

FAILED



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 257

AMENDMENT NO. A31
(to be filled in by
Principal Clerk)

S257-ANH-6 [v.7]

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Amends Title [NO]
Second Edition

Date _____, 2025

Senator Chaudhuri

1 moves to amend the bill on page 110, lines 11-12, by inserting between the lines the following
2 new section to read:

3
4 **"UNIVERSAL FREE SCHOOL BREAKFAST**

5 **SECTION 7.41.(a)** G.S. 115C-263(a) reads as rewritten:

6 "(a) As a part of the function of the public school system, ~~local boards of education~~ public
7 school units shall have a school food authority to provide to the extent practicable school nutrition
8 services in the schools under their jurisdiction. The school food authority shall provide breakfast
9 service at no cost to students in accordance with G.S. 115C-263.5 and may offer other nutrition
10 services to the extent practicable. All school nutrition services made available under this authority
11 shall be provided in accordance with federal guidelines established by the Food and Nutrition
12 Service of the United States Department of Agriculture."

13 **SECTION 7.41.(b)** Part 2 of Article 17 of Chapter 115C of the General Statutes is
14 amended by adding a new section to read:

15 **"§ 115C-263.5. Universal breakfast program.**

16 (a) Within the funds allocated for the universal breakfast program from the Education
17 Lottery Fund, the Department of Public Instruction shall allocate funds to each public school unit
18 to provide breakfast at no cost to students attending the school in kindergarten through grade 12
19 who elect to receive breakfast. State and federal reimbursements for the universal breakfast
20 program shall not exceed one hundred percent (100%) of the federal free rate of meals served.
21 These funds shall supplement and not supplant any federal funds provided for the same purposes.

22 (b) Schools are encouraged to implement innovative breakfast service models, including
23 breakfast in the classroom, grab-and-go breakfast, and second chance breakfast.

24 (c) No later than February 15 of each year, the Department of Public Instruction shall
25 report to the Joint Legislative Education Oversight Committee, at a minimum, on participation
26 rates, costs, and program effectiveness as measured by impact on student health, academic
27 performance, and overall school participation."

28 **SECTION 7.41.(c)** G.S. 115C-264 reads as rewritten:

29 **"§ 115C-264. Operation.**

30 (a) Local boards of education operating school nutrition programs shall participate in the
31 School Breakfast Program and National School Lunch Program established by the federal



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1 government. School nutrition programs shall be under the jurisdiction of the Division of School
2 Nutrition of the Department of Public Instruction.

3 ...

4 (c) All school nutrition services shall be operated on a nonprofit basis, and any earnings
5 therefrom over and above the cost of operation as defined herein shall be used to reduce the cost
6 of food, to serve more nutritious food, or to provide free or reduced-price meals to economically
7 disadvantaged children and for no other purpose. The term "cost of operation" means the actual
8 cost incurred in the purchase and preparation of food, the salaries of all personnel directly
9 engaged in providing nutrition services, and the cost of nonfood supplies as outlined under
10 standards adopted by the State Board of Education. "Personnel" means school nutrition
11 supervisors or directors, bookkeepers or other staff directly engaged in nutrition services record
12 keeping, and those persons directly involved in preparing and serving food. School nutrition
13 personnel shall be paid from the funds of the school nutrition program only for services rendered
14 on behalf of the school nutrition program. Any cost incurred in the provisions and maintenance
15 of school nutrition services over and beyond the cost of operation shall be included in the budget
16 request filed annually by local boards of education with boards of county commissioners. Local
17 boards of education are not required to comply with G.S. 115C-522(a) in the purchase of supplies
18 and food for such school nutrition services.

19"

20 **SECTION 7.41.(d)** G.S. 115C-218.75 is amended by adding a new subsection to
21 read:

22 "(p) A charter school shall provide school nutrition services in accordance with Part 2 of
23 Article 17 of this Chapter."

24 **SECTION 7.41.(e)** G.S. 115C-238.72(b) reads as rewritten:

25 "(b) Food Nutrition Service. – The local school administrative unit identified by resolution
26 shall provide, to the extent practicable, school food provide school nutrition services to the
27 regional school school in accordance with Part 2 of Article 17 of this Chapter. For purposes of
28 federal funding through the National School Lunch Program or other federally supported food
29 nutrition service programs, the local school administrative unit identified by resolution shall be
30 permitted to include eligible students enrolled in the regional school. Other participating units
31 shall not include students enrolled in the regional school for purposes of federally supported food
32 nutrition service programs."

33 **SECTION 7.41.(f)** G.S. 116-239.8(b)(4)c., as amended by Section 8.6 of this act, is
34 amended by adding a new sub-sub-subdivision to read:

35 "3. Laboratory schools shall provide school nutrition services in
36 accordance with Part 2 of Article 17 of Chapter 115C of the
37 General Statutes."

38 **SECTION 7.41.(g)** Notwithstanding any provision of this act or the Committee
39 Report described in Section 45.2 of this act to the contrary, the funds appropriated in this act to
40 the Department of Public Instruction shall be increased by eighty-five million three hundred
41 thousand dollars (\$85,300,000) in recurring funds for the 2025-2026 fiscal year to be allocated
42 to public school units for the universal school breakfast program as established by this section.";
43 and

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1
2 on page 159, lines 5-6, by inserting between the lines the following new section to read:

3
4 **"ELIMINATE FOURTH INCOME ELIGIBILITY TIER AND REDUCE FUNDS FOR**
5 **OPPORTUNITY SCHOLARSHIPS**

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

7 **"§ 115C-562.1. Definitions.**

8 The following definitions apply in this Part:

9 ...

10 (3a) Eligible student. – A student residing in North Carolina who has not yet
11 received a high school diploma and who meets all of the following
12 requirements:

- 13 a. Is eligible to attend a North Carolina public school pursuant to Article
14 25 of this Chapter. A child who is the age of 4 on or before April 16 is
15 eligible to attend the following school year if the principal, or
16 equivalent, of the school in which the child seeks to enroll finds that
17 the student meets the requirements established by the Authority
18 pursuant to G.S. 115C-562.2(d) and those findings are submitted to the
19 Authority.
20 b. Has not been enrolled in a postsecondary institution as a full-time
21 student taking at least 12 hours of academic credit.
22 c. Has not been placed in a nonpublic school or facility by a public
23 agency at public expense.
24 d. Resides in a household with an income level between the amount
25 required for the student to qualify for the federal free or reduced-price
26 lunch program and not in excess of four hundred fifty percent (450%)
27 of that amount.

28"

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

30 **"§ 115C-562.2. Scholarship grants.**

31 (a) The Authority shall make available no later than February 1 annually applications to
32 eligible students for the award of scholarship grants to attend any nonpublic school on a full- or
33 part-time basis. Information about scholarship grants and the application process shall be made
34 available on the Authority's ~~Web site.~~ website. Beginning March 15, the Authority shall begin
35 awarding scholarship grants to students who have applied by March 1 in the following order:

- 36 (1) Eligible students who received a scholarship grant for the school year prior to
37 the school year for which the students are applying.
38 (2) Eligible students qualifying for a scholarship grant in the amount provided
39 under subdivision (1) of subsection (b2) of this section.
40 (3) Eligible students qualifying for a scholarship grant in the amount provided
41 under subdivision (2) of subsection (b2) of this section.
42 (4) Eligible students qualifying for a scholarship grant in the amount provided
43 under subdivision (3) of subsection (b2) of this section.

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1 (5) ~~All other students.~~

2 ...

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

4 (1) For students residing in households with an income level not in excess of the
5 amount required for the student to qualify for the federal free or reduced-price
6 lunch program, per year per eligible student, an amount of up to one hundred
7 percent (100%) of the average State per pupil allocation for average daily
8 membership in the prior fiscal year.

9 (2) For students residing in households with an income level between the amount
10 required for the student to qualify for the federal free or reduced-price lunch
11 program and not in excess of two hundred percent (200%) of that amount, per
12 year per eligible student, an amount of up to ninety percent (90%) of the
13 average State per pupil allocation for average daily membership in the prior
14 fiscal year.

15 (3) For students residing in households with an income level of between two
16 hundred percent (200%) of the amount required for the student to qualify for
17 the federal free or reduced-price lunch program and not in excess of four
18 hundred fifty percent (450%) of that amount, per year per eligible student, an
19 amount of up to sixty percent (60%) of the average State per pupil allocation
20 for average daily membership in the prior fiscal year.

21 (4) ~~For all students, per year per eligible student, an amount of up to forty five
22 percent (45%) of the average State per pupil allocation for average daily
23 membership in the prior fiscal year, unless the student qualifies for a higher
24 amount under this subsection.~~

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

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

31 (b5) In addition to the amount of the scholarship grant, for any student receiving a
32 scholarship grant in grades three, eight, or 11, the Authority shall provide to the nonpublic school
33 an amount equal to the cost of the nationally standardized test required to be administered as
34 provided in G.S. 115C-562.5.

35 "

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

37 "**§ 115C-562.8. The Opportunity Scholarship Grant Fund Reserve.**

38 ...

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

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	Fiscal Year	Appropriation
1	...	
2	2027-2028	\$700,000,000 <u>\$614,700,000</u>
3	2028-2029	\$725,000,000 <u>\$639,700,000</u>
4	2029-2030	\$750,000,000 <u>\$664,700,000</u>
5	2030-2031	\$775,000,000 <u>\$689,700,000</u>
6	2031-2032	\$800,000,000 <u>\$714,700,000</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~~
10 ~~(\$825,000,000)~~ seven hundred thirty-nine million seven hundred thousand dollars (\$739,700,000)
11 to be used for the purposes set forth in this section. When developing the base budget, as defined
12 by G.S. 143C-1-1, for each fiscal year specified in this subsection, the Director of the Budget
13 shall include the appropriated amount specified in this subsection for that fiscal year.
14"

15 **SECTION 8A.11.(d)** Notwithstanding any other provision of law or of the
16 Committee Report referenced in Section 45.2 of this act to the contrary, the funds appropriated
17 to the Opportunity Scholarship Grant Fund Reserve for the award of opportunity scholarship
18 grants pursuant to Part 2A of Article 39 of Chapter 115C of the General Statutes for the 2025-
19 2026 fiscal year are reduced by the sum of eighty-five million three hundred thousand dollars
20 (\$85,300,000) in recurring funds.

21 **SECTION 8A.11.(e)** This section applies beginning with the 2025-2026 school
22 year."
23
24 by adjusting the appropriate totals accordingly.

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

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and vote information, is available in the
Senate Principal Clerk's Office**