

*** THIS DOCUMENT IS CURRENT THROUGH ALL 2006 LEGISLATION ***

CHAPTER 116. HIGHER EDUCATION

ARTICLE 23. STATE EDUCATION ASSISTANCE AUTHORITY

§ 116-209.36. Physical Education -- Coaching Scholarship Loan Fund

(a) There is established the Physical Education -- Coaching Scholarship Loan Fund. The purpose of the Fund is to provide scholarship loans to students who are pursuing college degrees to become public schoolteachers and coaches or assistant coaches. Coaching Fellows shall be offered a curriculum that advances skills in physical education and coaching and that instills a strong motivation not only to remain in the coaching profession but to provide leadership in the schools where they coach. The State Education Assistance Authority shall administer the Fund. The Fund shall provide 25 scholarship loans per year.

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

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

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

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

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

a. Consideration of applicants from diverse backgrounds to receive scholarships pursuant to this section.

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

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

(c) The State Education Assistance Authority shall: (i) prepare a clear written explanation of the Physical Education -- Coaching Scholarship Loan Fund and the information regarding the availability and criteria for awarding the scholarships, and (ii) provide that information to the appropriate counselors in each local school system and shall charge those

counselors to inform students about the scholarships and to encourage them to apply for the scholarships.

(d) The State Education Assistance Authority shall administer the Fund and shall ensure that the loan amount is limited to four thousand dollars (\$ 4,000) per recipient per year.

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

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

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

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

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

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

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

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

(g) The State Education Assistance Authority shall report to the Joint Legislative Education Oversight Committee by December 1 each year regarding the Fund and scholarship loans awarded from the Fund.

HISTORY: 2005-276, s. 9.31; 2006-95, s. 2.4.

NOTES:

EDITOR'S NOTE. --Session Laws 2005-276, s. 1.2, provides: "This act shall be known as

the 'Current Operations and Capital Improvements Appropriations Act of 2005'."

Session Laws 2005-276, s. 46.5 is a severability clause.

Session Laws 2005-276, s. 46.6, made this section effective July 1, 2005.

EFFECT OF AMENDMENTS. --Session Laws 2006-95, s. 2.4, effective July 10, 2006, substituted "December 1" for "March 1" in the middle of subsection (g).