

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2021

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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH30410-MKa-163

Short Title: In-State Tuition/UNC/CC Authority Study. (Public)

Sponsors: Representative Hurtado.

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROVIDE THE STATE BOARD OF COMMUNITY COLLEGES AND THE  
3 BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA THE  
4 AUTHORITY TO DETERMINE ELIGIBILITY FOR INDIVIDUALS TO QUALIFY AS  
5 RESIDENTS FOR TUITION PURPOSES AND BE CHARGED THE IN-STATE TUITION  
6 RATE AND TO ADOPT RULES FOR CHARGING INDIVIDUALS IN-STATE TUITION  
7 CONSISTENT WITH FEDERAL LAW.

8 The General Assembly of North Carolina enacts:

9 SECTION 1. G.S. 115D-39 reads as rewritten:

10 "§ 115D-39. Student tuition and fees.

11 (a) The State Board of Community Colleges shall fix and regulate all tuition and fees  
12 charged to students for applying to or attending any institution pursuant to this Chapter.

13 The receipts from all student tuition and fees, other than student activity fees, shall be State  
14 funds and shall be deposited as provided by regulations of the State Board of Community  
15 Colleges.

16 ~~The legal resident limitation with respect to tuition, set forth in G.S. 116-143.1 and~~  
17 ~~G.S. 116-143.3, shall apply to students attending institutions operating pursuant to this Chapter;~~  
18 ~~provided, however, that when an employer other than the Armed Forces, as that term is defined~~  
19 ~~in G.S. 116-143.3, pays tuition for an employee to attend an institution operating pursuant to this~~  
20 ~~Chapter and when the employee works at a North Carolina business location, the employer shall~~  
21 ~~be charged the in-State tuition rate; provided further, however, a community college may charge~~  
22 ~~in-State tuition to up to one percent (1%) of its out-of-state students, rounded up to the next whole~~  
23 ~~number, to accommodate the families transferred by business, the families transferred by~~  
24 ~~industry, or the civilian families transferred by the Armed Forces, consistent with the provisions~~  
25 ~~of G.S. 116-143.3, into the State. Notwithstanding these requirements, a refugee who lawfully~~  
26 ~~entered the United States and who is living in this State shall be deemed to qualify as a~~  
27 ~~domiciliary of this State under G.S. 116-143.1(a)(1) and as a State resident for community~~  
28 ~~college tuition purposes as defined in G.S. 116-143.1(a)(2). Also, a nonresident of the United~~  
29 ~~States who has resided in North Carolina for a 12-month qualifying period and has filed an~~  
30 ~~immigrant petition with the United States Immigration and Naturalization Service shall be~~  
31 ~~considered a State resident for community college tuition purposes.~~  
32 State Board of Community  
33 Colleges shall determine eligibility for individuals to qualify as a resident for tuition purposes  
34 and to be charged the in-State tuition rate. The State Board shall adopt rules for eligibility for  
35 individuals to qualify as a resident for tuition purposes and to be charged the in-State tuition rate  
that incorporate any requirements under federal law.



1 (a1) In addition, federal law enforcement officers, firefighters, EMS personnel, and rescue  
2 and lifesaving personnel whose permanent duty station is within North Carolina and who do not  
3 otherwise qualify for tuition waivers under G.S. 115D-5(b)(2a) shall also be eligible for the State  
4 resident community college tuition rate for courses that support their organizations' training  
5 needs and are approved for this purpose by the State Board of Community Colleges.

6 (b) In addition, any person lawfully admitted to the United States who satisfied the  
7 qualifications for assignment to a public school set out under G.S. 115C-366 and graduated from  
8 the public school to which the student was assigned shall also be eligible for the State resident  
9 community college tuition rate. This subsection does not make a person a resident of North  
10 Carolina for any other purpose.

11 (c) In addition, a person sponsored under this subsection who is lawfully admitted to the  
12 United States is eligible for the State resident community college tuition rate. For purposes of  
13 this subsection, a North Carolina nonprofit entity is a charitable or religious corporation as  
14 defined in G.S. 55A-1-40 that is incorporated in North Carolina and that is exempt from taxation  
15 under section 501(c)(3) of the Internal Revenue Code, or a civic league incorporated in North  
16 Carolina under Chapter 55A of the General Statutes that is exempt from taxation under section  
17 501(c)(4) of the Internal Revenue Code. A nonresident of the United States is sponsored by a  
18 North Carolina nonprofit entity if the student resides in North Carolina while attending the  
19 community college and the North Carolina nonprofit entity provides a signed affidavit to the  
20 community college verifying that the entity accepts financial responsibility for the student's  
21 tuition and any other required educational fees. Any North Carolina nonprofit entity that sponsors  
22 a nonresident of the United States under this subsection may sponsor no more than five  
23 nonresident students annually under this subsection. This subsection does not make a person a  
24 resident of North Carolina for any other purpose.

25 (d) A community college may add the cost of textbooks purchased at the college's  
26 bookstore to the tuition rates established pursuant to subsection (a) of this section for all purposes  
27 associated with billing the armed services for the enrollment of members of the armed services,  
28 as defined in G.S. 116-143.3, described in G.S. 143B-1224, if the student's branch of the armed  
29 services permits the addition of textbooks to tuition costs in its tuition assistance program. The  
30 college may retain the funds attributable to the cost of the textbooks."

31 **SECTION 2.** G.S. 116-11(7) reads as rewritten:

32 "(7) The Board shall set tuition and required fees at the institutions, not  
33 inconsistent with actions of the General Assembly. The Board shall determine  
34 eligibility for individuals to qualify as a resident for tuition purposes and to be  
35 charged the in-State tuition rate. The Board shall adopt rules for eligibility for  
36 individuals to qualify as a resident for tuition purposes and to be charged the  
37 in-State tuition rate that incorporate any requirements under federal law."

38 **SECTION 3.** G.S. 116-143.1 is repealed.

39 **SECTION 4.** G.S. 116-143.3 is repealed.

40 **SECTION 5.** G.S. 116-143.3A is repealed.

41 **SECTION 6.** G.S. 116-11(10a) reads as rewritten:

42 "(10a) The Board of Governors, the State Board of Community Colleges, and the  
43 State Board of Education, in consultation with nonprofit postsecondary  
44 educational institutions shall plan a system to provide an exchange of  
45 information among the public schools and institutions of higher education to  
46 be implemented no later than June 30, 1995. As used in this section,  
47 "institutions of higher education" shall mean (i) public higher education  
48 institutions defined in G.S. 116-143.1(a)(3), constituent institutions of The  
49 University of North Carolina and the community colleges under the  
50 jurisdiction of the State Board of Community Colleges and (ii) those nonprofit  
51 postsecondary educational institutions as described in G.S. 116-280 that

1 choose to participate in the information exchange. The information shall  
2 include:  
3 ...."

4 **SECTION 7.** G.S. 116-143.4 reads as rewritten:

5 **"§ 116-143.4. Admissions status of persons charged in-State tuition.**

6 A person eligible for the in-State tuition rate pursuant to this Article shall be considered an  
7 in-State applicant for the purpose of admission; ~~provided that, a person eligible for in-State~~  
8 ~~tuition pursuant to G.S. 116-143.3(e) shall be considered an in-State applicant for the purpose of~~  
9 ~~admission only if at the time of seeking admission he is enrolled in a high school located in North~~  
10 ~~Carolina or enrolled in an adult high school equivalency diploma program in an institution~~  
11 ~~located in this State.~~admission."

12 **SECTION 8.** G.S. 116-201(b)(11) reads as rewritten:

13 "(11) "Student," with respect to scholarships, grants, and work-study programs,  
14 means a resident of the State for tuition purposes ~~under the criteria set forth in~~  
15 ~~G.S. 116-143.1 and in accordance with any definitions of residency that may~~  
16 ~~from time to time be~~ prescribed by the Board of Governors of The University  
17 of North Carolina, who, under regulations adopted by the Authority, has  
18 enrolled or will enroll in an eligible institution for the purpose of pursuing his  
19 education beyond the high school level, who is making suitable progress in  
20 his education in accordance with standards acceptable to the Authority and,  
21 for the purposes of G.S. 116-209.19, who has not received a bachelor's degree,  
22 or qualified for it and who is otherwise classified as an undergraduate under  
23 those regulations that the Authority may promulgate;"

24 **SECTION 9.** G.S. 116-235(b)(1) reads as rewritten:

25 "(1) Admission of Students. – The School shall admit students in accordance with  
26 criteria, standards, and procedures established by the Board of Trustees. To be  
27 eligible to be considered for admission, an applicant must be either ~~a legal~~  
28 ~~resident of the State, as defined by G.S. 116-143.1(a)(1), deemed a resident~~  
29 ~~for tuition purposes~~ or a student whose parent is an active duty member of the  
30 Armed Forces, as defined by ~~G.S. 116-143.3(2), G.S. 143B-1224(2),~~ who is  
31 abiding in this State incident to active military duty at the time the application  
32 is submitted, provided the student shares the abode of that parent; eligibility  
33 to remain enrolled in the School shall terminate at the end of any school year  
34 during which a student becomes a nonresident of the State. The Board of  
35 Trustees shall ensure, insofar as possible without jeopardizing admission  
36 standards, that an equal number of qualified applicants is admitted to the  
37 program and to the residential summer institutes in science and mathematics  
38 from each of North Carolina's congressional districts. In no event shall the  
39 differences in the number of qualified applicants offered admission to the  
40 program from each of North Carolina's congressional districts be more than  
41 two and one-half percentage points from the average number per district who  
42 are offered admission."

43 **SECTION 10.** G.S. 116-280 reads as rewritten:

44 **"§ 116-280. Definitions.**

45 The following definitions apply to this Article:

- 46 (1) Academic year. – A period of time in which a student is expected to complete  
47 the equivalent of at least two semesters' or three quarters' academic work.  
48 (1a) Armed Forces. – As defined in ~~G.S. 116-143.3(a)(2), G.S. 143B-1224(2).~~  
49 (2) Authority. – The State Education Assistance Authority created by Article 23  
50 of Chapter 116 of the General Statutes.

- 1 (3) Eligible private postsecondary institution. – A school that is any of the  
 2 following:  
 3 a. A nonprofit postsecondary educational institution with a main  
 4 permanent campus located in this State that is not owned or operated  
 5 by the State of North Carolina or by an agency or political subdivision  
 6 of the State or by any combination thereof that satisfies all of the  
 7 following:  
 8 1. Is accredited by the Southern Association of Colleges and  
 9 Schools under the standards of the College Delegate Assembly  
 10 of the Association or by the New England Association of  
 11 Schools and Colleges through its Commission on Institutions  
 12 of Higher Education.  
 13 2. Awards a postsecondary degree as defined in G.S. 116-15.  
 14 b. A postsecondary institution owned or operated by a hospital authority  
 15 as defined in G.S. 131E-16(14) or school of nursing affiliated with a  
 16 nonprofit postsecondary educational institution as defined in  
 17 sub-subdivision a. of this subsection.
- 18 (4) Main permanent campus. – A campus owned by the eligible private  
 19 postsecondary institution that provides permanent on-premises housing, food  
 20 services, and classrooms with full-time faculty members and administration  
 21 that engages in postsecondary degree activity as defined in G.S. 116-15.
- 22 (5) Matriculated status. – Being recognized as a student in a defined program of  
 23 study leading to a degree, diploma, or certificate at an eligible private  
 24 postsecondary institution.
- 25 (6) Scholarship. – A scholarship for education awarded under this Article.
- 26 (7) Title IV. – Title IV of the Higher Education Act of 1965, as amended, 20  
 27 U.S.C. § 1070, et seq.
- 28 (8) Veteran. – A veteran as defined in ~~G.S. 116-143.3A~~ G.S. 143B-1224(7) who  
 29 was discharged or released from service under conditions other than  
 30 dishonorable."

31 **SECTION 11.** G.S. 116-281(3)a. reads as rewritten:

- 32 "a. Qualify as a legal resident of North Carolina and as a resident for  
 33 tuition purposes ~~under the criteria set forth in G.S. 116-143.1 and in~~  
 34 accordance with definitions of residency ~~that may from time to time~~  
 35 ~~be~~ adopted by the Board of Governors of The University of North  
 36 Carolina."

37 **SECTION 12.(a)** There is appropriated from the General Fund to the Board of  
 38 Governors of The University of North Carolina the sum of one hundred thousand dollars  
 39 (\$100,000) in nonrecurring funds for the 2021-2022 fiscal year to be used by the Board of  
 40 Governors, in collaboration with the State Board of Community Colleges, to conduct a study to  
 41 identify (i) potential student populations that may benefit from a change in residency status to  
 42 allow students to qualify as residents for tuition purposes and be charged the in-State tuition rate  
 43 and (ii) the impact a change in residency status for those students would have on reaching the  
 44 postsecondary attainment goal set forth in G.S. 116C-10(b).

45 **SECTION 12.(b)** By May 1, 2022, the Board of Governors of The University of  
 46 North Carolina and the State Board of Community Colleges shall jointly report to the Joint  
 47 Legislative Education Oversight Committee on the results of the study required by subsection (a)  
 48 of this section and the rules adopted by each Board on the eligibility for individuals to qualify as  
 49 a resident for tuition purposes and to be charged the in-State tuition rate for the 2022-2023  
 50 academic year.

1                   **SECTION 13.** This act becomes effective July 1, 2021, and applies beginning with  
2 the 2022-2023 academic year.