

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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HOUSE BILL 431
Committee Substitute Favorable 4/16/01

Short Title: Financial Assistance for CC Students.

(Public)

Sponsors:

Referred to:

March 1, 2001

A BILL TO BE ENTITLED

1
2 AN ACT TO CODIFY THE NEED-BASED SCHOLARSHIP PROGRAM FOR
3 COMMUNITY COLLEGE STUDENTS, TO AMEND THE APPLICATION
4 REQUIREMENTS, AND TO ALLOW THE STATE BOARD OF COMMUNITY
5 COLLEGES TO TARGET A PORTION OF THE FUNDS TO STUDENTS
6 ENROLLED IN HIGH DEMAND OCCUPATIONS.

7 The General Assembly of North Carolina enacts:

8 **SECTION 1.** Section 9.4.(a) and Section 9.4.(b) of S.L. 1999-237 are
9 codified as G.S. 115D-40.1(a) and G.S. 115D-40.1(b), respectively.

10 **SECTION 2.** G.S. 115D-40.1, as codified by Section 1 of this act, reads as
11 rewritten:

12 "**§ 115D-40.1. Financial Assistance for Community College Students.**

13 (a) Need-Based Assistance Program. – ~~Of the funds appropriated to the~~
14 ~~Community Colleges System Office for the 1999 2001 fiscal biennium, the sum of five~~
15 ~~million dollars (\$5,000,000) for the 1999 2000 fiscal year and the sum of five million~~
16 ~~dollars (\$5,000,000) for the 2000 2001 fiscal year shall be used to provide~~ There is
17 created the largest financial need-based student assistance program in the history of the
18 North Carolina Community College System. ~~Students must apply for federal Pell Grants~~
19 ~~to be eligible for this program.~~ It is the intent of the General Assembly that the
20 Community College System make these financial aid funds available to the neediest
21 students who are not eligible for other financial aid programs that fully cover the
22 required educational expenses of these students. The State Board may use some of these
23 funds as short-term loans to students who anticipate receiving the federal HOPE or
24 Lifetime Learning Tax Credits.

25 (b) Targeted Assistance. – Notwithstanding subsection (a) of this section, the
26 State Board may allocate no more than ten percent (10%) of the funds appropriated for
27 Financial Assistance for Community College Students to students who do not qualify
28 for need-based assistance but who:

1 (1) Enroll in low-enrollment programs that prepare students for high-
2 demand occupations.

3 (2) Enroll in certificate programs.

4 (3) Are transitional students.

5 (c) Administration of Program. – ~~The State Board of Community Colleges~~ shall
6 adopt rules and policies for the disbursement of the financial assistance provided in this
7 section. Students must apply for either federal Pell Grants or complete a Free
8 Application for Federal Student Aid (FAFSA) to be eligible for financial assistance. The
9 State Board may contract with the State Education Assistance Authority for
10 administration of these financial assistance funds. These funds shall not revert at the end
11 of each fiscal year but shall remain available until expended for need-based financial
12 assistance.

13 ~~(b)~~ The State Board of ~~Community Colleges~~ shall ensure that at least one
14 counselor is available at each college to inform students about federal programs and
15 funds available to assist community college students including, but not limited to, Pell
16 Grants and HOPE and Lifetime Learning Tax Credits and to actively encourage students
17 to utilize these federal programs and funds."

18 **SECTION 3.** This act becomes effective July 1, 2001.