

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019**

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**HOUSE BILL 1127**

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

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Sponsors:     Representative Russell.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

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Referred to:    Appropriations, if favorable, Rules, Calendar, and Operations of the House

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May 18, 2020

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

The General Assembly of North Carolina enacts:

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

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

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

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



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

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

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

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

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

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