

# FAILED



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 32

AMENDMENT NO. A1  
(to be filled in by  
Principal Clerk)

H32-ATC-49 [v.1]

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Amends Title [NO]  
Third Edition

Date \_\_\_\_\_, 2021

Representative Hunt

1  
2 moves to amend the bill on page 1, lines 2-3, by inserting the following between those lines:

3  
4 "Whereas, the most recent evaluations of similar statewide voucher programs in Ohio,  
5 Louisiana, and Indiana have found negative academic impacts for voucher students; and

6 Whereas, G.S. 115C-562.7(c) requires the State Education Assistance Authority  
7 (SEAA) to report annually on the learning gains or losses of students receiving scholarship grants  
8 and the competitive effects on public school performance on standardized tests as a result of the  
9 scholarship grant program; and

10 Whereas, the task force created by S.L. 2017-57 found that it was impossible for the  
11 SEAA to fulfill this requirement due to the Opportunity Scholarship's lack of robust  
12 accountability requirements; and

13 Whereas, the task force determined that meeting the statutory charge requires  
14 comparing the test results of a random sample of students enrolled in a nonpublic school  
15 receiving the Opportunity Scholarship against a random sample of eligible students who applied  
16 for the Opportunity Scholarship but were not awarded funds and remained in public school; and

17 Whereas, the SEAA currently lacks the authority and resources to administer a  
18 nationally normed test to such samples of students; Now therefore,";

19  
20 and on page 15, lines 45-47, by rewriting those lines to read:

21  
22 **"PART V. EVALUATION OF K-12 SCHOLARSHIP PROGRAMS**

23  
24 **SECTION 5.(a)** G.S. 115C-562.2 is amended by adding a new subsection to read:

25 "(c1) An eligible student awarded a scholarship grant shall participate, if selected, in  
26 administration of a common examination selected by the Authority for purposes of program  
27 evaluation as provided in G.S. 115C-562.7A to maintain eligibility for receipt of the scholarship  
28 grant."

29 **SECTION 5.(b)** G.S. 115C-562.5 reads as rewritten:

30 **"§ 115C-562.5. Obligations of nonpublic schools accepting eligible students receiving**  
31 **scholarship grants.**



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1 (a) A nonpublic school that accepts eligible students receiving scholarship grants shall  
2 comply with the following:

3 ...

4 (4a) Administer or allow administration of a common examination to those  
5 students selected as provided in G.S. 115C-562.7A for purposes of program  
6 evaluation.

7 (4b) Provide to the Authority grade retention rates for students receiving  
8 scholarship grants and grade retention rates for the total number of students  
9 enrolled.

10 ...."

11 **SECTION 5.(c)** G.S. 115C-562.7(c) reads as rewritten:

12 "(c) The Authority shall report annually, no later than December 1, to the Department of  
13 Public Instruction and the Joint Legislative Education Oversight Committee on the  
14 ~~following:~~following evaluations of the scholarship grants required by G.S. 115C-562.7A.

15 (1) Learning gains or losses of students receiving scholarship grants. ~~The report~~  
16 ~~shall include learning gains of participating students on a statewide basis and~~  
17 ~~shall compare, to the extent possible, the learning gains or losses of eligible~~  
18 ~~students by nonpublic school to the statewide learning gains or losses of public~~  
19 ~~school students with similar socioeconomic backgrounds, using aggregate~~  
20 ~~standardized test performance data provided to the Authority by nonpublic~~  
21 ~~schools and by the Department of Public Instruction.~~

22 (2) Competitive effects on public school performance on standardized tests as a  
23 result of the scholarship grant program. ~~The report shall analyze the impact of~~  
24 ~~the availability of scholarship grants on public school performance on~~  
25 ~~standardized tests by local school administrative units to the extent possible,~~  
26 ~~and shall provide comparisons of the impact by geographic region and~~  
27 ~~between rural and urban local school administrative units.~~

28 ~~This report shall be conducted by an independent research organization to be selected by the~~  
29 ~~Authority, which may be a public or private entity or university. The independent research~~  
30 ~~organization shall report to the Authority on the results of its research. The Joint Legislative~~  
31 ~~Education Oversight Committee shall review reports from the Authority and shall make ongoing~~  
32 ~~recommendations to the General Assembly as needed regarding improving administration and~~  
33 ~~accountability for nonpublic schools accepting students receiving scholarship grants."~~

34 **SECTION 5.(d)** Part 2A of Article 39 of Chapter 115C of the General Statutes is  
35 amended by adding a new section to read:

36 "**§ 115C-562.7A. Scholarship grant evaluations.**

37 (a) Selection of Evaluator. – The Authority shall select an independent research  
38 organization, which may be a public or private entity or university, to conduct research for the  
39 reports required under G.S. 115C-562.7(c). In consultation with the independent research  
40 organization, the Authority shall select a common test to be used for purposes of the scholarship  
41 grant evaluations. The Authority shall provide information to the independent research  
42 organization related to both applicants and recipients for the scholarship grants for the purpose  
43 of establishing student samples to conduct the evaluation.

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1        (b) Evaluation Reports. – The independent research organization selected pursuant to  
2 subsection (a) of this section shall conduct research and report to the Authority on the evaluation  
3 of at least the following:

4            (1) Learning gains or losses of students receiving scholarship grants. The report  
5 shall include learning gains of participating students and shall compare, to the  
6 extent possible, the learning gains or losses of eligible students by nonpublic  
7 school to the statewide learning gains or losses of public school students with  
8 similar socioeconomic backgrounds.

9            (2) Competitive effects on public school performance on standardized tests as a  
10 result of the scholarship grant program. The report shall analyze, to the extent  
11 possible, the impact of the availability of scholarship grants on public school  
12 performance on standardized tests by local school administrative units and  
13 shall provide comparisons of the impact by geographic region and between  
14 rural and urban local school administrative units.

15        (c) Evaluation Methods. – To ensure valid and reliable results, the independent research  
16 organization shall select samples of students who (i) receive the scholarship grant and attend  
17 nonpublic schools and (ii) meet eligibility requirements for the scholarship grant and attend a  
18 public school and shall administer a common test to those students for purposes of the scholarship  
19 grant evaluations. This testing shall be conducted so that the sample size shall be large enough  
20 to assure valid comparisons. If students selected for the sample have otherwise been administered  
21 the common test in that school year, the results of that test shall be provided to the independent  
22 research organization by the nonpublic or public school.

23        (d) Aggregate Test Information. – The Department of Public Instruction and the  
24 Authority shall provide aggregate test information for nonpublic and public students to the  
25 independent research organization upon request for the purpose of conducting the scholarship  
26 grant evaluation.

27        (e) Confidential Information. – All personally identifiable student information provided  
28 to the independent research organization for research purposes as permitted by the Federal  
29 Education Rights and Privacy Act, 20 U.S.C. § 1232g., shall be confidential and shall not be a  
30 public record."

31        **SECTION 5.(e)** G.S. 115C-174.11(c) is amended by adding a new subdivision to  
32 read:

33            "(5) The Department of Public Instruction shall require local boards of education  
34 to participate in administration of a common examination to the sample of  
35 students enrolled in the local school administrative unit selected as provided  
36 in G.S. 115C-562.7A for purposes of evaluation of the scholarship grant  
37 program established in Part 2A of Article 39 of this Chapter. The testing shall  
38 be conducted with the smallest size sample of students necessary to assure  
39 valid comparisons."

40        **SECTION 5.(f)** This section applies beginning with the 2021-2022 school year.

41        **SECTION 5.1.(a)** G.S. 115C-562.8(c), as amended by Section 1.5 of this act, reads  
42 as rewritten:

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1       "(c) Of the funds allocated to the Authority to award scholarship grants under this Part,  
2 the Authority may retain up to two and one-half percent (2.5%) of the funds appropriated each  
3 fiscal year for administrative costs associated with the scholarship grant program. The Authority  
4 shall use up to one hundred fifty thousand dollars (\$150,000) each fiscal year to cover expenses  
5 related to the selection of an independent research organization to conduct evaluations pursuant  
6 to G.S. 115C-562.7A."

7               **SECTION 5.1.(b)** This section becomes effective July 1, 2020.

8               **SECTION 5.2.** Section 8.29(g) of S.L. 2013-360 reads as rewritten:

9               **"SECTION 8.29.(g)** The Authority shall select an independent research organization, as  
10 required by G.S. 115C-562.7, as enacted by this section, beginning with the 2017-2018 school  
11 year. ~~The first learning gains report required by G.S. 115C-562.7, as enacted by this section, shall~~  
12 ~~not be due until December 1, 2018.~~ The first financial review for a nonpublic school that accepts  
13 scholarship grant funds, as required by G.S. 115C-562.5(a)(6), as enacted by this section, shall  
14 not be required until the 2015-2016 school year."

15               **SECTION 5.3.** The Authority shall select an independent research organization to  
16 conduct the research required by G.S. 115C-562.7A, as enacted by this act, beginning with the  
17 2021-2022 school year. The first learning gains report required by G.S. 115C-562.7, as amended  
18 by this act, shall not be due until December 1, 2022.

19  
20 **PART VI. EFFECTIVE DATE**

21               **SECTION 6.** Except as otherwise provided, this act is effective when it becomes  
22 law."

SIGNED \_\_\_\_\_  
Amendment Sponsor

SIGNED \_\_\_\_\_  
Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_

**The official copy of this document, with signatures  
and vote information, is available in the  
House Principal Clerk's Office**