



2015-2016 General Assembly

# HOUSE BILL 1030: 2016 Appropriations Act, Sec. 11A.2: Modifications to the Special Education Scholarship Grant Program for Children with Disabilities

**Committee:**  
**Introduced by:**  
**Analysis of:** Sec. 11A.2 of S.L. 2016-94

**Date:** August 5, 2016  
**Prepared by:** Drupti Chauhan  
Staff Attorney

**OVERVIEW:** *Sec. 11A.2 of S.L. 2016-94 amends the special education scholarship grant program for children with disabilities (scholarships). It expands the list of eligible students to include: (i) a child that was enrolled during the previous semester in a Department of Defense Elementary and Secondary School that is located in the State; (ii) a child whose parent or legal guardian is on full-time duty status in the United States Armed Services, including members of the National Guard and Reserve on active duty orders; and (iii) a child who has been domiciled in the State for at least six months. The students must meet all of the other eligibility criteria as well.*

*The State Education Assistance Authority (SEAA) is directed to award the scholarships in the following priority:*

- *First priority must be given to eligible students who received a scholarship during the previous semester.*
- *Next priority are eligible students who are:*
  - *Enrolled in a North Carolina public school or a Department of Defense Elementary and Secondary School located in the State during the previous semester;*
  - *Received special education or related services through the North Carolina public schools as a preschool child with a disability during the previous semester;*
  - *Identified as children with disabilities prior to the end of the year of initial enrollment in kindergarten or first grade.*
  - *Children whose parents or legal guardians are on full-time duty status in the United States Armed Services, including members of the National Guard and Reserve on active duty orders.*
- *Last priority is for eligible students who have been domiciled in the state for at least six months.*

*The SEAA must disburse the scholarship funds awarded to eligible students for tuition at a nonpublic school based upon the method selected by the nonpublic school of either scholarship endorsement or reimbursement for tuition. For the scholarship endorsement for tuition option, the SEAA must remit twice during each school year the scholarship funds awarded to eligible students for endorsements by the students' parents or guardians. The scholarship funds must be restrictively endorsed for deposit into the account of the school and the endorsement must be made in person at the site of the school.*

Karen Cochrane-Brown  
Director



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*For the reimbursement for tuition option, the parents or guardians must pay tuition directly to the school deemed eligible by the Division of Nonpublic Education in the Department of Administration. After which, SEAA must reimburse the parents or guardians no sooner than the midpoint of each semester.*

*Any unexpended scholarship funds at the end of each fiscal year revert to the General Fund, except that the SEAA may carry forward to the next fiscal year an amount needed to ensure that any outstanding allowable reimbursements can be disbursed. Any funds carried forward for the purpose of meeting anticipated reimbursement obligations from the prior fiscal year that are not expended cannot be used to award additional scholarships but must revert to the General Fund at the end of that fiscal year.*

*This section also adds a psychiatrist to the list of professionals that may assess a student's continued eligibility for the scholarship after reviewing the appropriate medical and educational records. Finally, the annual report on the scholarship grant program for children with disabilities must also include information on the number of applicants by eligibility type and total number of scholarships awarded by priority type.*

*This section became effective July 1, 2016, and applies beginning with the 2016-2017 school year.*