University of North Carolina at Pembroke, or Western Carolina University. The purpose of the
13 Program is to further assist students who have received an associate degree during their high
14 school experience to complete at least a baccalaureate degree at an eligible constituent institution
15 at no cost, except for applicable fees, and encourage enrollment at those constituent institutions
16 participating in the NC Promise Tuition Plan pursuant to G.S. 116-143.11.

17 (b) Program Funds. – The State shall "buy down" the amount of any financial obligation
18 resulting from the waiver of tuition that may be incurred by Elizabeth City State University, the
19 University of North Carolina at Pembroke, and Western Carolina University as a result of this
20 section, in addition to the "buy down" in the amount of any financial obligation resulting from
21 the set tuition rate under G.S. 116-143.11.

22 (c) Student Eligibility. – To be eligible to receive the tuition waiver provided by this
23 section, a person shall satisfy all of the following conditions:

- 24 (1) Have graduated from a cooperative innovative high school approved pursuant
25 to G.S. 115C-238.51A.
- 26 (2) Have earned at least an associate degree prior to graduation from the high
27 school.
- 28 (3) Be enrolled in Elizabeth City State University, the University of North
29 Carolina at Pembroke, or Western Carolina University.
- 30 (4) Be making satisfactory academic progress towards obtaining a baccalaureate
31 degree once enrolled in an eligible constituent institution.

32 (d) Term of Waiver. – The total amount of the waiver of tuition for a student pursuant to
33 this section shall not exceed the cost of the hours required for the student to obtain a baccalaureate
34 degree at the eligible constituent institution for a period of up to two years. If a student who is
35 eligible for a tuition waiver under this section also receives a scholarship or other grant covering
36 the cost of attendance at the eligible constituent institution, then the amount of the tuition waiver
37 shall be reduced so that the sum of all grants and scholarship aid covering the cost of attendance
38 shall not exceed the cost of the waiver."

39 **SECTION 2.** G.S. 116-143.11 reads as rewritten:

40 **"§ 116-143.11. NC Promise Tuition Plan; State "buy down" of certain financial obligations;**
41 **annual report.**

42 (a) The NC Promise Tuition Plan shall be established and implemented as provided by
43 this section. Notwithstanding G.S. 116-143 and G.S. 116-11(7), the Board of Governors of The
44 University of North Carolina shall set the rate of undergraduate tuition for Elizabeth City State
45 University, the University of North Carolina at Pembroke, and Western Carolina University as
46 follows: beginning with the 2018 fall academic semester, the rate of tuition for students deemed
47 to be North Carolina residents for purposes of tuition shall be five hundred dollars (\$500.00) per
48 academic semester and the rate of tuition for nonresident students shall be two thousand five
49 hundred dollars (\$2,500) per academic semester. A student enrolled in one of the constituent
50 institutions who is participating in the NC Hope Tuition Waiver Program shall have the tuition

1 rate set for students deemed to be North Carolina residents waived in accordance with
2 G.S. 116-143.15.

3 (b) Notwithstanding any other provision of law, the State shall "buy down" the amount
4 of any financial obligation resulting from the established tuition rate or a tuition waiver pursuant
5 to G.S. 116-143.15 that may be incurred by Elizabeth City State University, the University of
6 North Carolina at Pembroke, and Western Carolina University.

7 (c) When implementing the provisions of this section, the Board of Governors shall give
8 due consideration to maintaining the unique historical character of each institution, including
9 service to students who are first generation, college-going, economically disadvantaged, or
10 minority.

11 (d) By October 1, 2018, and by October 1 of each year thereafter, the Board of Governors
12 and the chancellors of Elizabeth City State University, the University of North Carolina at
13 Pembroke, and Western Carolina University, respectively, shall submit a report to the Joint
14 Legislative Education Oversight Committee, the House Appropriations Committee on
15 Education, the Senate Appropriations Committee on Education/Higher Education, and the Fiscal
16 Research Division on the amount of any financial obligation resulting from the established tuition
17 rate incurred at each constituent institution and at least the following information for the fiscal
18 year:

19 (1) The amount required to offset the forgone tuition receipts at each of the three
20 constituent institutions as a result of the tuition rate established by this section
21 and any waiver of tuition pursuant to G.S. 116-143.15 and how those funds
22 were allocated to each constituent institution.

23 (2) The number of enrolled resident students at each constituent institution.

24 (3) The number of enrolled nonresident students at each constituent institution."

25 **SECTION 3.** This act becomes effective July 1, 2019, and applies beginning with
26 the 2019-2020 academic year.