

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 161

Short Title: Aid to Private Colleges Change.

(Public)

Sponsors: Representatives Hall; Barbee, Bowman, D. Brown, DeVane, Hill, Joye, McLawhorn, Mercer, Spears, Wilkins, and Wood.

Referred to: Education.

February 16, 1993

A BILL TO BE ENTITLED

1 AN ACT TO CHANGE THE LAW REGARDING STATE AID TO PRIVATE
2 COLLEGES.
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4 The General Assembly of North Carolina enacts:

5 Section 1. (a) Funds appropriated for the 1993-95 fiscal biennium to the Board of
6 Governors of The University of North Carolina for aid to private colleges shall be
7 disbursed in accordance with the provisions of G.S. 116-19, 116-21, and 116-22. These
8 funds shall provide up to five hundred dollars (\$500.00) per full-time equivalent North
9 Carolina undergraduate student enrolled at a private institution as of October 1 each
10 year.

11 These funds shall be placed in a separate, identifiable account in each eligible
12 institution's budget or chart of accounts. All funds in this account shall be provided as
13 scholarship funds for needy North Carolina students during the fiscal year. Each
14 student awarded a scholarship from this account shall be notified of the source of the
15 funds and of the amount of the award. Funds not utilized under G.S. 116-19 shall be
16 made available for the tuition grant program as defined in subsection (b) of this section.

17 (b) In addition to any funds appropriated pursuant to G.S. 116-19 and in addition
18 to all other financial assistance made available to private educational institutions located
19 within the State, or to students attending these institutions, there is granted to each full-
20 time North Carolina undergraduate student attending an approved institution as defined
21 in G.S. 116-22, a sum that is either two thousand dollars (\$2,000), or at least the average
22 amount of General Fund support for nonresident students attending The University of

1 North Carolina per academic year, whichever is greater. This sum shall be distributed
2 to the student as hereinafter provided.

3 The tuition grants provided for in this section shall be administered by the
4 State Education Assistance Authority pursuant to rules adopted by the State Education
5 Assistance Authority not inconsistent with this section. The State Education Assistance
6 Authority may not approve any grant until it receives proper certification from an
7 approved institution that the student applying for the grant is an eligible student. Upon
8 receipt of the certification, the State Education Assistance Authority shall remit at such
9 times as it shall prescribe the grant to the approved institution on behalf, and to the
10 credit, of the student.

11 In the event a student on whose behalf a grant has been paid is not enrolled
12 and carrying a minimum academic load as of October 1 of the first academic term or on
13 the tenth classroom day following the beginning of the second school term for which the
14 grant was paid, the institution shall refund the full amount of the grant to the State
15 Education Assistance Authority. Each approved institution shall be subject to
16 examination by the State Auditor for the purpose of determining whether the institution
17 has properly certified eligibility and enrollment of students and credited grants paid on
18 the behalf of the students.

19 In the event there are not sufficient funds to provide each eligible student
20 with a full grant:

21 (1) The Board of Governors of The University of North Carolina, with the
22 approval of the Office of State Budget and Management, may transfer
23 available funds to meet the needs of the programs provided by
24 subsections (a) and (b) of this section; and

25 (2) Each eligible student shall receive a pro rata share of funds then
26 available for the remainder of the academic year within the fiscal
27 period covered by the current appropriation.

28 Any remaining funds shall revert to the General Fund.

29 (c) Expenditures made pursuant to this section may be used only for secular
30 educational purposes at nonprofit institutions of higher learning.

31 Sec. 2. This act becomes effective July 1, 1993.