

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

H.B. 1127
May 14, 2020
HOUSE PRINCIPAL CLERK

H

D

HOUSE BILL DRH10793-MQa-160

Short Title: UNC Student Lease Hold Harmless. (Public)

Sponsors: Representative Russell.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE ASSISTANCE TO CERTAIN STUDENTS IN THE UNIVERSITY
3 OF NORTH CAROLINA SYSTEM AND RESIDENTIAL LANDLORDS IMPACTED BY
4 THE COVID-19 PANDEMIC.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.(a)** Program Established; Purpose. – There is established the
7 COVID-19 Emergency Grant Program for Postsecondary Students (Program) to provide
8 emergency scholarship to eligible postsecondary students who have suffered financial hardship
9 due to the COVID-19 pandemic. An emergency scholarship grant shall be used to mitigate the
10 impact of the COVID-19 pandemic on a student so that his or her financial obligations towards
11 rental lease obligations related to enrollment in a constituent institution of The University of
12 North Carolina are covered. These funds may be used to cover up to seventy percent (70%) of
13 the amount of a lease that was entered into for the 2020-2021 school year and that was executed
14 on or before March 15, 2020.

15 **SECTION 1.(b)** Applications; Eligibility. – By September 1, 2020, each constituent
16 institution of The University of North Carolina that is eligible for an allocation of funds pursuant
17 to this section shall begin accepting applications from eligible postsecondary students. An
18 application for an emergency scholarship grant must demonstrate that the student is an eligible
19 postsecondary student by including documentation that the student meets the following criteria:

- 20 (1) The student is enrolled in the constituent institution at the time of application.
21 (2) The student has a financial need related to the impact of the COVID-19
22 pandemic.
23 (3) On or before March 15, 2020, the student entered into a lease agreement for a
24 rental property for the student to reside in due to the student's prospective
25 enrollment in classes during any portion of the 2020-2021 school year.

26 **SECTION 1.(c)** Award of Grants. – Within the funds available to a constituent
27 institution in accordance with this section, a constituent institution shall award an emergency
28 scholarship grant to an eligible postsecondary student within two weeks of the receipt of the
29 application, or as soon as otherwise practicable, in an amount of up to seventy percent (70%) of
30 the amount provided in the lease agreement based on the information provided in the student's
31 application. A constituent institution may establish priority in the award of emergency
32 scholarship grants to eligible postsecondary students based on the funds available and the pool
33 of applicants, including giving priority to students who have demonstrated the greatest financial
34 need. If no priority in the award of funds is established, the emergency scholarship grants shall
35 be awarded in the order in which applications are received. Funds awarded pursuant to this
36 section shall be paid directly to the lessor listed in the lease agreement. A lessor accepting funds



1 pursuant to this section shall agree to hold harmless the lessee listed in the lease agreement to the
2 extent that the funds awarded to the lessor do not fully satisfy the financial obligations contained
3 in the lease agreement. The University Ombuds Office for each constituent institution shall
4 provide any assistance necessary to facilitate the satisfaction of lease agreements pursuant to this
5 section.

6 **SECTION 1.(d)** Reimbursement for Obligations Covered by Other Funds. – An
7 eligible postsecondary student who receives an emergency scholarship grant under the Program
8 shall use best efforts and take all reasonable steps to obtain alternative funds that cover the
9 obligations for which the emergency scholarship grant funds are provided. If the student obtains
10 alternative funds, the student shall remit the amount of the emergency scholarship grant covered
11 by the alternative funds to the constituent institution. A student is not required to remit any
12 amount in excess of the funds provided to the student. A lessor receiving funds pursuant to this
13 section may not recover in excess of the amount of the obligation contained in the lease
14 agreement. Funds received from other sources towards satisfaction of the financial obligations
15 contained in the lease agreement shall be remitted to the constituent institution.

16 **SECTION 1.(e)** Constituent institutions allocated funds under this subsection shall
17 have discretion to establish criteria for the eligibility of postsecondary students in addition to the
18 criteria required by this section. However, the Board of Governors shall not establish additional
19 eligibility requirements for the administration of the Program to those set forth in this section.

20 **SECTION 2.(a)** The State Controller shall transfer the sum of fifty million dollars
21 (\$50,000,000) for the 2019-2020 fiscal year from the Coronavirus Relief Reserve established
22 under Section 2.1 of S.L. 2020-4 to the Coronavirus Relief Fund under the Coronavirus Aid,
23 Relief, and Economic Security (CARES) Act of 2020, P.L. 116-136, established in section 2.2
24 of that act.

25 **SECTION 2.(b)** There is appropriated from the Coronavirus Relief Reserve to the
26 Board of Governors of The University of North Carolina for the 2020-2021 fiscal year, the sum
27 of fifty million dollars (\$50,000,000) in nonrecurring funds which shall be allocated by the Board
28 of Governors to constituent institutions of The University of North Carolina for the purpose of
29 providing emergency scholarship grants to eligible postsecondary students in accordance with
30 the Program.

31 **SECTION 3.** This act becomes effective July 1, 2020.