

GENERAL ASSEMBLY OF NORTH CAROLINA
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SENATE BILL DRS45378-MKa-137B

Short Title: NC Hope Tuition Program.

(Public)

Sponsors: Senators Davis, Britt, and Steinburg (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO ESTABLISH THE NC HOPE TUITION WAIVER PROGRAM FOR CERTAIN
3 STUDENTS GRADUATING FROM COOPERATIVE INNOVATIVE HIGH SCHOOLS
4 WHO ATTEND AN NC PROMISE CONSTITUENT INSTITUTION.

5 Whereas, dual enrollment opportunities for high school students have been available
6 in North Carolina for many years but have significantly grown since the establishment of the
7 early college model, now known as the cooperative innovative high school program; and

8 Whereas, enrollment at a North Carolina cooperative innovative high school enables
9 students to concurrently obtain a high school diploma and complete an associate degree program
10 at no cost to the student; and

11 Whereas, this type of early college high school program can increase access to higher
12 education for low-income, first-generation college, and underrepresented students by providing
13 support to students in a smaller learning environment and preparing them for the transition to
14 postsecondary education; and

15 Whereas, research has shown graduates of this type of early college high school
16 program are five to seven times more likely to complete postsecondary credentials within four
17 years of high school graduation compared to graduates from traditional high schools; and

18 Whereas, research has shown that students of color who attend this type of early
19 college high school program are nearly ten times more likely to obtain a college degree than
20 students of color who attend traditional high schools; and

21 Whereas, research has shown that among students from low-income families, those
22 who attend this type of early college high school program are approximately 8.5 times more
23 likely to obtain a college degree than those who attend traditional high schools; and

24 Whereas, according to the most recent data from the Federal Reserve Bank of New
25 York, total student debt now tops \$1.5 trillion and has been increasing by 170 percent over the
26 past decade; and

27 Whereas, North Carolina is ranked 10th among the states with the highest amount of
28 aggregate student loan debt at \$38.2 billion and 1,100,000 borrowers; and

29 Whereas, the General Assembly created the NC Promise Program, beginning in 2018,
30 to increase enrollment at three constituent institutions to include Elizabeth City State University,
31 a Historically Black College and University (HBCU) in northeastern North Carolina; UNC
32 Pembroke, a Historically Minority Serving Institution (MSI) in southeastern North Carolina; and
33 Western Carolina University, an institution seeking to enroll underserved students in western
34 North Carolina, by fixing tuition at a lower rate for resident and nonresident students with the
35 goal of strengthening educational programs at the institutions, providing more opportunities for



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underrepresented and underserved students, reducing student debt, and invigorating the surrounding communities; Now, therefore,
The General Assembly of North Carolina enacts:

SECTION 1. Article 14 of Chapter 116 of the General Statutes is amended by adding a new section to read:

"§ 116-143.15. NC Hope Tuition Waiver Program; establishment and purpose.

(a) Program Established; Purpose. – Notwithstanding any other provision of law, the NC Hope Tuition Waiver Program (Program) is established to waive the cost of tuition for up to two years for students who (i) graduate from a cooperative innovative high school approved pursuant to G.S. 115C-238.51A, (ii) earn at least an associate degree prior to graduation from the high school, and (iii) meet enrollment requirements and attend Elizabeth City State University, the University of North Carolina at Pembroke, or Western Carolina University. The purpose of the Program is to further assist students who have received an associate degree during their high school experience to complete at least a baccalaureate degree at an eligible constituent institution at no cost, except for applicable fees, and encourage enrollment at those constituent institutions participating in the NC Promise Tuition Plan pursuant to G.S. 116-143.11.

(b) Program Funds. – The State shall "buy down" the amount of any financial obligation resulting from the waiver of tuition that may be incurred by Elizabeth City State University, the University of North Carolina at Pembroke, and Western Carolina University as a result of this section, in addition to the "buy down" in the amount of any financial obligation resulting from the set tuition rate under G.S. 116-143.11.

(c) Student Eligibility. – To be eligible to receive the tuition waiver provided by this section, a person shall satisfy all of the following conditions:

- (1) Have graduated from a cooperative innovative high school approved pursuant to G.S. 115C-238.51A.
- (2) Have earned at least an associate degree prior to graduation from the high school.
- (3) Be enrolled in Elizabeth City State University, the University of North Carolina at Pembroke, or Western Carolina University.
- (4) Be making satisfactory academic progress towards obtaining a baccalaureate degree once enrolled in an eligible constituent institution.

(d) Term of Waiver. – The total amount of the waiver of tuition for a student pursuant to this section shall not exceed the cost of the hours required for the student to obtain a baccalaureate degree at the eligible constituent institution for a period of up to two years. If a student who is eligible for a tuition waiver under this section also receives a scholarship or other grant covering the cost of attendance at the eligible constituent institution, then the amount of the tuition waiver shall be reduced so that the sum of all grants and scholarship aid covering the cost of attendance shall not exceed the cost of the waiver."

SECTION 2. G.S. 116-143.11 reads as rewritten:

"§ 116-143.11. NC Promise Tuition Plan; State "buy down" of certain financial obligations; annual report.

(a) The NC Promise Tuition Plan shall be established and implemented as provided by this section. Notwithstanding G.S. 116-143 and G.S. 116-11(7), the Board of Governors of The University of North Carolina shall set the rate of undergraduate tuition for Elizabeth City State University, the University of North Carolina at Pembroke, and Western Carolina University as follows: beginning with the 2018 fall academic semester, the rate of tuition for students deemed to be North Carolina residents for purposes of tuition shall be five hundred dollars (\$500.00) per academic semester and the rate of tuition for nonresident students shall be two thousand five hundred dollars (\$2,500) per academic semester. A student enrolled in one of the constituent institutions who is participating in the NC Hope Tuition Waiver Program shall have the tuition

rate set for students deemed to be North Carolina residents waived in accordance with G.S. 116-143.15.

(b) Notwithstanding any other provision of law, the State shall "buy down" the amount of any financial obligation resulting from the established tuition rate or a tuition waiver pursuant to G.S. 116-143.15 that may be incurred by Elizabeth City State University, the University of North Carolina at Pembroke, and Western Carolina University.

(c) When implementing the provisions of this section, the Board of Governors shall give due consideration to maintaining the unique historical character of each institution, including service to students who are first generation, college-going, economically disadvantaged, or minority.

(d) By October 1, 2018, and by October 1 of each year thereafter, the Board of Governors and the chancellors of Elizabeth City State University, the University of North Carolina at Pembroke, and Western Carolina University, respectively, shall submit a report to the Joint Legislative Education Oversight Committee, the House Appropriations Committee on Education, the Senate Appropriations Committee on Education/Higher Education, and the Fiscal Research Division on the amount of any financial obligation resulting from the established tuition rate incurred at each constituent institution and at least the following information for the fiscal year:

(1) The amount required to offset the forgone tuition receipts at each of the three constituent institutions as a result of the tuition rate established by this section and any waiver of tuition pursuant to G.S. 116-143.15 and how those funds were allocated to each constituent institution.

(2) The number of enrolled resident students at each constituent institution.

(3) The number of enrolled nonresident students at each constituent institution."

SECTION 3. This act becomes effective July 1, 2021, and applies beginning with the 2021-2022 academic year.