



This Bill Analysis reflects the contents of the bill as it was presented in committee.

HOUSE BILL 133: Modify Special Education Scholarships

2015-2016 General Assembly

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| Committee: | House Education - K-12, if favorable, Appropriations | Date: | March 24, 2015 |
| Introduced by: | Reps. Jordan, Jones, Brockman, Stam | Prepared by: | Drupti Chauhan |
| Analysis of: | First Edition | | Committee Counsel |

SUMMARY: House Bill 133 would increase the amount of the special education scholarship grants for students with disabilities from \$3,000 to \$4,000 per semester and would change the method of disbursement for the scholarship grants for tuition purposes from reimbursements at the end of the semester to remittance twice during the school year.

CURRENT LAW: In 2013, the General Assembly repealed the tax credit for children with disabilities and the related Fund for Special Education and Related Services and created a new program entitled the Special Education Scholarship Grants for Children with Disabilities (disability scholarships) that provides up to \$3,000 per semester to eligible students for reimbursement of tuition, special education, related services, and educational technology. The disability scholarship reimbursements are provided as follows:

- Prior to the start of each school semester, the parent may submit documentation of the tuition, special education, related services, or educational technology the parent anticipates incurring costs on in that semester for preapproval by the State Education Assistance Authority (SEAA).
- Following the conclusion of the semester, the parent must submit to the SEAA any receipts or other documentation approved by the SEAA to demonstrate the costs incurred during the semester. The parent must provide documentation of the following to be reimbursed:
 - For tuition reimbursement, the parent must show that the student was enrolled for no less than 75 days of the semester for which the parent seeks reimbursement in nonpublic schools or public school for which payment of tuition is required.
 - For special education, the parent must show that the student received special education for no less than 75 days of the semester for which the parent seeks reimbursement.
 - For related services reimbursement, the parent must show that the student received special education for no less than 75 days of the semester for which the parent seeks reimbursement for the related services.
 - For educational technology reimbursement, the parent must show that the student used the educational technology for no less than 75 days of the semester for which the parent seeks reimbursement.

The disability scholarship can be in the amount of costs shown by the parent up to the maximum amount of \$3,000 per semester per eligible student. Tuition reimbursement cannot be provided for home schooled students. Special education reimbursement and related services reimbursement cannot be



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provided if the special education instruction or related services were given by a member of the household of the home school.

BILL ANALYSIS: House Bill 133 would increase the maximum amount of the disability scholarships from \$3,000 per semester to \$4,000 per semester. The bill would also change the method for disbursement of the disability scholarships for tuition from reimbursements at the end of the semester to the following:

- The SEAA would remit funds for the disability scholarships at least twice each school year for endorsement by at least one of the student's parents or guardians for payment of tuition to an eligible North Carolina nonpublic school or a public school for which payment of tuition is required.
- The parent or guardian must restrictively endorse the disability scholarship funds in person at the site of the school to the school for deposit into the school's account. No entity or individual associated with the school can be designated as an attorney-in-fact for the parent or guardian to endorse the funds. Failure to comply with this requirement would result in the forfeiture of the disability scholarship. A disability scholarship forfeited in this manner would be returned to the SEAA to be awarded to another student.

Reimbursements for special education, related services, and educational technology would continue as provided under current law with the same documentation requirements.

EFFECTIVE DATE: The bill would become effective when it becomes law and would apply with disability scholarships awarded for the 2015-2016 school year.