

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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SENATE DRS65367-LH-289B* (05/02)

Short Title: Principal Fellows/Optional Scholarship. (Public)

Sponsors: Senator Malone.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH AN OPTIONAL SCHOLARSHIP FOR CERTAIN
GRADUATES OF THE PRINCIPAL FELLOWS PROGRAM.

The General Assembly of North Carolina enacts:

SECTION 1. The North Carolina Principal Fellows Commission in collaboration with the State Education Assistance Authority shall make available an optional six-month scholarship in the amount of twenty thousand dollars (\$20,000) to any person who was a recipient of a scholarship loan through the Principal Fellows Program and who: (i) was in Class 10 of the Principal Fellows Program for the 2003-2004 academic year, (ii) completed the Principal Fellows Program, and (iii) has either served as a school administrator for four years at a North Carolina public school or at a school operated by the United States as required by G.S. 116-74.43, or who has had the loan forgiven by the State Education Assistance Authority pursuant to G.S. 116-74.43. A person may be eligible for the optional six-month scholarship only after fulfilling all contractual obligations agreed to by the person upon receipt of the original scholarship loan awarded to the person under G.S. 116-74.42. Exclusive of any deferment for extenuating circumstances, a person remains eligible for the optional six-month scholarship for two years after the six-year period of time allowed the person to satisfy the original scholarship loan requirements under G.S. 116-74.43. Should a person present extenuating circumstances, the State Education Assistance Authority may extend the period of time for which a person remains eligible for the optional six-month scholarship for a reasonable time period.

SECTION 2. The Principal Fellows Commission shall develop the criteria for awarding the scholarship. In developing the criteria, the Commission shall require that the person agree to work at least another six months as a school administrator in a North Carolina public school or at a school operated by the United States after satisfying the four-year work requirement set out in G.S. 116-74.43. The Commission, in

1 collaboration with the State Education Assistance Authority, shall develop a process for
2 evaluating a scholarship recipient's work performance and for issuing a final approval
3 and certification of the work performance. The Commission shall transfer to the State
4 Education Assistance Authority the name of each recipient that it certifies as
5 successfully completing the optional scholarship program. The State Education
6 Assistance Authority shall pay the twenty thousand dollar (\$20,000) stipend to the
7 scholarship recipient within a reasonable time of receiving notification from the
8 Commission that the recipient has successfully completed the optional scholarship
9 program. The State Education Assistance Authority shall perform all of the
10 administrative functions necessary to implement this act, including rule making.

11 **SECTION 3.** The sum of one million seven hundred forty thousand dollars
12 (\$1,740,000) in the Principal Fellows Trust Fund shall be held in reserve to pay each
13 participant in the optional scholarship program the stipend of twenty thousand dollars
14 (\$20,000) upon successful completion of the optional scholarship program.

15 **SECTION 4.** This act becomes effective July 1, 2008.