

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

H.B. 1076
Apr 28, 2026
HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH10591-MTa-201

Short Title: The Innovations Waitlist Reduction Act.

(Public)

Sponsors: Representative Crawford.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO EXPAND INNOVATIONS WAIVER ACCESS AND TO REVISE ELIGIBILITY
3 REQUIREMENTS FOR THE OPPORTUNITY SCHOLARSHIP PROGRAM TO FOCUS
4 ON FAMILIES WITH THE GREATEST NEED.

5 The General Assembly of North Carolina enacts:

6
7 **PART I. INCREASE NORTH CAROLINA INNOVATIONS WAIVER SLOTS**

8 **SECTION 1.(a)** The Department of Health and Human Services, Division of Health
9 Benefits (DHB), shall amend the North Carolina Innovations waiver to increase the number of
10 waiver slots available under the waiver by 6,635 slots. These additional slots shall be made
11 available on July 1, 2026, or as soon as practicable after that date.

12 **SECTION 1.(b)** There is appropriated from the General Fund to the Department of
13 Health and Human Services, Division of Health Benefits (DHB), the sum of two hundred forty
14 million dollars (\$240,000,000) in recurring funds and associated receipts beginning with the
15 2026-2027 fiscal year to be used to fund these additional slots.

16 **SECTION 1.(c)** This section is effective July 1, 2026.

17
18 **PART II. REVISE ELIGIBILITY REQUIREMENTS AND REDUCE FUNDS FOR THE**
19 **OPPORTUNITY SCHOLARSHIP PROGRAM**

20 **SECTION 2.(a)** G.S. 115C-562.1(3a) reads as rewritten:

21 "(3a) Eligible student. – A student residing in North Carolina who has not yet
22 received a high school diploma and who meets all of the following
23 requirements:

- 24 a. Is eligible to attend a North Carolina public school pursuant to Article
25 25 of this Chapter. A child who is the age of 4 on or before April 16 is
26 eligible to attend the following school year if the principal, or
27 equivalent, of the school in which the child seeks to enroll finds that
28 the student meets the requirements established by the Authority
29 pursuant to G.S. 115C-562.2(d) and those findings are submitted to the
30 Authority.
- 31 b. Has not been enrolled in a postsecondary institution as a full-time
32 student taking at least 12 hours of academic credit.
- 33 c. Has not been placed in a nonpublic school or facility by a public
34 agency at public expense.



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d. Resides in a household with an income level not in excess of two hundred percent (200%) of the amount required for the student to qualify for the federal free or reduced-price lunch program."

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

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

...

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

- (1) For students residing in households with an income level not in excess of the amount required for the student to qualify for the federal free or reduced-price lunch program, per year per eligible student, an amount of up to one hundred percent (100%) of the average State per pupil allocation for average daily membership in the prior fiscal year.
- (2) For students residing in households 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, per year per eligible student, an amount of up to ninety percent (90%) of the average State per pupil allocation for average daily membership in the prior fiscal year.
- (3) ~~For students residing in households with an income level of between two hundred percent (200%) of the amount required for the student to qualify for the federal free or reduced-price lunch program and not in excess of four hundred fifty percent (450%) of that amount, per year per eligible student, an amount of up to sixty percent (60%) of the average State per pupil allocation for average daily membership in the prior fiscal year.~~
- (4) ~~For all students, per year per eligible student, an amount of up to forty five percent (45%) of the average State per pupil allocation for average daily membership in the prior fiscal year, unless the student qualifies for a higher amount under this subsection.~~

...."

SECTION 2.(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
1		
2	...	
3	2027-2028	\$700,000,000 <u>\$460,000,000</u>
4	2028-2029	\$725,000,000 <u>\$485,000,000</u>
5	2029-2030	\$750,000,000 <u>\$510,000,000</u>
6	2030-2031	\$775,000,000 <u>\$535,000,000</u>
7	2031-2032	\$800,000,000 <u>\$560,000,000</u>

8 For the 2032-2033 fiscal year and each fiscal year thereafter, there is appropriated from the
 9 General Fund to the Reserve the sum of ~~eight hundred twenty five million dollars (\$825,000,000)~~
 10 five hundred eighty-five million dollars (\$585,000,000) to be used for the purposes set forth in
 11 this section. When developing the base budget, as defined by G.S. 143C-1-1, for each fiscal year
 12 specified in this subsection, the Director of the Budget shall include the appropriated amount
 13 specified in this subsection for that fiscal year.

14"

15 **SECTION 2.(d)** Notwithstanding any other provision of law to the contrary, the
 16 recurring funds appropriated in the 2026-2027 fiscal year to the Opportunity Scholarship Grant
 17 Fund Reserve for the award of opportunity scholarship grants pursuant to Part 2A of Article 39
 18 of Chapter 115C of the General Statutes in the 2027-2028 fiscal year shall be reduced by the sum
 19 of two hundred forty million dollars (\$240,000,000) in recurring funds.

20 **SECTION 2.(e)** This section becomes effective July 1, 2026, and applies to
 21 applications for the award of scholarship funds beginning in the 2027-2028 school year.

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23 **PART III. EFFECTIVE DATE**

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