A BILL TO BE ENTITLED
AN ACT TO PROVIDE TUITION GRANTS FOR HIGH-ACHIEVING HIGH SCHOOL GRADUATES TO ATTEND CONSTITUENT INSTITUTIONS OF THE UNIVERSITY OF NORTH CAROLINA.

The General Assembly of North Carolina enacts:

SECTION 1. Article 23 of Chapter 116 of the General Statutes is amended by adding a new Part to read:


§ 116-209.100. Definitions.
For purposes of this Part, the following definitions shall apply:

(1) High-achieving high school graduate. – A graduate from a public or nonpublic high school who has completed the minimum educational requirements for admission to The University of North Carolina with a minimum cumulative grade point average of 3.2, calculated on a 4.0 scale, or its equivalent.

(2) Public or nonpublic high school. – Any of the following providing secondary instruction and located in North Carolina:
   a. A school in a public school unit, as defined in G.S. 115C-5(7a).
   b. A school operated by the Department of Health and Human Services.
   c. A school operated by the Division of Adult Correction and Juvenile Justice of the Department of Public Safety.
   d. A school operated by the Department of Defense pursuant to 10 U.S.C. § 2164.
   e. A school that meets the requirements of Part 1 or 2 of Article 39 of Chapter 115C of the General Statutes.

§ 116-209.101. Tuition grants for graduates to attend a constituent institution.
(a) Within the funds available, a high-achieving high school graduate in each academic semester who meets the following conditions shall be eligible for a tuition grant awarded under this Part:

   (1) Is a resident for tuition purposes under the criteria set forth in G.S. 116-143.1 and in accordance with the coordinated and centralized residency determination process administered by the Authority.
   (2) Enrolls as a full-time student in a constituent institution of The University of North Carolina in the next academic year after graduation.

(b) Students who receive initial tuition grants as a cohort of a high school graduating class shall also be eligible to apply for tuition grants for subsequent academic semesters for up to a total of five academic semesters in an undergraduate program. A student must be continuously
enrolled in a constituent institution of The University of North Carolina after the award of the initial tuition grant to be eligible for tuition grants in subsequent academic semesters. The Authority shall have the discretion to waive this requirement if the student is able to demonstrate 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.

(c) The amount of the tuition grant to each graduate shall be determined and distributed as provided in G.S. 116-209.102.

§ 116-209.102. Administration of tuition grants.

(a) The Authority shall administer the tuition grants provided for in this Part pursuant to guidelines and procedures established by the Authority consistent with its practices for administering State-funded financial aid. The guidelines and procedures shall include an application process and schedule, notification and disbursement procedures, standards for reporting, and standards for return of tuition grants when a student withdraws. The Authority shall not approve any grant until it receives proper certification from the appropriate constituent institution that the student applying for the grant is an eligible student. Upon receipt of the certification, the Authority shall remit, at the times it prescribes, the tuition grant to the constituent institution on behalf, and to the credit, of the student. In the event a student on whose behalf a tuition grant has been paid is not enrolled and carrying a minimum academic load as of the tenth classroom day following the beginning of the school term for which the tuition grant was paid, the constituent institution shall refund the full amount of the tuition grant to the Authority.

(b) The amount of the grant awarded to a student shall be two thousand five hundred dollars ($2,500) per semester.

(c) In the event there are not sufficient funds to provide each eligible student who has applied in accordance with the application process and the schedule established by the Authority with a full tuition grant as provided by this Part, each eligible student shall receive a pro rata share of funds available for the academic year covered by the appropriation in the preceding fiscal year.

(d) The Authority may use up to five percent (5%) of the funds appropriated each year for tuition grants under this Part for administrative costs."

SECTION 2.(a) There is appropriated from the General Fund to the Board of Governors of The University of North Carolina for the 2022-2023 fiscal year the sum of one hundred million dollars ($100,000,000) in recurring funds to provide tuition grants to high-achieving high school graduates in accordance with Part 7 of Article 23 of Chapter 116 of the General Statutes, as enacted by this act.

SECTION 2.(b) It is the intent of the General Assembly to appropriate the following additional funds for the purpose of awarding tuition grants for future high-achieving high school graduates:

(1) For the 2023-2024 fiscal year, the additional sum of one hundred million dollars ($100,000,000) in recurring funds.

(2) For the 2024-2025 fiscal year, the additional sum of fifty million dollars ($50,000,000) in recurring funds.

SECTION 3. This act becomes effective July 1, 2022. Section 1 of this act applies beginning with high-achieving high school graduates from the 2021-2022 school year.