

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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SENATE BILL 419

Short Title: Carolina's Guarantee Scholarship Program. (Public)

Sponsors: Senators Batch, Garrett, and Applewhite (Primary Sponsors).

Referred to: Rules and Operations of the Senate

March 30, 2023

A BILL TO BE ENTITLED
AN ACT TO ESTABLISH THE COMMUNITY COLLEGE PROMISE SCHOLARSHIP
PROGRAM AND TO APPROPRIATE FUNDS FOR THAT PURPOSE.

The General Assembly of North Carolina enacts:

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

"Part 7. Community College Promise Scholarship Program.

"§ 116-209.95. Community College Promise Scholarship Program.

(a) Program Purpose. – There is established the Community College Promise Scholarship Program (Program) to be administered by the Authority. The purposes of the Community College Promise Scholarship Program include the following:

- (1) Utilize the State's educational resources to the fullest.
- (2) Create more educational and career options for students.
- (3) Realize significant cost-savings to the State.
- (4) Develop a more competitive workforce.

(b) Award of Scholarships. – Within the funds made available for the Program, the Authority shall annually award Community College Promise Scholarships to eligible students at a North Carolina community college for each academic year up to the rate of tuition for one full-time student for that year. Scholarships shall be awarded for a maximum of four academic semesters per student. The Authority shall require eligible students to complete a Free Application for Federal Student Aid (FAFSA) to apply for a scholarship award and shall reduce the amount of the scholarship award for any student by the amount of grants or scholarships received by that student from other State or federal sources. The Authority shall award scholarships to eligible students in the order in which applications are received.

(c) Student Eligibility. – A student shall be considered an eligible student in order to receive a Community College Promise Scholarship under the Program if the student meets all of the following requirements:

- (1) In the academic semester prior to enrolling in a community college, the student graduates with at least a 2.0 unweighted grade point average from either (i) public high school located in this State or (ii) nonpublic high school or home school, as defined in Article 39 of Chapter 115C of the General Statutes, located in this State.
- (2) Qualify as a resident for tuition purposes under the criteria set forth in G.S. 116-143.1 and in accordance with the coordinated and centralized residency determination process administered by the Authority.



(3) The student gains admission as a student at a North Carolina community college in a curriculum program.

(d) Scholarship Renewal. – A scholarship awarded to an eligible student shall be annually renewed if the student demonstrates all of the following:

(1) A cumulative 2.3 grade point average.

(2) Maintenance of satisfactory academic progress, as determined by the community college.

(e) Administration; Funds. – The Authority shall adopt rules for administration of the Community College Promise Scholarship Program in accordance with the requirements of this Part. The Authority may use up to five percent (5%) of the funds appropriated each fiscal year for the Program for administrative costs associated with the Program. Any unexpended funds for the Program at the end of the fiscal year shall not revert to the General Fund but shall remain available to award scholarships to eligible students in accordance with this Part.

"§ 116-209.96. Financial aid counseling program.

Within the funds available, the Authority shall partner with the Community Colleges System Office and local school administrative units to place higher education advisers in secondary public schools throughout the State to provide outreach to high school students on the Community College Promise Scholarship Program and other financial aid assistance programs. The Authority shall ensure that the higher education advisers provide information to students on college affordability to students, FAFSA assistance, and scholarship options.

"§ 116-209.97. Reporting requirements.

The Authority shall report annually on or before November 1, beginning in 2024, to the Joint Legislative Education Oversight Committee on the implementation of the Community College Promise Scholarship Program. The report shall include at least the following information:

(1) Number of students applying for the scholarship, including information about student demographics and geographic location.

(2) Number of students awarded the scholarship, including information about student demographics and geographic location, and community college attended.

(3) Amount of funds expended for scholarships.

(4) Other relevant information as determined by the Authority."

SECTION 2. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of three hundred thousand dollars (\$300,000) in nonrecurring funds for the 2023-2024 fiscal year to be allocated to the State Education Assistance Authority (Authority) for administrative costs in establishing the Community College Promise Scholarship Program and the financial aid counseling program pursuant to Part 7 of Article 23 of Chapter 116 of the General Statutes, as enacted by this act. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of two hundred million dollars (\$200,000,000) in recurring funds for the 2024-2025 fiscal year to be allocated to the Authority for the purpose of awarding scholarships and for the financial aid counseling program under the Community College Promise Scholarship Program pursuant to Part 7 of Article 23 of Chapter 116 of the General Statutes, as enacted by this act, beginning with the 2024-2025 academic year. The Authority shall use the funds appropriated under this section to hire up to 100 full-time higher education advisers to be assigned, at the discretion of the Authority, in partnership with local school administrative units in accordance with G.S. 116-209.96, as enacted by this act.

SECTION 3. This act becomes effective July 1, 2023, and applies beginning with the 2023-2024 academic year.