

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2005**

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**HOUSE BILL 1706**  
**Corrected Copy 5/17/05**

Short Title: Scholarship Loans for Prospective Coaches. (Public)

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Sponsors: Representatives Yongue, Tolson, Carney, and Preston (Primary Sponsors);  
Wainwright and England.

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Referred to: Education, if favorable, Appropriations.

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May 12, 2005

A BILL TO BE ENTITLED  
AN ACT TO ESTABLISH THE COACHING AND ASSISTANT COACHING  
SCHOLARSHIP FUND AND TO APPROPRIATE FUNDS TO IMPLEMENT  
THIS ACT.

Whereas, athletic coaches play an important role in the lives of North Carolina's students; and

Whereas, coaches impart the values of sportsmanship, leadership, and teamwork to the student athletes they train; and

Whereas, coaches provide students who are at-risk children of academic failure with positive activities during critical after-school hours; and

Whereas, coaches are necessary in leading the fight against a growing national epidemic of obesity; and

Whereas, teachers who coach have the highest level of interest and involvement in the lives of their students; and

Whereas, coaches are among the most influential people in the lives of student athletes; and

Whereas, coaches inspire student athletes to stay in school and to succeed academically; and

Whereas, coaches help to facilitate interscholastic athletic competition, which is the most visible means by which the public interacts with students; Now, therefore, The General Assembly of North Carolina enacts:

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

**"§ 116-209.36. Coaching and Assistant Coaching Scholarship Fund.**

**(a) There is established the Coaching and Assistant Coaching Scholarship Fund. The purpose of the Fund is to provide scholarship loans to students who are pursuing college degrees to become public schoolteachers and coaches. Coaching and Assistant Coaching Fellows shall be offered a curriculum that advances coaching skills and that**

1 instills a strong motivation not only to remain in the coaching profession but to provide  
2 leadership in the schools where they coach. The State Education Assistance Authority  
3 shall administer the Fund. The Fund shall provide 25 scholarship loans per year.

4 (b) Criteria for awarding the scholarship loans shall be developed by the State  
5 Education Assistance Authority in consultation with the Board of Governors of The  
6 University of North Carolina and shall include all of the following:

7 (1) An applicant shall be enrolled in an accredited bachelors degree  
8 program in an institution of higher education in North Carolina.

9 (2) All students shall enter into a legal agreement and promissory note  
10 with the Authority to accept employment as a coach or coaching  
11 assistant in an elementary or secondary school in North Carolina in  
12 exchange for receiving any funds, which agreement shall include  
13 stipulation that the student agrees to accept employment in rural or  
14 other need-based counties.

15 (3) An applicant shall be a resident of North Carolina. For purposes of this  
16 section, residency shall be determined by the same standard as  
17 residency for tuition purposes pursuant to G.S. 116-143.1.

18 (4) Any additional criteria that the State Education Assistance Authority  
19 considers necessary to administer the Fund effectively, including all of  
20 the following:

21 a. Consideration of the appropriate numbers of minority applicants  
22 and applicants from diverse socioeconomic backgrounds to  
23 receive scholarships pursuant to this section.

24 b. Consideration of the academic qualifications of the individuals  
25 applying to receive funds.

26 c. Consideration of the commitment an individual applying to  
27 receive funds demonstrates to the profession of coaching.

28 (c) The State Education Assistance Authority shall: (i) prepare a clear written  
29 explanation of the Coaching and Assistant Coaching Scholarship Fund and the  
30 information regarding the availability and criteria for awarding the scholarships, and (ii)  
31 provide that information to the appropriate counselors in each local school system and  
32 shall charge those counselors to inform students about the scholarships and to encourage  
33 them to apply for the scholarships.

34 (d) The State Education Assistance Authority shall administer the Fund and shall  
35 ensure that the loan amounts are limited to six thousand five hundred dollars (\$6,500)  
36 each.

37 (e) The Authority shall ensure that the following loan cancellations and  
38 repayment schedules apply to all funds distributed pursuant to this section:

39 (1) The individual who graduates with a bachelors degree and who works  
40 as a school coach or coaching assistant in a rural or other need-based  
41 area of North Carolina shall have that amount of the loan cancelled  
42 that is based on the amount of time employed and the number of  
43 academic years funds were received. One full year of employment  
44 shall cancel one academic year's loan.

1           (2)    The individual who graduates with a bachelors degree and who works  
2           as a school coach or assistant coach in a rural or other need-based area  
3           of North Carolina for the equivalent of the total number of academic  
4           years funds were received shall have the entire loan cancelled.

5           (3)    The individual who graduates with a bachelors degree and who does  
6           not work as a school coach or assistant coach in a rural or other  
7           need-based area of North Carolina for any or all of the equivalent of  
8           the number of years funds were received shall repay the loan to the  
9           Authority according to a schedule prescribed in the promissory note,  
10          plus ten percent (10%) annual interest.

11          (4)    The individual who does not graduate with a bachelors degree shall  
12          repay the loan according to a schedule prescribed by the Authority, not  
13          to exceed fifteen percent (15%) annual interest. In establishing a  
14          schedule and interest rate, the Authority shall take into consideration  
15          the reasons the individual did not graduate with a bachelors degree.

16          The Authority shall ensure that all repayments, including accrued interest, shall be  
17          placed in the Fund.

18          The Authority may forgive or reduce any loan repayment if the Authority considers  
19          that extenuating circumstances exist that would make repayment impossible.

20          (f)    The State Education Assistance Authority, in consultation with the Board of  
21          Governors of The University of North Carolina, shall adopt rules to implement this  
22          section.

23          (g)    The State Education Assistance Authority shall report to the Joint Legislative  
24          Education Oversight Committee by March 1 each year regarding the Fund and  
25          scholarships awarded from the Fund."

26          **SECTION 2.** There is appropriated from the Escheat Fund to the State  
27          Education Assistance Authority the sum of one hundred thousand dollars (\$100,000) for  
28          the 2005-2006 fiscal year and the sum of two hundred thousand dollars (\$200,000) for  
29          the 2006-2007 fiscal year to implement this act.

30          **SECTION 3.** This act becomes effective July 1, 2005.