SECTION 8A.1. Article 23 of Chapter 116 of the General Statutes is amended by adding a new Part to read:

"Part 6. Tuition Grant for High School Graduates of the North Carolina School of Science and Mathematics and the University of North Carolina School of the Arts.

§ 116-209.90. Tuition grants for graduates to attend a constituent institution.

(a) Within the funds available, a high school graduate from the North Carolina School of Science and Mathematics (NCSSM) or the University of North Carolina School of the Arts (UNCSA) in each school year who meets the following conditions shall be eligible for a tuition grant awarded under this Part:

(1) Is 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.

(2) Enrolls as a full-time student in a constituent institution of The University of North Carolina in the next academic year after graduation.

(b) Students who receive initial tuition grants as a cohort of a high school graduating class of NCSSM or UNCSA shall also be eligible to apply for tuition grants for subsequent academic years for up to a total of four academic years. A student must be continuously enrolled in a constituent institution of The University of North Carolina after the award of the initial tuition grant to be eligible for tuition grants in subsequent academic years. The Authority shall have the discretion to waive this requirement if the student is able to demonstrate that any of the following have substantially disrupted or interrupted the student's pursuit of a degree: (i) a military service obligation, (ii) serious medical debilitation, (iii) a short-term or long-term disability, or (iv) other extraordinary hardship.

(c) The amount of the tuition grant to each graduate shall be determined and distributed as provided in G.S. 116-209.91.

§ 116-209.91. Administration of tuition grants.

(a) The Authority shall administer the tuition grants provided for in this Part pursuant to guidelines and procedures established by the Authority consistent with its practices for administering State-funded financial aid. The guidelines and procedures shall include an application process and schedule, notification and disbursement procedures, standards for reporting, and standards for return of tuition grants when a student withdraws. The Authority shall not approve any grant until it receives proper certification from the appropriate constituent institution that the student applying for the grant is an eligible student. Upon receipt of the certification, the Authority shall remit, at the times it prescribes, the tuition grant to the constituent institution on behalf, and to the credit, of the student. In the event a student on whose behalf a tuition grant has been paid 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 tuition grant was paid, the constituent institution shall refund the full amount of the tuition grant to the Authority.

(b) Except as otherwise provided in this section, the amount of the grant awarded to a student shall cover the tuition cost at the constituent institution in which the student is enrolled. No tuition grant awarded to a student under this section shall exceed the cost of attendance at a constituent institution for which the student is enrolled.

(c) If a student, who is eligible for a tuition grant under this section, also receives a scholarship or other grant covering the cost of attendance at the constituent institution for which the tuition grant is awarded, then the amount of the tuition grant shall be reduced by an appropriate amount determined by the Authority so that the total amount of scholarships and grants received by the student does not exceed the cost of attendance for the institution. The cost of attendance shall be determined by the Authority for each constituent institution.

(d) In the event there are not sufficient funds to provide each eligible student who has applied in accordance with the application process and the schedule established by the Authority with a full tuition grant as provided by this Part, each eligible student shall receive a pro rata share of funds available for the academic year covered by the appropriation in the preceding fiscal year.

(e) The Authority may use up to five percent (5%) of the funds appropriated each year for tuition grants under this Part for administrative costs.

SECTION 8A.1.(b) It is the intent of the General Assembly to appropriate the following additional funds for the purpose of awarding tuition grants for future high school graduating classes of the North Carolina School of Science and Mathematics (NCSSM), including students graduating from the Morganton campus of NCSSSM, and the University of North Carolina School of the Arts:

(1) For the 2023-2024 fiscal year, the sum of one million seven hundred fifty thousand dollars ($1,750,000) in recurring funds.

(2) For the 2024-2025 fiscal year, the sum of two million three hundred thousand dollars ($2,300,000) in recurring funds.

(3) For the 2025-2026 fiscal year, the sum of five hundred fifty thousand dollars ($550,000) in recurring funds.

(4) For the 2026-2027 fiscal year, the sum of five hundred fifty thousand dollars ($550,000) in recurring funds.

(5) For the 2027-2028 fiscal year, the sum of five hundred fifty thousand dollars ($550,000) in recurring funds.

SECTION 8A.1.(c) Subsection (a) of this section applies beginning with graduates of the North Carolina School of Science and Mathematics and the University of North Carolina School of the Arts from the 2020-2021 school year.