

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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HOUSE BILL 133  
PROPOSED COMMITTEE SUBSTITUTE H133-PCS10144-RQ-4

Short Title: Modify Special Education Scholarships.

(Public)

Sponsors:

Referred to:

March 4, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO INCREASE THE AMOUNT OF THE SCHOLARSHIP FUNDS AVAILABLE  
3 TO STUDENTS WITH DISABILITIES PER SEMESTER AND TO MODIFY THE  
4 METHOD OF PAYMENT OF TUITION FOR THOSE STUDENTS.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 115C-112.6 reads as rewritten:

7 "§ 115C-112.6. Scholarships.

8 (a) Scholarship Applications. – The Authority shall make available no later than May 1  
9 annually applications to eligible students for the award of scholarships. Information about  
10 scholarships and the application process shall be made available on the Authority's Web site.  
11 The Authority shall give priority in awarding scholarships to eligible students who received a  
12 scholarship during the previous semester. Except as otherwise provided by the Authority for  
13 prior scholarship recipients, scholarships shall be awarded to eligible students in the order in  
14 which the applications are received.

15 (a1) Web Site Availability. – Information about scholarships and the application process  
16 shall be made available on the Authority's Web site. The Authority shall also include  
17 information on the Web site notifying parents that federal regulations adopted under IDEA  
18 provide that no parentally placed private school child with a disability has an individual right to  
19 receive some or all of the special education and related services that the child would receive if  
20 enrolled in a public school.

21 (b) Scholarship Awards. – Scholarships awarded to eligible students shall be for  
22 amounts of not more than ~~three~~four thousand dollars (~~\$3,000~~(\$4,000) per semester per eligible  
23 student. Eligible students awarded scholarships may not be enrolled in a public school to which  
24 that student has been assigned as provided in G.S. 115C-366. Scholarships shall be awarded  
25 only for tuition and for the reimbursement of tuition, special education, related services, and  
26 educational technology, as provided in subsection (b1) of this section. The Authority shall  
27 notify parents in writing of their eligibility to receive scholarships for costs that will be incurred  
28 during the spring semester of the following year by December 1 and for costs incurred during  
29 the fall semester of that year by July 1.

30 (b1) Disbursement of Scholarship Funds. – The Authority shall disburse scholarship  
31 funds for tuition and for the reimbursement of costs incurred by the parent of an eligible student  
32 as follows:

33 (1) Scholarship endorsement for tuition. – The Authority shall remit, at least two  
34 times each school year, scholarship funds awarded to eligible students for  
35 endorsement by at least one of the student's parents or guardians for tuition  
36 to attend (i) a North Carolina public school other than the public school to



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1 which that student has been assigned as provided in G.S. 115C-366 or (ii) a  
2 nonpublic school that meets the requirements of Part 1 or Part 2 of Article 39  
3 of this Chapter as identified by the Department of Administration, Division  
4 of Nonpublic Education. Scholarship funds shall not be provided for tuition  
5 for home schooled students. If the student is attending a nonpublic school,  
6 the school must be deemed eligible by the Division of Nonpublic Education,  
7 pursuant to G.S. 115C-562.4, and the school shall be subject to the  
8 requirements of G.S. 115C-562.5. The parent or guardian shall restrictively  
9 endorse the scholarship funds awarded to the eligible student to the school  
10 for deposit into the account of the school. The parent or guardian shall not  
11 designate any entity or individual associated with the school as the parent's  
12 attorney-in-fact to endorse the scholarship funds but shall endorse the  
13 scholarship funds in person at the site of the school. A parent's or guardian's  
14 failure to comply with this section shall result in forfeiture of the scholarship  
15 funds. A scholarship forfeited for failure to comply with this section shall be  
16 returned to the Authority to be awarded to another student.

17 (2) Scholarship Reimbursements.—reimbursements for costs. - Scholarship  
18 reimbursement for costs incurred shall be provided as follows:

19 ~~(1)~~a. Preapproval process. – Prior to the start of each school semester, the  
20 parent of an eligible student may submit documentation of the  
21 ~~tuition,~~ special education, related services, or educational technology  
22 the parent anticipates incurring costs on in that semester for  
23 preapproval by the Authority.

24 ~~(2)~~b. Reimbursement submissions. – Following the conclusion of each  
25 school semester, the parent of an eligible student shall submit to the  
26 Authority any receipts or other documentation approved by the  
27 Authority to demonstrate the costs incurred during the semester. In  
28 addition, parents shall provide documentation of the following to  
29 seek reimbursement:

30 a. ~~Tuition reimbursement.—Parents may only receive~~  
31 ~~reimbursement for tuition if the parent provides~~  
32 ~~documentation that the student was enrolled in nonpublic~~  
33 ~~school or public school for which payment of tuition is~~  
34 ~~required for no less than 75 days of the semester for which~~  
35 ~~the parent seeks reimbursement. Tuition reimbursement shall~~  
36 ~~not be provided for home schooled students.~~

37 ~~b.1.~~ Special education reimbursement. – Parents may only receive  
38 reimbursement for special education if the parent provides  
39 documentation that the student received special education for  
40 no less than 75 days of the semester for which the parent  
41 seeks reimbursement. Special education reimbursement shall  
42 not be provided for special education instruction provided to  
43 a home schooled student by a member of the household of a  
44 home school, as defined in G.S. 115C-563(a).

45 ~~e.2.~~ Related services reimbursement. – Parents may only receive  
46 reimbursement for related services if the parent provides  
47 documentation that the student also received special  
48 education for no less than 75 days of the semester for which  
49 the parent seeks reimbursement for the related services.  
50 Related services reimbursement shall not be provided for  
51 related services provided to a home schooled student by a

1 member of the household of a home school, as defined in  
2 G.S. 115C-563(a).

3 ~~3.~~ Educational technology reimbursement. – Parents may only  
4 receive reimbursement for educational technology if the  
5 parent provides documentation that the student used the  
6 educational technology for no less than 75 days of the  
7 semester for which the parent seeks reimbursement.

8 ~~(3)c.~~ Scholarship award. – The Authority shall award a scholarship in the  
9 amount of costs demonstrated by the parent up to the maximum  
10 amount. If the costs incurred by the parent do not meet the maximum  
11 amount, the Authority shall use the remainder of those funds for the  
12 award of scholarships to eligible students for the following semester.  
13 The Authority shall award scholarships to the parents of eligible  
14 students at least semiannually.

15 (c) Student Reevaluation. – After an eligible student's initial receipt of a scholarship,  
16 the Authority shall ensure that the student is reevaluated at least every three years by the local  
17 educational agency in order to verify that the student continues to be a child with a disability.

18 (d) Rule Making. – The Authority shall establish rules and regulations for the  
19 administration and awarding of scholarships. The Authority shall adopt rules providing for pro  
20 rata return of funds if a student withdraws prior to the end of the semester from a school to  
21 which scholarship funds have been remitted. The Authority shall annually develop a list of  
22 educational technology for which scholarships may be used and shall provide scholarship  
23 recipients with information about the list.

24 (e) Public Records Exception. – Scholarship applications and personally identifiable  
25 information related to eligible students receiving scholarships shall not be a public record under  
26 Chapter 132 of the General Statutes. For the purposes of this section, personally identifiable  
27 information means any information directly related to a student or members of a student's  
28 household, including the name, birthdate, address, Social Security number, telephone number,  
29 e-mail address, financial information, or any other information or identification number that  
30 would provide information about a specific student or members of a specific student's  
31 household."

32 **SECTION 2.** This act is effective when it becomes law and applies to scholarships  
33 awarded for the 2015-2016 school year. The Authority shall adopt rules within 60 days of the  
34 effective date of this act providing for pro rata return of funds if a student withdraws prior to  
35 the end of the semester from a school to which scholarship funds have been remitted.