

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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HOUSE BILL 702
Committee Substitute Favorable 5/31/11

Short Title: Estab. Minimum Wage Worker Scholarship Fund.

(Public)

Sponsors:

Referred to:

April 7, 2011

1 A BILL TO BE ENTITLED
2 AN ACT TO ESTABLISH THE MINIMUM WAGE WORKER SCHOLARSHIP FUND.
3 The General Assembly of North Carolina enacts:

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

6 "**§ 116-209.46. Minimum Wage Worker Scholarship Fund.**

7 (a) Definitions. – The following definitions apply in this section:

8 (1) Eligible institution. – A school that is:

9 a. A constituent institution of The University of North Carolina as
10 defined in G.S. 116-2(4);

11 b. A community college as defined in G.S. 115D-2(2);

12 c. A nonprofit postsecondary institution as defined in G.S. 116-22(1) or
13 G.S. 116-43.5(a)(1); or

14 d. A postsecondary institution owned or operated by a hospital
15 authority as defined in G.S. 131E-16(14) or school of nursing
16 affiliated with a nonprofit postsecondary institution as defined in
17 G.S. 116-22(1).

18 (2) Title IV. – Title IV of the Higher Education Act of 1965, as amended.

19 (b) Establish Fund. – The Minimum Wage Worker Scholarship Fund is established. The
20 purpose of the Fund is to provide scholarships to students who have worked long term in
21 minimum wage jobs and are pursuing a college degree. The scholarships shall be available for
22 part-time or full-time coursework. The Authority shall administer the Fund.

23 (c) Eligibility Requirements for a Scholarship. – The Authority shall develop criteria
24 for awarding scholarships from the Fund that include the following:

25 (1) The student shall have worked full time in a minimum wage or subminimum
26 wage job for at least 18 consecutive months of the 24-month period
27 immediately preceding the student's application. The student shall report the
28 amount of time that the student has worked in a minimum wage or
29 subminimum wage job on the application for financial aid. Applicants who
30 have worked the greatest number of consecutive months at such jobs shall
31 receive special consideration in awarding the scholarships.

32 (2) The student shall qualify as a legal resident of North Carolina and as a
33 resident for tuition purposes in accordance with definitions of residency that
34 may from time to time be adopted by the Board of Governors of The
35 University of North Carolina and published in the residency manual of the
36 Board of Governors.



- 1 (3) The student shall meet enrollment standards by one of the following
2 methods:
- 3 a. Being admitted and enrolled in a basic skills program at a community
4 college as defined in G.S. 115D-2(2). In order to continue to be
5 eligible for a scholarship for a second academic year, the student
6 shall meet achievement standards by maintaining satisfactory
7 academic progress to enable the student to enter a degree, diploma,
8 or certificate program at the community college in which the student
9 is enrolled at the end of the second academic year or sooner.
- 10 b. Being admitted, enrolled, and classified as an undergraduate student
11 in a matriculated status at an eligible postsecondary institution. In
12 order to continue to be eligible for a scholarship for subsequent
13 academic years, the student shall meet achievement standards by
14 maintaining satisfactory academic progress in a course of study in
15 accordance with the standards and practices used for federal Title IV
16 programs by the eligible postsecondary institution in which the
17 student is enrolled.
- 18 (4) The student shall be an eligible independent student. For purposes of this
19 subdivision, an "eligible independent student" is a student who is classified
20 as independent for the Title IV programs or is not a ward or dependent of the
21 court.
- 22 (5) A student shall not receive a scholarship for study in a basic skills program
23 for more than two full academic years. The student shall not receive a
24 scholarship under this Article for more than four full academic years,
25 including the academic years spent in a basic skills program.
- 26 (d) Amount of Scholarship Awards. – To the extent funds are made available for this
27 purpose, the following shall apply:
- 28 (1) A scholarship for a minimum wage worker awarded to a student admitted to
29 and enrolled in a basic skills program at an eligible postsecondary institution
30 shall not exceed eleven thousand dollars (\$11,000) per academic year.
- 31 (2) A scholarship for a minimum wage worker awarded to a student who is not
32 eligible for any federal Pell Grant and who is admitted, enrolled, and
33 classified as an undergraduate student in a matriculated status at an eligible
34 postsecondary institution shall not exceed eleven thousand dollars (\$11,000)
35 per academic year.
- 36 (3) A scholarship for a minimum wage worker awarded to a student who is
37 eligible for a federal Pell Grant shall be based upon the enrollment status and
38 expected family contribution of the student and shall not exceed twelve
39 thousand five hundred dollars (\$12,500) per academic year.
- 40 (4) Any other scholarship for a student at an eligible postsecondary institution
41 shall be based upon the enrollment status and expected family contribution
42 of the student and shall not exceed four thousand dollars (\$4,000) per
43 academic year.
- 44 (5) No student shall receive a scholarship in an amount, that when combined
45 with all other federal and State financial aid received by the student, exceeds
46 the student's costs of attendance per academic year as defined for federal
47 Title IV programs.
- 48 (e) Rule-Making Authority. – The Authority shall adopt rules to administer this Fund.
- 49 (f) Report to the General Assembly. – The Authority shall report annually to the Joint
50 Legislative Education Oversight Committee by December 1 regarding the Fund and
51 scholarships awarded from the Fund."

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SECTION 2. This act is effective when it becomes law.