

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

H.B. 1020
Apr 21, 2026
HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH30512-MTa-153

Short Title: PESA Class Aides & Child. Wartime Vets Funds. (Public)

Sponsors: Representative Paré.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE THE USE OF PERSONAL EDUCATION STUDENT ACCOUNT
3 FUNDS FOR EDUCATION-RELATED SUPPORT SERVICES PROVIDED BY A
4 ONE-TO-ONE CLASSROOM AIDE AND TO APPROPRIATE FUNDS TO SUPPORT
5 THE CHILDREN OF WARTIME VETERANS SCHOLARSHIP PROGRAM.

6 The General Assembly of North Carolina enacts:

7
8 **PART I. AUTHORIZE USE OF PERSONAL EDUCATION STUDENT ACCOUNT**
9 **FUNDS FOR ONE-TO-ONE CLASSROOM AIDES**

10 **SECTION 1.(a)** G.S. 115C-591 reads as rewritten:

11 **"§ 115C-591. Definitions.**

12 The following definitions apply in this Article:

13 ...

14 (4a) One-to-one classroom aide. – A person who holds at least a high school
15 diploma, or its equivalent, and who supports an eligible student in a classroom,
16 and other educational settings as necessary, at the request of the Part 1 or 2
17 nonpublic school in which the eligible student is enrolled.

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19 **SECTION 1.(b)** G.S. 115C-595 reads as rewritten:

20 **"§ 115C-595. Parental agreement; use of funds.**

21 (a) Parental Agreement. – The Authority shall provide the parent of a scholarship
22 recipient with a written agreement, applicable for each year the eligible student receives
23 scholarship funds under this Article, to be signed and returned to the Authority prior to receiving
24 the scholarship funds. The agreement shall be submitted to the Authority electronically. The
25 parent shall not designate any entity or individual to execute the agreement on the parent's behalf.
26 A parent or eligible student's failure to comply with this section shall result in a forfeit of
27 scholarship funds and those funds may be awarded to another eligible student. The parent shall
28 agree to the following conditions in order to receive scholarship funds under this Article:

29 ...

- 30 (3) Use the scholarship funds deposited into a personal education student account
31 only for the following qualifying education expenses of the eligible student:
- 32 a. Tuition and fees for a G.S. 115C-562.5 compliant school, disbursed as
33 provided in subdivision (1) of subsection (a1) of this section.
 - 34 b. Textbooks required by a nonpublic school.
 - 35 c. Tutoring and teaching services provided by an individual or facility
36 accredited by a State, regional, or national accrediting organization.



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- 1 d. Curricula.
- 2 e. Fees for nationally standardized norm-referenced achievement tests,
- 3 advanced placement tests, or nationally recognized college entrance
- 4 exams.
- 5 f. Fees charged to the account holder for the management of the PESA.
- 6 g. Fees for services provided by a public school, including individual
- 7 classes and extracurricular programs.
- 8 h. Premiums charged to the account holder for any insurance or surety
- 9 bonds required by the Authority.
- 10 i. Educational therapies from a licensed or accredited practitioner or
- 11 provider.
- 12 j. Educational technology defined by the Authority as approved for use
- 13 pursuant to G.S. 115C-591(2a).
- 14 k. Student transportation, pursuant to a contract with an entity that
- 15 regularly provides student transportation, to and from (i) a provider of
- 16 education or related services or (ii) an education activity.
- 17 l. Transaction or merchant fees charged to the account holder, not to
- 18 exceed two and one-half percent (2.5%) of the cost of the item or
- 19 service.
- 20 m. Education-related support services provided by a one-to-one
- 21 classroom aide to an eligible student enrolled in a Part 1 or 2 nonpublic
- 22 school. A one-to-one classroom aide shall not provide services to other
- 23 students during the instructional day. The nonpublic school in which
- 24 an eligible student is enrolled shall submit documentation to the
- 25 Authority describing the education-related support services requested
- 26 for an eligible student each semester in the manner prescribed by the
- 27 Authority.
- 28 (3a) Use of scholarship funds for reimbursement of tuition. – Notwithstanding
- 29 sub-subdivision a. of subdivision (3) of this subsection, a parent of an eligible
- 30 student may pay tuition to Part 1 or 2 nonpublic schools that are not
- 31 G.S. 115C-562.5 compliant schools with funds other than funds available in
- 32 the personal education student account and then request reimbursement from
- 33 the Authority from scholarship funds if the parent complies with the
- 34 provisions of subdivision (2) of subsection (a1) of this section.
- 35 (4) Not use scholarship funds for any of the following purposes:
- 36 a. Computer hardware or other technological devices not defined by the
- 37 Authority as educational technology approved for use pursuant to
- 38 G.S. 115C-591(2a).
- 39 b. Consumable educational supplies, including paper, pen, or markers.
- 40 c. Tuition and fees at an institution of higher education, as defined in
- 41 G.S. 116-143.1, or a private postsecondary institution.
- 42 d. Tuition and fees for a nonpublic school that meets the requirements of
- 43 Part 3 of Article 39 of this Chapter.
- 44 e. Educational-related support services provided by a one-to-one
- 45 classroom aide who is any of the following:
- 46 1. A parent, guardian, legal custodian, sibling, or grandparent of
- 47 the eligible student.
- 48 2. An employee or independent contractor of the Part 1 or 2
- 49 nonpublic school in which the eligible student is enrolled.
- 50"

1 **SECTION 1.(c)** This section is effective when it becomes law and applies beginning
2 with the 2026-2027 school year.

3
4 **PART II. FUNDS FOR THE CHILDREN OF WARTIME VETERANS SCHOLARSHIP**

5 **SECTION 2.(a)** There is appropriated from the General Fund to the Board of
6 Governors of The University of North Carolina for the 2025-2026 fiscal year the sum of one
7 million dollars (\$1,000,000) in nonrecurring funds to be allocated to the State Education
8 Assistance Authority (Authority) to increase award amounts for recipients of scholarships for the
9 children of wartime veterans for the 2025-2026 academic year up to the full amounts permitted
10 under Part 2 of Article 14 of Chapter 143B of the General Statutes to the extent those award
11 amounts were reduced by the Secretary of the Department of Military and Veterans Affairs
12 pursuant to the award flexibility provided in Part VI of S.L. 2025-72. If any of these funds remain
13 after increasing award amounts for scholarship recipients in accordance with this subsection, the
14 Authority may use the remaining funds to award additional scholarships for qualifying children
15 of wartime veterans under Part 2 of Article 14 of Chapter 143B of the General Statutes, beginning
16 in the 2026-2027 academic year.

17 **SECTION 2.(b)** There is appropriated from the General Fund to the Board of
18 Governors of The University of North Carolina for the 2026-2027 fiscal year the sum of seven
19 million dollars (\$7,000,000) in recurring funds to support additional scholarships for qualifying
20 children of wartime veterans under Part 2 of Article 14 of Chapter 143B of the General Statutes,
21 beginning in the 2026-2027 academic year.

22 **SECTION 2.(c)** Subsection (b) of this section becomes effective July 1, 2026.

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24 **PART III. EFFECTIVE DATE**

25 **SECTION 3.** Except as otherwise provided, this act is effective when it becomes
26 law.