



# SENATE BILL 609: K-12 Scholarship Changes.

2019-2020 General Assembly

<b>Committee:</b>	Senate Rules and Operations of the Senate	<b>Date:</b>	May 7, 2019
<b>Introduced by:</b>	Sens. Ballard, Clark, Johnson	<b>Prepared by:</b>	Kara McCraw
<b>Analysis of:</b>	Second Edition		Committee Counsel

**OVERVIEW:** *SB 609 would make the following changes to kindergarten-12 (K-12) scholarship programs:*

- Clarify eligibility for 4 year olds in all scholarships.
- Remove certain eligibility requirements for the Special Education Scholarships for Students with Disabilities.
- Raise the income limit for students to qualify for Opportunity Scholarships.
- Eliminate the cap of awards of Opportunity Scholarships to entering kindergarten and 1st grade students.

**CURRENT LAW:** G.S. 115C-364 establishes the requirements for admission of students to public school, beginning at age 5. A student may be admitted before the age of 5 if the student meets certain requirements, including a determination by the school principal that the child is gifted and has the maturity to justify admission to the school, based on standards established by the State Board of Education.

G.S. 115C-366 establishes the requirements of domicile for assignment of students to public school in the State.

There are 3 scholarship programs for K-12 students.

1. **Special Education Scholarship for Children with Disabilities.** – This scholarship provides \$8000 annually to a qualifying student with a disability to be used for tuition and reimbursement of special education, related services, and educational technology. The scholarship may be used in any nonpublic school, including a home school, to provide for special education and related expenses. To qualify, a student must meet all of the following requirements:
  - a. Be a child with a disability for special education purposes who has not been placed in a private setting by a public agency at public expense.
  - b. Be eligible to attend a NC public school under G.S. 115C-366.
  - c. Has not been enrolled in a postsecondary institution as a full time student or received a high school diploma.
  - d. Meets at least one of the following requirements:
    - i. Was enrolled in a North Carolina public school or a Department of Defense (DoD) school during the previous semester.
    - ii. Received special education or related services through the North Carolina public schools as a preschool child with a disability during the previous semester.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

# Senate Bill 609

Page 2

- iii. Was approved for a scholarship for the previous semester.
- iv. Is identified as a child with a disability prior to the end of the year of initial enrollment in kindergarten or first grade.
  - v. Is a child whose parent or legal guardian is on full-time active duty status in the military.
  - vi. Is a child who has been domiciled in the State for at least six months.
  - vii. Is a child in foster care.
- viii. Is a child whose adoption decree was entered not more than one year prior to submission of the scholarship application.
- ix. Is a child enrolled in a nonpublic school when applying who was enrolled in a NC public school or DoD school in the prior school year.

Priority in award of these scholarships is given first to prior year recipients, then to other qualifying students, other than those qualifying on the basis of 6 months' domicile, and finally to those students who qualify on the basis of 6 months' domicile.

2. **Personal Education Savings Account.** - This scholarship provides \$9000 annually to a qualifying student with a disability to be used by parents for qualifying education expenses. To qualify, a student must meet all of the following requirements:
  - a. Be a child with a disability for special education purposes who has not been placed in a private setting by a public agency at public expense.
  - b. Be eligible to attend a NC public school under G.S. 115C-366.
  - c. Has not been enrolled in a postsecondary institution as a full time student or received a high school diploma.
3. **Opportunity Scholarship.** – This scholarship provides \$4200 annually to a qualifying student who meets certain income requirements to be used for tuition and fees at nonpublic schools that receive those scholarships. To qualify, a student must meet all of the following requirements:
  - a. Reside in a household with an income level not in excess of 133% of the amount required for the student to qualify for the federal free or reduced price lunch program.
  - b. Reside in the State.
  - c. Has not been enrolled in a postsecondary institution as a full time student or received a high school diploma.
  - d. Meets at least one of the following requirements:
    - i. Was enrolled in a North Carolina public school or a DoD school during the previous semester.
    - ii. Was approved for a scholarship for the previous semester.
    - iii. Is entering either kindergarten or first grade.
    - iv. Is a child whose parent or legal guardian is on full-time duty active status in the military.
    - v. Is a child in foster care.

# Senate Bill 609

Page 3

- vi. Is a child whose adoption decree was entered not more than one year prior to submission of the scholarship application.

Priority in award of these scholarships is given first to prior year recipients, with remaining funds distributed as follows:

- At least 50% of the funds to scholarships for students in households with an income not in excess of the amount required to qualify for free or reduced lunch.
- No more than 40% to students entering kindergarten or 1st grade.
- The remaining funds to all other qualifying students.

**BILL ANALYSIS:** SB 609 would make the following changes to the scholarship programs:

## **Part I: Special Education Scholarships for Children with Disabilities**

- Allow students who are at least four years old to be eligible for the scholarship if found by the principal, or equivalent, of the nonpublic school to meet the same requirements for admission as for a gifted and mature four year old admitted to a local school administrative unit.
- Require for eligibility that a student (i) be a child with a disability for special education purposes who has not been placed in a private setting by a public agency at public expense, (ii) be eligible to attend a NC public school, and (iii) not be a full-time postsecondary student or high school graduate. All other eligibility criteria are repealed.
- Make conforming changes (i) to the priority of awards to require that scholarships be first awarded to previous recipients and then to all other qualifying students, and (ii) to eliminate reports related to eligibility type.

## **Part II: Opportunity Scholarships**

- Allow students who are at least four years old to be eligible for the scholarship if found by the principal, or equivalent, of the nonpublic school to meet the same requirements for admission as for a gifted and mature four year old admitted to a local school administrative unit.
- Increase the household income limit to qualify for the scholarship from 133% of the amount required to qualify for the federal free or reduced-price lunch program to 150%.
- Eliminate the cap on scholarship funds for students entering kindergarten and 1st grade.

## **Part III: Personal Education Savings Accounts**

- Allow students who are at least four years old to be eligible for the scholarship if found by the principal, or equivalent, of the nonpublic school to meet the same requirements for admission as for a gifted and mature four year old admitted to a local school administrative unit.

**EFFECTIVE DATE:** SB 609 would be effective when it becomes law, and would apply beginning with the award of scholarship funds for the 2020-2021 school year.