

2021–2022 LEGISLATIVE REQUESTS

Budget Request	FY 2021-2022	
	Recurring	Non-Recurring
Financial Aid Simplification		
<ul style="list-style-type: none"> Funds to Update the State-Funded Grant IT System. The current system is increasingly obsolete and will need updates to conform with the financial aid simplification policy request endorsed by the UNC System, NC Community College System, and SEAA. 		\$3,500,000
<ul style="list-style-type: none"> Funds for Public Awareness Campaign. One-time funds to inform students, families, and high schools about the financial aid simplification. 		\$1,500,000
FAFSA Completion/Outreach		
<ul style="list-style-type: none"> Funds for Increased Communications and Outreach. Many students and families believe they cannot afford college and simply never apply. Completing a FAFSA informs students and families of the amount of financial aid they can expect to receive. Additional funding would provide increased outreach to students, families, and schools, including trainings, FAFSA events, college application weeks, etc. as well as provide communication about federal financial aid changes and the State's financial aid simplifications. 	\$745,000 Up to 5 positions	
Efficient & Effective Use of State Grant Funds		
<ul style="list-style-type: none"> Funds for Data and Analytics. SEAA needs the capacity to not only collect data related to State grants and other programs but the ability to analyze that data to ensure efficient and effective use of State grant funds. 	\$125,000 1 position	
TOTAL	\$870,000 R	\$5,000,000 NR

Policy Requests

- Financial Aid Simplification and Consolidation.** Currently, the UNC Need-Based Grant, the Community College Grant, and the Education Lottery Scholarship are three separate programs with varying eligibility rules and formulas. Not only is this confusing for students and families, but information about the availability of State financial aid often comes too late. Consolidating these three programs into a single State scholarship program with a consistent, predictable formula will inform students and families about grant eligibility in a much timelier manner. This consolidation would not reduce the amount of funds available to UNC System and community college students.
- Combine K12 Scholarship Programs for Children with Disabilities.** Currently, the Disabilities Grant and the Education Savings Account programs both pay tuition or other qualified expenses related to educating a child with a disability. Many families qualify for both programs – 70% of ESA program participants also received a Disabilities Grant, 13.5% also received an Opportunity Scholarship, and 10% received all three. Applying for and complying with regulations for three separate programs can be stressful and confusing for families – merging the Education Savings Account and Disabilities Grant program into one, combined program can help ease this burden for families and make more efficient use of state resources.
- Raise Cap on Opportunity Scholarship Administrative Costs.** The current cap on administrative allowance for the Opportunity Scholarship (up to 4% or \$1.5M) has not kept pace with the program's growth, and in particular the increased costs in onboarding new families. Around 40% of scholarship recipients in each year are new to the program.

State Scholarships and Grants

Higher Education

- UNC Need-Based Grant
- NC Community College Grant
- NC Education Lottery Scholarship
- NC Need-Based Scholarship
- UNC Campus Scholarships
- NC National Guard Tuition Assistance Program (NC TAP)
- Child Welfare Postsecondary Support (NC REACH)
- Federal Work Study Matching Funds
- Golden LEAF Scholars
- Aubrey Lee Brooks Scholarship Program
- Other Private Scholarship Programs

K12 Programs

- Opportunity Scholarship
- Personal Education Savings Account (ESA)
- Special Education Scholarship Grants for Children with Disabilities

Other Programs

Savings Program

- NC 529:
 - Direct NC 529
 - Advisory (Morgan Stanley) MS 529

FAFSA Completion and College Access Outreach

- Finish the FAFSA
- College Foundation of North Carolina (CFNC.org) *Helps North Carolina **Plan, Apply,** and **Pay** for College*

Other Programs

- State Authorization Reciprocity Agreement (NC-SARA)
- Carolina Computing Initiative Loan Program
- North Carolina COVID-19 Relief Funds

School Services

- Residency Determination Service
- Financial Literacy programs for high school and college students

Loan Programs

Federal Family Education Loan Program (FFELP)

Guaranty and Collections

- Stafford Loans
- Unsubsidized Stafford Loans
- Graduate/Professional PLUS Loans
- Parental PLUS Loans
- Consolidation Loans

State Loans

- NC Assist Loan Program
- National Board Certification Loan Program

State Career-Specific Forgivable Loans

- Forgivable Education Loans for Service (FELS)
- Teaching Fellows Program
- Principal Preparation Program

Inactive Programs with Loans in Repayment*

- Board of Governors' Dental Scholarship Loan
- Board of Governors' Medical Scholarship Loan
- Future Teachers of North Carolina Scholarship Loan
- Health, Science, and Mathematics Scholarship Loan
- Millennium Teacher Scholarship Loan
- North Carolina Optometry Scholarship Loan
- Nurse Education Scholarship Loan
- Nurse Educators of Tomorrow Scholarship Loan
- Nurse Scholars Program
- Physical Education-Coaching Scholarship Loan
- Principal Fellows Program (now the Transforming Principal Preparation Program)
- Prospective Teacher Scholarship Loan
- Social Work Education Loan Fund
- Teacher Assistant Scholarship Loan

* No new loans have been originated in these programs since North Carolina consolidated to FELS in 2012-13.

These programs are sometimes referred to as "scholarships," however they are loans that carry a service obligation. The borrower earns forgiveness of the debt by working in a specific career in North Carolina. If the borrower does not complete the service, the loan is repaid, with interest.