§ 116-21. Contract forms; reports; audits; regulations

The State Education Assistance Authority may prescribe the form of the contracts to be executed under G.S. 116-19 and 116-20, to require of the institutions such reports, statements and audits as the Authority may deem necessary or desirable in carrying out the purposes of G.S. 116-19 through 116-22 and to adopt rules that will, in the opinion of the Authority, help to achieve the purposes of G.S. 116-19 through 116-22.

HISTORY: 1971, c. 744, s. 3; c. 1244, s. 5; 1993, c. 321, s. 80(e).
NOTES:
LOCAL MODIFICATION. --Cabarrus College of Health Sciences: 2007-113, s. 1(b), as amended by 2007-484, s. 41.
CROSS REFERENCES. --For provisions regarding the disbursement of funds appropriated to the Board of Governors of The University of North Carolina for aid to private colleges and grants to students, see the Editor's Note under G.S. 116-19.

§ 116-21.1. Financial aid for North Carolina students and licensure students attending private institutions of higher education in North Carolina

(a) Funds shall be appropriated each fiscal year in the Current Operations Appropriations Act to the Board of Governors of The University of North Carolina for aid to institutions and shall be disbursed in accordance with the provisions of G.S. 116-19, 116-21, and 116-22.

(b) The funds appropriated in compliance with this section shall be placed in a separate, identifiable account in each eligible institution's budget or chart of accounts. All funds in the account shall be provided as scholarship funds for needy North Carolina students and licensure students during the fiscal year. Each student and licensure student awarded a scholarship from this account shall be notified of the source of the funds and of the amount of the award. Funds not utilized under G.S. 116-19 shall be available for the tuition grant program as defined in G.S. 116-21.2.

HISTORY: 2001-424, s. 31.1(a); 2006-66, s. 9.13(c).
NOTES:
EDITOR'S NOTE. --Session Laws 2006-66, s. 1.2, provides: "This act shall be known as 'The Current Operations and Capital Improvements Appropriations Act of 2006'."

Session Laws 2006-66, s. 28.6 is a severability clause.
LOCAL MODIFICATION. --Cabarrus College of Health Sciences: 2007-113, s. 1(b), as amended by 2007-484, s. 41.
EFFECT OF AMENDMENTS. --Session Laws 2006-66, s. 9.13(c), effective July 1, 2006, inserted "and licensure students" following "students" in the section catchline; and following "students" and "student," respectively, in subsection (b).

§ 116-21.2. Legislative tuition grants to aid students and licensure students attending private institutions of higher education

(a) Grants for Students. -- In addition to any funds appropriated pursuant to G.S. 116-19 and in addition to all other financial assistance made available to institutions, or to persons attending these institutions, there is granted to each North Carolina undergraduate student attending an approved institution as defined in G.S. 116-22, a sum, to be determined by the General Assembly for each academic year which shall be distributed to the undergraduate student as provided by this subsection. A full-time North Carolina undergraduate student shall be awarded the full amount of the tuition grant provided by this section. A part-time North Carolina undergraduate student who is enrolled to take at least nine hours of academic credit per semester shall be awarded a tuition grant in an amount that is calculated on a pro rata basis.

(a1) Grants for Licensure Students. -- The legislative tuition grant provided by this section shall also be granted to each full-time licensure student who is enrolled in a program intended to result in a license in teaching or nursing at an approved institution. The legislative tuition grant provided by this section shall be awarded on a pro rata basis to any part-time licensure student who is enrolled to take at least nine hours of undergraduate academic credit per semester in a program intended to result in a license in teaching or nursing at an approved institution. The legislative tuition grant and prorated legislative tuition grant authorized under this subsection shall be paid for undergraduate courses only. If a course is required for licensure, but is designated as both an undergraduate and graduate course, for purposes of this subsection, the course shall be considered an undergraduate course.

(b) Administration of Grants. -- The tuition grants provided for in this section shall be administered by the State Education Assistance Authority pursuant to rules adopted by the State Education Assistance Authority not inconsistent with this section. The State Education Assistance Authority shall not approve any grant until it receives proper certification from an approved institution that the student or licensure student applying for the grant is eligible. Upon receipt of the certification, the State Education Assistance Authority shall remit at the times as it prescribes the grant to the approved institution on behalf, and to the credit, of the student or licensure student.

(c) Student or Licensure Student Change of Status; Audits. -- In the event a full-time student on whose behalf a grant has been paid in accordance with subsection (a) of this section or a full-time licensure student on whose behalf a grant has been paid in accordance with subsection (a1) of this section is not enrolled and carrying a minimum academic load as of the tenth classroom day following the beginning of the school term for which the grant was paid, the institution shall refund the full amount of the grant to the
State Education Assistance Authority. If a part-time student on whose behalf a prorated grant has been paid in accordance with subsection (a) of this section or a part-time licensure student on whose behalf a prorated grant has been paid in accordance with subsection (a1) of this section is not enrolled and carrying a minimum academic load of nine credit hours per semester in the undergraduate class as of the tenth classroom day following the beginning of the school term for which the grant was paid, the institution shall refund the full amount of the grant to the State Education Assistance Authority. If the matriculated status of a full-time student or a full-time licensure student changes to a matriculated status of part-time student or part-time licensure student by the tenth classroom day following the beginning of the school term for which the grant was paid, the institution shall refund only the difference between the amount of the full-time grant awarded and the amount of the part-time grant that is awarded pursuant to this section. Each approved institution shall be subject to examination by the State Auditor for the purpose of determining whether the institution has properly certified eligibility and enrollment of students and licensure students and credited grants paid on behalf of them.

(d) Shortfall. -- In the event there are not sufficient funds to provide each eligible student or licensure student with a full or prorated grant as provided by subsection (a) of this section or a full or a prorated grant as provided by subsection (a1) of this section:

(1) The Board of Governors of The University of North Carolina, with the approval of the Office of State Budget and Management, may transfer available funds to meet the needs of the programs provided by subsections (a), (a1), and (b) of this section; and

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

(e) Reversions. -- Any remaining funds shall revert to the General Fund.

HISTORY: 2001-424, s. 31.1(a); 2006-66, s. 9.13(d); 2007-323, s. 9.13(a).

NOTES:
EDITOR'S NOTE. --Session Laws 2006-66, s. 1.2, provides: "This act shall be known as 'The Current Operations and Capital Improvements Appropriations Act of 2006'."

Session Laws 2006-66, s. 28.6 is a severability clause.

Session Laws 2007-323, s. 1.2, provides: "This act shall be known as the 'Current Operations and Capital Improvements Appropriations Act of 2007'."

Session Laws 2007-323, s. 32.5 is a severability clause.

EFFECT OF AMENDMENTS. --Session Laws 2006-66, s. 9.13(d), effective July 1, 2006, inserted "and licensure students" in the section catchline; in subsection (a), substituted "persons" for "students," and inserted "full-time undergraduate" preceding "student as provided by this subsection"; added subsection (a1); in subsection (b), inserted "or licensure student" preceding "applying for the grant is" and substituted "eligible" for "an eligible student" thereafter in the second sentence and "student or licensure student" for "student" in the last sentence; and rewrote subsections (c) and (d).
Session Laws 2007-323, s. 9.13.(a), effective July 1, 2007, added the subsection headings; in subsection (a), deleted "full time" preceding "North Carolina" and preceding "undergraduate student" and added the last two sentences; in subsection (a1), in the second sentence, inserted "part-time" and substituted "to take at least nine hours of undergraduate academic credit per semester" for "less than full time," and added the last sentence; rewrote subsection (c); and inserted "or prorated" in the middle of subsection (d).

§ 116-21.3. Legislative tuition grant limitations

(a) For purposes of this section, an "off-campus program" is any program offered for degree credit away from the institution's main permanent campus.

(b) No legislative tuition grant funds shall be expended for a program at an off-campus site of a private institution, as defined in G.S. 116-22(1), established after May 15, 1987, unless (i) the private institution offering the program has previously notified and secured agreement from other private institutions operating degree programs in the county in which the off-campus program is located or operating in the counties adjacent to that county or (ii) the degree program is neither available nor planned in the county with the off-campus site or in the counties adjacent to that county.

(c) Any member of the armed services, as defined in G.S. 116-143.3(a), abiding in this State incident to active military duty, who does not qualify as a resident for tuition purposes, as defined under G.S. 116-143.1, is eligible for a legislative tuition grant pursuant to this section if the member is enrolled as a full-time undergraduate student or as a licensure student. The member's legislative tuition grant shall not exceed the cost of tuition less any tuition assistance paid by the member's employer.

(d) A legislative tuition grant authorized under G.S. 116-21.2(a) shall be reduced by twenty-five percent (25%) for any individual student who has completed 140 semester credit hours or the equivalent of 140 semester credit hours.

HISTORY: 2001-424, s. 31.1(a); 2006-66, s. 9.13(e).
NOTES: EDITOR'S NOTE. --Session Laws 2003-300, s. 6(b), provides: "Legislative Tuition Grants. -- Students who are receiving the North Carolina Legislative Tuition Grant who lose their full-time student status due to a call to active military duty or circumstances related to national emergencies shall not be required to repay the Legislative Tuition Grant for that semester. The North Carolina State Education Assistance Authority shall implement this subsection."

Session Laws 2006-66, s. 1.2, provides: "This act shall be known as 'The Current Operations and Capital Improvements Appropriations Act of 2006'."

Session Laws 2006-66, s. 28.6 is a severability clause.

EFFECT OF AMENDMENTS. --Session Laws 2006-66, s. 9.13(e), effective July 1, 2006, substituted "undergraduate student or as a licensure student" for "student" in the first sentence of subsection (c); and substituted "G.S. 116-21.2(a)" for "G.S. 116-21.2" in subsection (d).
§ 116-21.4. Limitations on expenditures.

(a) Expenditures made pursuant to G.S. 116-19, 116-20, 116-21.1, or 116-21.2 may be used only for secular educational purposes at nonprofit institutions of higher learning that meet the qualifications set out in G.S. 116-22.

(b) Expenditures made pursuant to G.S. 116-19, 116-20, 116-21.1, or 116-21.2 shall not be used for any student or licensure student who:

(1) Is incarcerated in a State or federal correctional facility for committing a Class A, B, B1, or B2 felony; or

(2) Is incarcerated in a State or federal correctional facility for committing a Class C through I felony and is not eligible for parole or release within 10 years.

HISTORY: 2001-424, s. 31.1(a); 2002-126, s. 9.6; 2006-66, s. 9.13(f).

NOTES:
EDITOR'S NOTE. --Session Laws 2006-66, s. 1.2, provides: "This act shall be known as 'The Current Operations and Capital Improvements Appropriations Act of 2006'."

Session Laws 2006-66, s. 28.6 is a severability clause.
LOCAL MODIFICATION. --Cabarrus College of Health Sciences: 2007-113, s. 1(b), as amended by 2007-484, s. 41.

EFFECT OF AMENDMENTS. --Session Laws 2006-66, s. 9.13(f), effective July 1, 2006, inserted "or licensure student" in subsection (b).

§ 116-22. Definitions applicable to §§ 116-19 to 116-22

As used in G.S. 116-19 through 116-22:

(1) "Institution" shall mean an educational institution with a main permanent campus located in this State that is not owned or operated by the State of North Carolina or by an agency or political subdivision of the State or by any combination thereof that satisfies all of the following:

a. Is accredited by the Southern Association of Colleges and Schools under the standards of the College Delegate Assembly of the Association or by the New England Association of Schools and Colleges through its Commission on Institutions of Higher Education.

b. Awards a postsecondary degree as defined in G.S. 116-15.

c. Is not a seminary, Bible school, Bible college or similar religious institution.

(1a) "Licensure student" shall mean a person who:

a. Has a bachelors degree;

b. Is enrolled either full-time or less than full-time in a program intended to result in licensure in teaching or nursing;
c. Attends an institution located in the State; and
d. Qualifies as a resident of North Carolina in accordance with definitions of residency that may from time to time be adopted by the Board of Governors of The University of North Carolina and published in the residency manual of the Board.

(1b) "Main permanent campus" shall mean a campus owned by the institution that provides permanent on-premises housing, food services, and classrooms with full-time faculty members and administration that engages in postsecondary degree activity as defined in G.S. 116-15.

(2) "Student" shall mean a person enrolled in and attending an institution located in the State who qualifies as a resident of North Carolina in accordance with definitions of residency that may from time to time be adopted by the Board of Governors of the University of North Carolina and published in the residency manual of said Board; and a person who has not received a bachelor's degree, or qualified therefor, and who is otherwise classified as an undergraduate under such regulations as the Board of Governors of the University of North Carolina may promulgate. The enrollment figures required by G.S. 116-19 through 116-22 shall be the number of full-time equivalent students as computed under regulations prescribed by the Board of Governors of the University of North Carolina. Qualification for in-State tuition under G.S. 116-143.3 makes a person a "student" as defined in this subdivision.

HISTORY: 1971, c. 744, s. 4; c. 1244, s. 5; 1983 (Reg. Sess., 1984), c. 1034, s. 59; 1987, c. 830, s. 93(d); 2002-126, s. 9.11(a); 2002-159, s. 38; 2006-66, s. 9.13(g).

NOTES:
CROSS REFERENCES. --For provisions regarding the disbursement of funds appropriated to the Board of Governors of The University of North Carolina for aid to private colleges and grants to students, see the Editor's Note under G.S. 116-19.
LOCAL MODIFICATION. --Cabarrus College of Health Sciences: 2007-113, s. 1(b), as amended by 2007-484, s. 41.
EDITOR'S NOTE. --Session Laws 2002-126, s. 9.11(b), provides: "Notwithstanding the provisions of G.S. 116-22 as enacted by this section, any institution that met the definition of "institution" under G.S. 116-22 on January 1, 2001, shall continue to be eligible to receive funds appropriated in compliance with G.S. 116-19 through G.S. 116-22 when this act becomes law, if it received funds for these purposes as of January 1, 2001.

Session Laws 2002-126, s. 1.2, provides: "This act shall be known as 'The Current Operations, Capitol Improvements, and Finance Act of 2002'."

Session Laws 2002-126, s. 31.3, provides: "Except for statutory changes or other provisions that clearly indicate an intention to have effects beyond the 2002-2003 fiscal year, the textual provisions of this act apply only to funds appropriated for, and activities occurring during, the 2002-2003 fiscal year. For example, uncodified provisions of this act relating to the Medicaid program apply only to the 2002-2003 fiscal year."

Session Laws 2002-126, s. 31.6 is a severability clause.

Session Laws 2006-66, s. 1.2, provides: "This act shall be known as 'The Current Operations and Capital Improvements Appropriations Act of 2006'."

Session Laws 2006-66, s. 28.6 is a severability clause.
EFFECT OF AMENDMENTS. --Session Laws 2006-66, s. 9.13(g), effective July 1, 2006, added subdivision (1b).