

Financial Aid Overview  
Joint Subcommittee on Education Appropriations  
February 17, 2011

# **Attachment 6**

Comprehensive Study of  
Community College Tuition Waivers

Prepared by Fiscal Research Division



# NORTH CAROLINA GENERAL ASSEMBLY

## Legislative Services Office

George R. Hall, Legislative Services Officer

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*Marilyn Chism, Director*

February 16, 2011

The Honorable Thom Tillis  
Speaker of the House  
North Carolina General Assembly  
2304 State Legislative Building  
Raleigh, NC 27601

The Honorable Phil Berger  
President Pro Tempore  
North Carolina General Assembly  
2008 State Legislative Building  
Raleigh, NC 27601

Dear Speaker Tillis and Senator Berger:

In accordance with Session Law 2010-31, Senate Bill 897, Section 8.4.(d), the Fiscal Research Division of the North Carolina General Assembly hereby submits a comprehensive study of the currently authorized community college tuition waivers.

If you have any questions, please contact Andrea Poole at [andrea.poole@ncleg.net](mailto:andrea.poole@ncleg.net) or 733-4910.

Sincerely,

A handwritten signature in cursive script that reads "Marilyn Chism".

Marilyn Chism

Enclosure

cc: Denise Weeks, House Principal Clerk  
Janet Pruitt, Senate Principal Clerk  
Legislative Library (2)



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## Comprehensive Study of Currently Authorized Community College Tuition Waivers

### Introduction

Session Law 2010-31, Section. 8.4.(d), (Senate Bill 897) directed the Fiscal Research Division to conduct a comprehensive study of community college tuition waivers. Specifically, the section directed:

***SECTION 8.4.(d)** The Fiscal Research Division, in consultation with the Community Colleges System Office, shall make a comprehensive study of the currently authorized tuition waivers and shall report to the 2011 General Assembly on waivers that should be modified or abolished because they are not being used or for other reasons.*

This report is the Fiscal Research Division's response to this special provision. The Division consulted with the North Carolina Community College System Office staff, including finance, programmatic, and auditing staff. Additionally, the Division surveyed the fifty-eight community colleges to identify for whom tuition was being waived and which tuition waivers are unused.

### Summary of Types and Amount of Tuition Waivers

The State of North Carolina subsidizes community college education for almost all in-state students<sup>1</sup> at its community colleges by setting tuition rates below the full cost of education. For example, in FY 2010-11, in-state tuition for curriculum classes only covers one-third of the cost of a full-time equivalent student (FTE).<sup>2</sup>

In addition to this subsidy that all in-state students receive, some students also have their tuition waived because of a waiver authorized in the General Statutes, in Session Law, or in the North Carolina Administrative Code.<sup>3</sup> Waivers are provided for curriculum or continuing education classes, and can be for specific job training or for general education. Curriculum programs are programs that lead to certificates, diplomas, or associate degrees. Continuing education programs are non-credit programs for professional training, increasing skills, or general interest. Basic skills programs, or programs leading to a high school diploma or equivalent certificate, are the third type of program provided at community colleges. Per G.S. 115D-5(b), Basic Skills courses are provided free-of-charge to students, and therefore no tuition is actually waived.

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<sup>1</sup> The exception is for self-supporting classes, or courses for which a college receives no State funding. Colleges generally charge students the full cost of "self-supporting" classes.

<sup>2</sup> FTE (or Full-Time Equivalent) is an artificial metric used for budgeting purposes. FTE is a more relevant measure than student headcount because most community college students do not enroll on a full-time basis.

<sup>3</sup> The appendix contains a comprehensive list of all community college tuition waivers.

Because of these waivers, the State actually pays more per FTE than would be expected based on tuition rates. For example, in FY 2010-11 the total cost per curriculum FTE is approximately \$5,483. Curriculum tuition per FTE in FY 2010-11 is \$1,808.<sup>4</sup> However, because many students are not required to pay tuition, actual curriculum student receipts per FTE are only \$1,534 and State appropriations pay for the remaining \$3,949 per FTE. It is important to note that colleges receive the same reimbursement per FTE regardless of whether or not tuition is waived; if tuition waived increases over time, either State appropriations make up the difference or funding per FTE goes down.

## **History**

Community College tuition waivers first appeared in North Carolina General Statutes in 1973, when the General Assembly authorized tuition waivers for local law enforcement, volunteer firemen, and prison inmates. Since then, many other groups have been added to this list. Most recently, in 2008, the General Assembly authorized tuition waivers for elementary and secondary school employees enrolled in first aid or CPR courses.

During the 2009-2010 biennium, the General Assembly mandated multiple changes to existing tuition waivers:

- The senior citizen tuition waiver was moved from G.S. 115B-2 to G.S. 115D-5(b) and, for the first time, was limited to six hours of credit instruction and one course of noncredit instruction per academic semester.
- G.S. 115D-5(b), the primary location of community college tuition waivers in the General Statutes, was reorganized in 2010, and the Human Resources Development waiver was codified in the statute at that time (previously, this waiver was State Board policy as directed by S.L. 2001-424, Section 30.3).
- G.S. 115D-5(b) was amended to make changes to the local law-enforcement officer tuition waiver, clarifying that tuition for training courses may be waived for municipal, county, or State law-enforcement officers.
- G.S. 115D-39 was amended, stating that any federal law enforcement officer whose permanent duty station is within North Carolina shall also be eligible for the State resident community college tuition rate for law-enforcement training courses.

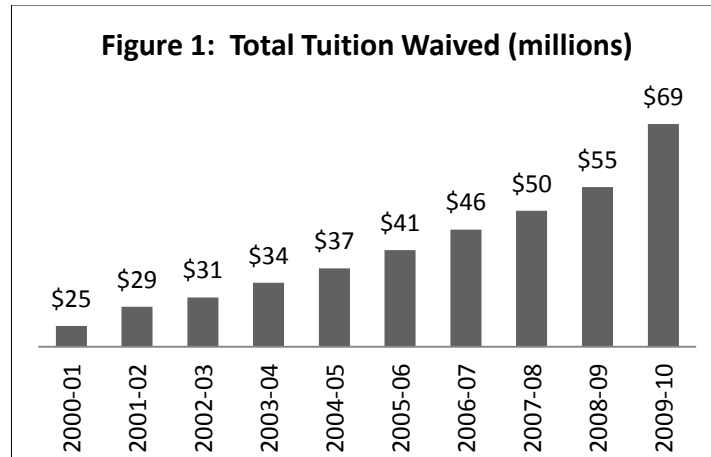
## **Cost**

In FY 2009-10, almost \$69 million in tuition was waived in the categories for which tuition waiver information is tracked<sup>5</sup>. As shown in Figure 1 (below), the total amount of tuition waived has grown steadily over the last 10 years, almost tripling between FY 2000-01 and FY 2009-10. In the same period, curriculum tuition almost doubled, rising from \$27.50 per credit hour to \$50.00 per credit hour. Continuing education fees were also increased in 2009 (for the first time since 1999), but the fee schedule was changed at the same time making a year-to-year comparison difficult. Additionally, the number of waivers granted is not tracked on a statewide level, so it is not possible to determine how much of the growth is due to tuition increases and how much is due to increases in usage.

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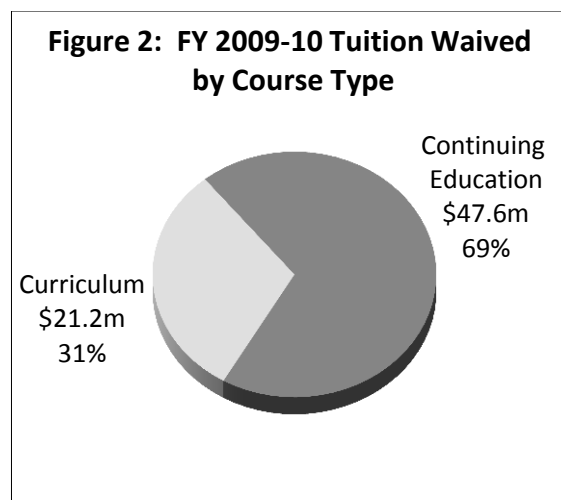
<sup>4</sup> FY 2010-11 curriculum tuition is \$56.50 per credit hour. At 16 credit hours per semester for 2 semesters, the maximum annual tuition is \$1,808.

<sup>5</sup> Out-of-state students that are permitted to pay the in-state rate are not included in this total. Additionally, although basic skills programs are provided free-of-charge to students, there is no basic skills tuition amount from which to calculate tuition waived and these courses are also not included in the total.



### Types of Waivers

Tuition is waived both for curriculum courses and for continuing education courses. As shown in Figure 2, below, in FY 2009-10, more than two-thirds of tuition waived was waived for continuing education courses. In fact, 75% of continuing education tuition is waived.

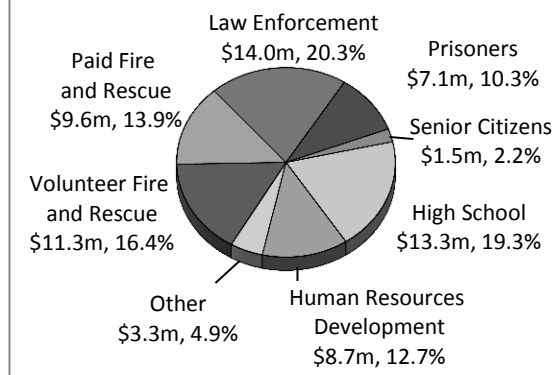


Waivers for emergency personnel represent the largest (and therefore most expensive) tuition waiver category, making up half of all tuition waived and 68% of continuing education tuition waived. Emergency personnel includes law-enforcement, paid fire and rescue, and volunteer fire and rescue personnel.

Tuition waived for high school students makes up slightly less than one fifth of all tuition waived (19%), but makes up the majority of all curriculum tuition waived (63%).

Figure 3 (below) shows the percentage and amount of tuition waived by all tracked categories.

**Figure 3: FY 2009-10 Tuition Waived by Waiver Category**



Although the “Other” category makes up a relatively small portion of the total tuition waived, it was important to find out what comprised this category to know which tuition waivers were being used and which were obsolete.

- Tuition waived for employees of the Department of Correction and the Department of Juvenile Justice and Delinquency Prevention made up the largest portion of tuition waived under “Other” (\$1.25 million or 38%).
- The most widely used “Other” tuition waiver was for full-time community college staff. Although the tuition waived was only 11% of the total “Other” waived (or \$376,749), every college reported tuition waived in this category.
- Finally, the “Other” category included waivers that colleges incorrectly included. More than \$300,000 was mistakenly reported in “Other” that should have been included in existing categories, including \$21,395 for public safety-related waivers, \$13,566 for prison inmate tuition waivers, and \$275,000 for Human Resources Development courses.
- Additionally, over \$1 million of the reported tuition waived in the “Other” category was a waiver of out-of-state to in-state tuition, including \$937,856 for out-of-state employees of North Carolina businesses.

## Recommendations

The appendix contains specific recommendations for each tuition waiver. A summary of the major concerns and recommendations follows.

### Issue One: Obsolete Tuition Waivers

**Concern:** Obsolete tuition waiver categories unnecessarily complicate the General Statutes and can lead to confusion and misapplication of tuition waivers. Unfortunately, because all of these categories are reported under “other” it is impossible to determine how long they have been unused. However, the categories identified below are either for groups that no longer exist, no longer function in the way identified in the statute, or were unaware of the tuition waiver.

**Recommendation:** Remove the following student categories from the statutes:

- Radio Emergency Associated Citizens Teams (REACT) under contract to a county as an emergency response agency
- Patients in State alcoholic rehabilitation facilities
- Clients of sheltered workshops
- Clients of adult developmental activity programs
- Students in Health and Human Services Development programs
- Members of the NC State Defense Militia

### **Issue Two: Waivers Authorized in Various Places**

**Concern:** Most community college tuition waivers are located in the NC General Statutes – either in G.S. 115D-5(b) or in G.S. 115B-2. A few tuition waivers appear only in the NC Administrative Code. Authorizing waivers outside of the General Statutes can lead to confusion and interpretations of waivers other than what was intended by the General Assembly.

**Recommendation:** Include the following tuition waivers in the General Statutes, if the General Assembly wishes to continue waiving tuition in these categories:

- NC Civil Air Patrol members
- Individuals engaged in civil preparedness
- Full-time college staff members

### **Issue Three: Strong Incentives to Increase Enrollment and Costs**

**Concern:** Community colleges are funded at the same amount per FTE regardless of how much tuition is paid by their students, therefore colleges could have a financial incentive to increase enrollment as much as possible. This potential incentive is typically balanced by a student's ability and willingness to pay tuition. However, in the case of tuition-waived courses, students also have an incentive to take as many courses as their time allows, regardless of cost to the State. Additionally, a student faces no consequences if he registers for a class but does not attend. These incentives can lead to an increase in cost to the State over time.

**Recommendation:** Consider funding courses that are primarily tuition waived (such as public-safety-related courses and Human Resources Development courses) on a contact hour basis or on an FTE completed basis, rather than based on enrollment at the census date. Then, the State would only pay for the education received.

Alternatively, the State could reimburse courses that are primarily tuition-waived at a lower rate than other courses, recognizing that these courses are provided at a greater cost to the State. This could be accomplished either by reimbursing colleges at a lower rate per waived FTE than regular FTE or by requiring more student hours to be used to calculate a waived FTE.

Finally, the General Assembly could consider capping the amount of tuition waived. This could be achieved in a number of ways – either through specific limits on waivers, elimination of certain tuition waiver categories, or direct appropriations to groups to pay for tuition.

#### **Issue Four: Determining Which Courses are Waiver Eligible**

**Concern:** A number of the tuition waivers are for training courses. It is difficult for the General Assembly and the System Office to ensure that the waivers are granted only for the courses that the General Assembly intended. Because course names and prefixes change over time, this level of detail is generally not included in the statute. However, “training courses” is relatively vague and can be broadly interpreted, particularly when the General Assembly’s specific intent is unclear.

**Recommendation:** The General Assembly should consider rewording the General Statutes to grant the tuition waivers to the organization (for example, municipal, county, and State law-enforcement agencies) rather than the individual (municipal, county, and State law-enforcement officers) for the required training of its personnel. Such a rewording would clarify that the tuition waiver’s purpose is to assist the organization in the required training of its personnel.

#### **Issue Five: Participation Limits in Waiver Categories**

**Concern:** A number of tuition waiver categories are vague, or can be interpreted widely. The System Office requires colleges to document each instance of waived tuition, but has difficulty in determining what documentation is adequate.

**Recommendation:** The General Assembly should more specifically define certain terms, including:

- Individuals engaged in civil preparedness (23 NCAC 2D.0203 (a)(5)(F)),
- Law-enforcement officer (G.S. 115D-5(b)), and
- Rescue and lifesaving personnel (G.S. 115D-5(b)).

The recommendation for Issue Four may also assist with this issue.

#### **Issue Six: Definition of Local**

**Concern:** In the 2010 Appropriations Act (S.L. 2010-31), the General Assembly reworded the law-enforcement tuition waiver to clarify that “local” applies to only municipal, county, or State law-enforcement officers. This occurred because System Office auditors were concerned that although G.S. 115D-5(b) waived tuition for local law-enforcement officers, some colleges had waived tuition for State and Federal officers as well. According to Numbered Memo CC-89-31, in January 1989, the State Board of Community Colleges stated:

*It is the intent of the State Board of Community Colleges that tuition and fees shall be waived for federal criminal justice personnel, law enforcement personnel, firefighting personnel, lifesaving personnel and rescue personnel in the same manner as all other similar groups of state and local emergency services personnel provided that the permanent duty station of these personnel is within North Carolina.”*

Therefore, it is likely that State and Federal fire and rescue personnel have been waived under the local waiver as well.

**Recommendation:** To avoid further confusion, reword G.S. 115D-5(b) to clarify what is meant by “local” for fire departments and rescue and lifesaving departments. Consider using the wording from S.L. 2010-31, Section 8.4 for law-enforcement officers.



**Issue Seven: Spending Priorities**

Given the projected budget gap for FY 2011-12, the General Assembly may wish to consider each tuition waiver category and cost within the context of the mission of the NC Community College System. This process is outside the scope of this report.

**Issue Eight: Inaccurate Reporting**

**Concern:** During the survey of colleges' reporting in the "Other" category, it became clear that many college staff are confused about what is required in the tuition remission report and about what tuition should be reported where. This leads to inaccurate reporting.

**Recommendation:** System Office staff should re-issue guidance on the contents of the tuition remission report. Additionally, they should consider requiring colleges to report all tuition waiver categories (rather than grouping some together as "Other") to avoid the need to survey colleges in the future.

**Appendix:**  
**A Comprehensive Listing of Community College Tuition Waivers,  
Costs, Concerns, and Recommendations**

## **1. Training Courses for Volunteer Firemen**

**Authorization:** G.S. 115D-5(b)(2)

**Amount waived in FY 2009-10:** \$8,782,524

### **Concerns:**

1. There could be an incentive to increase enrollment in fire training courses, which are almost entirely tuition-waived. (Issue Three)
2. The current wording of the tuition waiver could give the impression that volunteer firemen may take any training courses they would like, rather than courses specifically required for their volunteer firefighting. For example, a volunteer firefighter could attempt to receive a tuition waiver for courses related to their full-time employment. (Issue Four)
3. From conversations with local and volunteer fire department personnel, it appears that the reported amount of tuition waived might appear disproportionately higher than that for lifesaving and law-enforcement personnel because firefighting courses are set up as a series of courses (each with its own fee) rather than one, larger course.

### **Recommendations:**

1. Consider having colleges reimbursed for FTE completions or contact hours rather than enrollments in courses that are largely tuition waiver-based. (Issue Three)
2. Reword the tuition waiver so that the waiver is to volunteer fire departments for necessary training of their volunteer firemen. (Issue Four)

## **2. Training Courses for Local Fire Department Personnel**

**Authorization:** G.S. 115D-5(b)(2)

**Amount waived in FY 2009-10:** \$6,950,539

### **Concerns:**

1. There could be an incentive to increase enrollment in fire training courses, which are almost entirely tuition-waived. (Issue Three)
2. The current wording of the tuition waiver could give the impression that firemen may take any training courses they would like, rather than courses specifically required for their firefighting. (Issue Four)
3. From conversations with local and volunteer fire department personnel, it appears that the reported amount of tuition waived might appear disproportionately higher than that for lifesaving and law-enforcement personnel because firefighting courses are set up as a series of courses (each with its own fee) rather than one, larger course.
4. State and federal firemen may also be receiving the waiver for local fire department personnel. (Issue Six)

### **Recommendations:**

1. Consider having colleges reimbursed for FTE completions or contact hours rather than enrollments in courses that are largely tuition waiver-based. (Issue Three)
2. Reword the tuition waiver so that the waiver is to fire departments for necessary training of their firemen. (Issue Four)
3. Implement similar language as was used for law enforcement, permitting the waiver for municipal, county, or State fire departments, and charge in-state tuition for federal fire personnel with a permanent duty station within NC. (Issue Six)

### **3. Training Courses for Volunteer Rescue and Lifesaving Department Personnel**

**Authorization:** G.S. 115D-5(b)(2)

**Amount waived in FY 2009-10:** \$2,467,885

**Concerns:**

1. There could be an incentive to increase enrollment in rescue and lifesaving courses, which are substantially tuition-waived. (Issue Three)
2. The current wording of the tuition waiver could give the impression that volunteer rescue and lifesaving personnel may take any training courses they would like, rather than courses specifically required for their volunteer work. (Issue Four)
3. There is no definition of “rescue and lifesaving”, and it could be interpreted in a variety of ways. For example, should this category be limited to Emergency Medical Services departments or expanded to other types of rescue and lifesaving? (Issue Five)

**Recommendations:**

1. Consider having colleges reimbursed for FTE completions or contact hours rather than enrollments in courses that are largely tuition-waiver-based. (Issue Three)
2. Reword the tuition waiver so that the waiver is to volunteer rescue and lifesaving departments for necessary training of their personnel. (Issue Four)
3. More specifically define “rescue and lifesaving” to make clear the intention of the General Assembly. (Issue Five)

### **4. Training Courses for Local Rescue and Lifesaving Department Personnel**

**Authorization:** G.S. 115D-5(b)(2)

**Amount waived in FY 2009-10:** \$2,642,638

**Concerns:**

1. There could be an incentive to increase enrollment in rescue and lifesaving training courses, which are substantially tuition-waived. (Issue Three)
2. The current wording of the tuition waiver could give the impression that rescue and lifesaving personnel may take any training courses they would like, rather than courses specifically required for their work. (Issue Four)
3. There is no definition of “rescue and lifesaving”, and it could be interpreted in a variety of ways. For example, should this category be limited to Emergency Medical Services departments or expanded to other types of rescue and lifesaving (for example, swift water rescue)? (Issue Five)
4. State and federal rescue and lifesaving personnel may also be receiving the waiver for local fire department personnel. (Issue Six)

**Recommendations:**

1. Consider having colleges reimbursed for FTE completions or contact hours rather than enrollments in courses that are largely tuition waiver-based. (Issue Three)
2. Reword the tuition waiver so that the waiver is to volunteer rescue and lifesaving departments for necessary training of their personnel. (Issue Four)
3. More specifically define “rescue and lifesaving” to make clear the intention of the General Assembly. (Issue Five)
4. Implement similar language as was used for law enforcement, permitting the waiver for municipal, county, or State rescue and lifesaving departments, and charge in-state tuition for federal rescue and lifesaving department personnel with a permanent duty station within NC. (Issue Six)

**5. Training Courses for Radio Emergency Associated Citizens Team (REACT) Members When the REACT Team is Under Contract to a County as an Emergency Response Agency**

**Authorization:** G.S. 115D-5(b)(2)

**Amount waived in FY 2009-10:** No tuition was waived in this category in FY 2009-10.

**Concerns:** No colleges reported waiving tuition for REACT members under contract with a county. One college did report waiving tuition (\$110) for REACT members that were part of the county's emergency plan, waived under the Civil Preparedness Waiver. Obsolete tuition waiver categories unnecessarily complicate the General Statutes and can lead to confusion and misapplication of tuition waivers. (Issue One)

**Recommendations:** Recommend removal from the statutes. (Issue One)

**6. Training Courses for Municipal, County, or State Law-Enforcement Officers**

**Authorization:** G.S. 115D-5(b)(2)

**Amount waived in FY 2009-10:** \$13,975,447

**Concerns:**

1. There could be an incentive to increase enrollment in law-enforcement courses, which are almost entirely tuition-waived. (Issue Three)
2. The current wording of the tuition waiver could give the impression that law-enforcement officers may take any training courses they would like, rather than courses specifically required for their work. (Issue Four)

**Recommendations:**

1. Consider having colleges reimbursed for FTE completions or contact hours rather than enrollments in courses that are largely tuition waiver-based. (Issue Three)
2. Reword the tuition waiver so that the waiver is to law-enforcement departments for necessary training of their personnel. (Issue Four)

**7. Training Courses For:**

- a. **All Full-Time Custodial Employees of the Department of Correction**
- b. **Employees of the Department's Division of Community Corrections**
- c. **Employees of the Department of Juvenile Justice and Delinquency Prevention Required to be Certified Under Chapter 17C of the General Statutes and the Rules of the Criminal Justice and Training Standards Commission.**

**Authorization:** G.S. 115D-5(b)(2)

**Amount waived in FY 2009-10:** \$1,255,730

**Concerns:**

1. There could be an incentive to increase enrollment in courses for criminal-justice officers, which are largely tuition-waived. (Issue Three)

2. The current wording of the tuition waiver could give the impression that criminal-justice officers may take any training courses they would like, rather than courses specifically required for their work. (Issue Four)

**Recommendations:**

1. Consider having colleges reimbursed for FTE completions or contact hours rather than enrollments in courses that are largely tuition waiver-based. (Issue Three)
2. Reword the tuition waiver so that the waiver is to the departments for necessary training of their personnel. (Issue Four)

## **8. Patients in State Alcoholic Rehabilitation Centers**

**Authorization:** G.S. 115D-5(b)(3)

**Amount waived in FY 2009-10:** \$0

**Concerns:** Colleges reported no waivers in this category, and the Department of Health and Human Services reported no knowledge of this waiver. Obsolete tuition waiver categories unnecessarily complicate the General Statutes and can lead to confusion and misapplication of tuition waivers. (Issue One)

**Recommendations:** Recommend removal from statutes. (Issue One)

## **9. Trainees Enrolled in Courses Conducted Under the Customized Training Program**

**Authorization:** G.S. 115D-5(b)(4)

**Amount waived in FY 2009-10:** \$123,810 reported in survey of “Other”

**Concerns:** Colleges may not be uniformly reporting tuition waived under this program, as this was not one of the expected categories included under other. (Issue Eight)

**Recommendations:** The System Office should issue guidance on how to report this tuition waiver. No statutory changes are needed. (Issue Eight)

## **10. Clients of Sheltered Workshops**

**Authorization:** G.S. 115D-5(b)(5)

**Amount waived in FY 2009-10:** \$0

**Concerns:** Colleges reported no waivers in this category, and the Department of Health and Human Services reported no knowledge of this waiver. Obsolete tuition waiver categories unnecessarily complicate the General Statutes and can lead to confusion and misapplication of tuition waivers. (Issue One)

**Recommendations:** Recommend removal from the statutes. (Issue One)

## **11. Clients of Adult Developmental Activity Programs**

**Authorization:** G.S. 115D-5(b)(6)

**Amount waived in FY 2009-10:** \$0

**Concerns:** Colleges reported no waivers in this category, and the Department of Health and Human Services reported no knowledge of this waiver. Obsolete tuition waiver categories unnecessarily complicate the General Statutes and can lead to confusion and misapplication of tuition waivers. (Issue One)

**Recommendations:** Recommend removal from the statutes. (Issue One)

## **12. Students in Health and Human Services Development Programs**

**Authorization:** G.S. 115D-5(b)(7)

**Amount waived in FY 2009-10:** \$0

**Potential concerns:** Colleges reported no waivers in this category, and the Department of Health and Human Services reported no knowledge of this waiver. Furthermore, it appears that this waiver was originally intended for the Human Resources Development waiver, and was inadvertently modified when the Department of Human Resources became the Department of Health and Human Services. Obsolete tuition waiver categories unnecessarily complicate the General Statutes and can lead to confusion and misapplication of tuition waivers. (Issue One)

**Recommendations:** Recommend removal from the statutes. (Issue One)

## **13. Juveniles of Any Age Committed to the Department of Juvenile Justice and Delinquency Prevention by a Court of Competent Jurisdiction**

**Authorization:** G.S. 115D-5(b)(8)

**Amount waived in FY 2009-10:** \$0

**Concerns:** No colleges reported a waiver in this category during FY 2009-10. However, it is likely that juveniles were served, but reported under other tuition waiver categories (such as students enrolled in basic skills courses, which have no tuition, and high school students).

**Recommendations:** No action necessary. The waiver is very specifically defined, and although most juveniles in this category are served under other waiver categories it is possible that some may need to be served under this one in the future.

## **14. Members of the North Carolina State Defense Militia as Defined by G.S. 127A-5 and Administered Under Article 5 of Chapter 127A of the General Statutes**

**Authorization:** G.S. 115D-5(b)(9)

**Amount waived in FY 2009-10:** \$0

**Concerns:** Under G.S. 127A-80, the Governor is authorized to organize and maintain the North Carolina State Defense Militia. Since 1997, under then Governor Hunt, the State Defense Militia has been inactive due to legal concerns regarding State liability for members of the State Defense Militia. No subsequent Governor has reactivated the State Defense Militia. As a result of the inactive status of this entity, there are no current members of the State Defense Militia and the exemption is not needed at this time. Obsolete tuition waiver categories unnecessarily complicate the General Statutes and can lead to confusion and misapplication of tuition waivers. (Issue One)

**Recommendations:** Recommend removal from the statutes. (Issue One)

## **15. Elementary and Secondary School Employees Enrolled in Courses in First Aid or Cardiopulmonary Resuscitation (CPR)**

**Authorization:** G.S. 115D-5(b)(10)

**Amount waived in FY 2009-10:** \$136,085

**Concerns:** None.

**Recommendations:** No action necessary.

**16. Up to Six Hours of Credit Instruction and One Course of Noncredit Instruction per Academic Semester for Senior Citizens Age 65 or Older Who are Qualified as Legal Residents of North Carolina.**

**Authorization:** G.S. 115D-5(b)(11)

**Amount waived in FY 2009-10:** \$1,531,189

**Concerns:** None.

**Recommendations:** No action necessary.

**17. All Curriculum Courses Taken by High School Students at Community Colleges Including Students in Early College and Middle College High School Programs, in Accordance with G.S. 115D-20(4) and This Section**

**Authorization:** G.S. 115D-5(b)(12)

**Amount waived in FY 2009-10:** \$13,260,345

**Concerns:** The 2009 and 2010 budget bills limited State reimbursement of community colleges for certain types of general education high school FTE. Additionally, Section 7.24 of the 2010 budget outlined a plan to eliminate the high school student community college tuition waiver and replace it with funding in the Department of Public Instruction to pay tuition for high school students. Due to the number of recent changes to funding for community college courses for high school students, there is a large amount of confusion about the waiver's status.

**Recommendations:** Due to the number of concurrent issues in high school students taking higher education courses, no action is recommended until the General Assembly makes a decision on the plan outlined in Section 7.24. It is recommended that the tuition waiver be revisited at that time.

**18. Human Resources Development Courses for any Individual who (i) is Unemployed; (ii) has Received Notification of a Pending Layoff; (iii) is Working And Is Eligible For The Federal Earned Income Tax Credit (FEITC); or (iv) is Working and Earning Wages at or Below Two Hundred Percent (200%) of the Federal Poverty Guidelines**

**Authorization:** G.S. 115D-5(b)(13)

**Amount waived in FY 2009-10:** \$9,015,015 (\$8,739,930 reported as HRD and \$ 275,085 reported as "Other")

**Concerns:** None.

**Recommendations:** No action necessary.

**19. Prison Inmates**

**Authorization:** G.S. 115D-5(b)(14)

**Amount waived in FY 2009-10:** \$7,104,059

**Concerns:** Section 8.3 of S.L. 2010-31 limited the waiver to State prison inmates, but the corresponding change was not made in G.S. 115D-5(b).

**Recommendations:** Limit the tuition waiver to State prison inmates.



**20. Any Person who is the Survivor of a Law Enforcement Officer, Firefighter, Volunteer Firefighter, or Rescue Squad Worker Killed as a Direct Result Of a Traumatic Injury Sustained in the Line of Duty**

**Authorization:** G.S. 115B-2(a)(2)

**Amount waived in FY 2009-10:** \$3,966

**Concerns:** None.

**Recommendations:** No action necessary.

**21. Spouse of a Law Enforcement Officer, Firefighter, Volunteer Firefighter, or Rescue Squad Worker who is Permanently and Totally Disabled as a Direct Result of a Traumatic Injury Sustained in the Line of Duty**

**Authorization:** G.S. 115B-2(a)(3)

**Amount waived in FY 2009-10:** \$800

**Concerns:** None.

**Recommendations:** No action necessary.

**22. Any Child, if the Child is at least 17 Years Old but not yet 24 Years Old, Whose Parent is a Law Enforcement Officer, Firefighter, Volunteer Firefighter, or Rescue Squad Worker who is Permanently and Totally Disabled as a Direct Result of a Traumatic Injury Sustained in the Line of Duty.**

**Authorization:** G.S. 115B-2(a)(4)

**Amount waived in FY 2009-10:** \$0

**Concerns:** None.

**Recommendations:** No action necessary.

**23. Any Child, if the Child (i) is at Least 17 Years Old but not yet 24 Years Old, (ii) is a Ward of North Carolina or was a Ward of the State at the Time the Child Reached the Age of 18, (iii) is a Resident of the State; and (iv) is Eligible for Services under the Chaffee Education and Training Vouchers Program.**

**Authorization:** G.S. 115B-2(a)(5)

**Amount waived in FY 2009-10:** \$0

**Concerns:** None.

**Recommendations:** No action necessary.

**24. Full-Time College Staff Members Employed for a 9-, 10-, 11-, or 12-Month Term May Enroll in One Curriculum or One Extension Course per Semester, as Well as the Summer Term, in the System Without Payment of Tuition or Registration Fee.**

**Authorization:** 23 NCAC 2D.0202 (a)(7)(B) and 23 NCAC 2D.0203 (a)(5)(B)

**Amount waived in FY 2009-10:** \$376,749

**Concerns:** Authorizing tuition waivers outside of the General Statutes can lead to confusion and interpretations of waivers other than what was intended by the General Assembly. (Issue Two)

**Recommendations:** Include in the statute if the General Assembly wishes to continue this tuition wavier. (Issue Two)

**25. Members of the North Carolina Civil Air Patrol**

**Authorization:** 23 NCAC 2D.0203 (a)(5)(F)

**Amount waived in FY 2009-10:** \$760

**Concerns:**

1. Authorizing tuition waivers outside of the General Statutes can lead to confusion and interpretations of waivers other than what was intended by the General Assembly. (Issue Two)
2. The types of training courses available to members of the NC Civil Air Patrol are not well defined. (Issue Four)

**Recommendations:**

1. Include in the statute if the General Assembly wishes to continue this tuition wavier. (Issue Two)
2. More clearly define the types of classes waived. (Issue Four)

**26. Individuals Engaged in Civil Preparedness Who Take Special Extension Training Courses That Directly Relate to Their Job Performance.**

**Authorization:** 23 NCAC 2D.0203 (a)(5)(F)

**Amount waived in FY 2009-10:** \$66,700

**Concerns:**

1. Authorizing tuition waivers outside of the General Statutes can lead to confusion and interpretations of waivers other than what was intended by the General Assembly. (Issue Two)
2. The types of training courses available under this category are not well defined. (Issue Four)
3. "Individuals engaged in civil preparedness" is not clearly defined and could be widely applied. (Issue Five)

**Recommendations:**

1. Include in the statute if the General Assembly wishes to continue this tuition wavier. (Issue Two)
2. More clearly define the types of classes waived. (Issue Four)
3. More clearly define what "individuals engaged in civil preparedness" means.