



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
Senate Bill 257

AMENDMENT NO. A35  
(to be filled in by  
Principal Clerk)

S257-ANL-1 [v.15]

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Amends Title [NO]  
Second Edition

Date \_\_\_\_\_, 2025

Senator Grafstein

moves to amend the bill on page 159, lines 5-6, by inserting the following between the lines:

**"ELIMINATE THIRD AND FOURTH INCOME ELIGIBILITY TIERS FOR  
OPPORTUNITY SCHOLARSHIPS**

**SECTION 8A.11.(a)** G.S. 115C-562.1 reads as rewritten:

**"§ 115C-562.1. Definitions.**

The following definitions apply in this Part:

...

(3a) Eligible student. – A student residing in North Carolina who has not yet received a high school diploma and who meets all of the following requirements:

- a. Is eligible to attend a North Carolina public school pursuant to Article 25 of this Chapter. A child who is the age of 4 on or before April 16 is eligible to attend the following school year if the principal, or equivalent, of the school in which the child seeks to enroll finds that the student meets the requirements established by the Authority pursuant to G.S. 115C-562.2(d) and those findings are submitted to the Authority.
- b. Has not been enrolled in a postsecondary institution as a full-time student taking at least 12 hours of academic credit.
- c. Has not been placed in a nonpublic school or facility by a public agency at public expense.
- d. Resides in a household with an income level between the amount required for the student to qualify for the federal free or reduced-price lunch program and not in excess of two hundred percent (200%) of that amount.

...."

**SECTION 8A.11.(b)** G.S. 115C-562.2 reads as rewritten:

**"§ 115C-562.2. Scholarship grants.**

(a) The Authority shall make available no later than February 1 annually applications to eligible students for the award of scholarship grants to attend any nonpublic school on a full- or part-time basis. Information about scholarship grants and the application process shall be made



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1 available on the Authority's ~~Web site.~~website. Beginning March 15, the Authority shall begin  
2 awarding scholarship grants to students who have applied by March 1 in the following order:

- 3 (1) Eligible students who received a scholarship grant for the school year prior to  
4 the school year for which the students are applying.
- 5 (2) Eligible students qualifying for a scholarship grant in the amount provided  
6 under subdivision (1) of subsection (b2) of this section.
- 7 (3) Eligible students qualifying for a scholarship grant in the amount provided  
8 under subdivision (2) of subsection (b2) of this section.
- 9 (4) ~~Eligible students qualifying for a scholarship grant in the amount provided~~  
10 ~~under subdivision (3) of subsection (b2) of this section.~~
- 11 (5) ~~All other students.~~

12 ...

13 (b2) Scholarship grants shall be awarded to eligible students as follows:

- 14 (1) For students residing in households with an income level not in excess of the  
15 amount required for the student to qualify for the federal free or reduced-price  
16 lunch program, per year per eligible student, an amount of up to one hundred  
17 percent (100%) of the average State per pupil allocation for average daily  
18 membership in the prior fiscal year.
- 19 (2) For students residing in households with an income level between the amount  
20 required for the student to qualify for the federal free or reduced-price lunch  
21 program and not in excess of two hundred percent (200%) of that amount, per  
22 year per eligible student, an amount of up to ninety percent (90%) of the  
23 average State per pupil allocation for average daily membership in the prior  
24 fiscal year.
- 25 (3) ~~For students residing in households with an income level of between two~~  
26 ~~hundred percent (200%) of the amount required for the student to qualify for~~  
27 ~~the federal free or reduced-price lunch program and not in excess of four~~  
28 ~~hundred fifty percent (450%) of that amount, per year per eligible student, an~~  
29 ~~amount of up to sixty percent (60%) of the average State per pupil allocation~~  
30 ~~for average daily membership in the prior fiscal year.~~
- 31 (4) ~~For all students, per year per eligible student, an amount of up to forty-five~~  
32 ~~percent (45%) of the average State per pupil allocation for average daily~~  
33 ~~membership in the prior fiscal year, unless the student qualifies for a higher~~  
34 ~~amount under this subsection.~~

35 (b3) Tuition and fees for a nonpublic school may include tuition and fees for books,  
36 transportation, equipment, or other items required by the nonpublic school.

37 (b4) No scholarship grant shall exceed, per year per eligible student, an amount equal to  
38 one hundred percent (100%) of the average State per pupil allocation for average daily  
39 membership in the prior fiscal year, and no scholarship grant shall exceed the required tuition  
40 and fees for the nonpublic school the eligible student will attend.

41 (b5) In addition to the amount of the scholarship grant, for any student receiving a  
42 scholarship grant in grades three, eight, or 11, the Authority shall provide to the nonpublic school

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an amount equal to the cost of the nationally standardized test required to be administered as provided in G.S. 115C-562.5.

...."

**SECTION 8A.11.(c)** G.S. 115C-562.8 reads as rewritten:

**"§ 115C-562.8. The Opportunity Scholarship Grant Fund Reserve.**

...

(b) ~~The General Assembly finds that, due to the critical need in this State to provide opportunity for school choice for North Carolina students, it is imperative that the State provide an increase of funds for 15 years to the Opportunity Scholarship Grant Fund Reserve. Therefore, there~~ There is appropriated from the General Fund to the Reserve the following amounts for each fiscal year to be used for the purposes set forth in this section:

**Fiscal Year**

**Appropriation**

...

|           |  |
|-----------|--|
| 2027-2028 | <del>\$700,000,000</del> \$513,278,920 |
| 2028-2029 | <del>\$725,000,000</del> \$538,278,920 |
| 2029-2030 | <del>\$750,000,000</del> \$563,278,920 |
| 2030-2031 | <del>\$775,000,000</del> \$588,278,920 |
| 2031-2032 | <del>\$800,000,000</del> \$613,278,920 |

For the 2032-2033 fiscal year and each fiscal year thereafter, there is appropriated from the General Fund to the Reserve the sum of ~~eight hundred twenty five million dollars (\$825,000,000)~~six hundred thirty-eight million two hundred seventy-eight thousand nine hundred twenty dollars (\$638,278,920) to be used for the purposes set forth in this section. When developing the base budget, as defined by G.S. 143C-1-1, for each fiscal year specified in this subsection, the Director of the Budget shall include the appropriated amount specified in this subsection for that fiscal year.

...."

**SECTION 8A.11.(d)** Notwithstanding any other provision of law or of the Committee Report referenced in Section 45.2 of this act to the contrary, the funds appropriated to the Opportunity Scholarship Grant Fund Reserve for the award of opportunity scholarship grants pursuant to Part 2A of Article 39 of Chapter 115C of the General Statutes are reduced as follows:

- (1) Of the funds allocated from the Reserve for the award of scholarship grants in the 2025-2026 fiscal year, by the sum of three hundred five million seven hundred ninety-two thousand nine hundred sixty-one dollars (\$305,792,961) in nonrecurring funds.
- (2) Of the funds appropriated for the 2025-2026 fiscal year, by the sum of one hundred eighty-six million seven hundred twenty-one thousand eight dollars (\$186,721,080) in recurring funds.

**SECTION 8A.11.(e)** This section applies beginning with the 2025-2026 school year.";and

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on page 197, lines 8 and 9, by inserting between the lines:

**"CREATE JOBS SERVING PEOPLE WITH I/DD**

**SECTION 9E.21.(a)** Notwithstanding any other provision of law or of the Committee Report referenced in Section 45.2 of this act to the contrary, the funds appropriated in the act from the General Fund to the Department of Health and Human Services, Division of Health Benefits (DHB), are increased by the sum of one hundred seventy-eight million six hundred seventy thousand dollars (\$178,670,000) in recurring funds for each year of the 2025-2027 fiscal biennium. These funds shall be used to increase the number of North Carolina Innovations waiver slots, as directed by this section.

**SECTION 9E.21.(b)** DHB shall amend the North Carolina Innovations waiver to increase the number of waiver slots available under the waiver by 5,000. These 5,000 waiver slots shall be distributed in accordance with subsection (c) of this section and are to be made available July 1, 2025, unless the method of acceptance or rejection of waiver slots detailed in subsection (c) of this section requires approval by the Centers for Medicare and Medicaid Services (CMS). If CMS approval is required, then any waiver slots that are rejected under the procedure described in subsection (c) of this section shall be made available July 1, 2025, or the date that CMS grants or denies approval of the rejection and acceptance procedure, whichever is later. If CMS approval is required and CMS does not approve the rejection and acceptance procedure in subsection (c) of this section, then any rejected waiver slots shall remain distributed using the allocation formula currently in place as of the effective date of this section.

**SECTION 9E.21.(c)** DHB shall distribute the 5,000 waiver slots identified under subsection (b) of this section using the allocation formula currently in place as of the effective date of this act, provided that all waiver slots shall be filled on a first-come, first-served basis determined by the length of time an individual has been on the waiting list for an Innovations waiver slot. Each LME/MCO shall, within 30 days of receiving the offer of the waiver slot, elect whether to accept some, all, or none of the waiver slots offered. All waiver slots not accepted by an LME/MCO shall be distributed equally among the LME/MCOs that attest to the following requirements:

- (1) The LME/MCO ensures that all rates paid to providers for any services provided to beneficiaries receiving those services through the Innovations Waiver are sufficient to pay its direct care employees a minimum wage of twenty dollars (\$20.00) per hour. The LME/MCO may include in the rates paid any additional amounts authorized by the General Assembly that are designated for direct care personnel wages.
- (2) The ability and capacity to provide services to the beneficiaries that will receive the additional waiver slots exists within the LME/MCO's catchment area.";

and by adjusting the appropriate totals accordingly.

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

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

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