

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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HOUSE BILL 823
Committee Substitute Favorable 5/2/23
Committee Substitute #2 Favorable 5/16/23
Fourth Edition Engrossed 5/17/23
Senate Appropriations/Base Budget Committee Substitute Adopted 5/1/24

Short Title: Eliminate School Choice Program Waitlists.

(Public)

Sponsors:

Referred to:

April 19, 2023

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A BILL TO BE ENTITLED

AN ACT TO PROVIDE ADDITIONAL FUNDS FOR THE OPPORTUNITY SCHOLARSHIP PROGRAM AND FOR THE NORTH CAROLINA PERSONAL EDUCATION STUDENT ACCOUNTS FOR CHILDREN WITH DISABILITIES PROGRAM.

The General Assembly of North Carolina enacts:

PART I. ADDITIONAL FUNDS FOR OPPORTUNITY SCHOLARSHIPS

SECTION 1.(a) There is established in the General Fund an Education Reserve. The State Controller shall reserve to the Education Reserve from funds available in the General Fund the sum of two hundred forty-eight million dollars (\$248,000,000) in nonrecurring funds for the 2024-2025 fiscal year and shall transfer funds available in the Reserve in accordance with the following schedule to be appropriated for the fiscal year in which the funds are transferred:

State Agency or Department	2024-2025
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(1) UNC BOG – Related Ed. Programs (Budget Code: 16012)	\$248,000,000
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SECTION 1.(b) Of the nonrecurring funds appropriated in this act to the Board of Governors of The University of North Carolina for the 2024-2025 fiscal year from the Education Reserve (Reserve) for related education programs, the sum of two hundred forty-eight million dollars (\$248,000,000) shall be allocated to the State Education Assistance Authority to provide additional funds for applicants for the award of opportunity scholarships pursuant to Part 2A of Article 39 of Chapter 115C of the General Statutes. These funds shall not be allocated to the Opportunity Scholarship Grant Fund Reserve and shall instead be made available for scholarship awards in the 2024-2025 school year.

SECTION 1.(c) There is appropriated from the General Fund to the Opportunity Scholarship Grant Fund Reserve the sum of two hundred fifteen million four hundred sixty thousand dollars (\$215,460,000) in additional recurring funds for the 2024-2025 fiscal year to be used for the purposes set forth in G.S. 115C-562.8.

SECTION 1.(d) G.S. 115C-562.8(b), as amended by Section 8A.6(g) of S.L. 2023-134, reads as rewritten:

"(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 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
2017-2018	\$44,840,000
2018-2019	\$54,840,000
2019-2020	\$64,840,000
2020-2021	\$74,840,000
2021-2022	\$84,840,000
2022-2023	\$94,840,000
2023-2024	\$176,540,000
2024-2025	\$191,540,000
2025-2026	\$415,540,000 <u>\$625,000,000</u>
2026-2027	\$430,540,000 <u>\$675,000,000</u>
2027-2028	\$445,540,000 <u>\$700,000,000</u>
2028-2029	\$460,540,000 <u>\$725,000,000</u>
2029-2030	\$475,540,000 <u>\$750,000,000</u>
2030-2031	\$490,540,000 <u>\$775,000,000</u>
2031-2032	\$505,540,000 <u>\$800,000,000</u>

For the 2032-2033 fiscal year and each fiscal year thereafter, there is appropriated from the General Fund to the Reserve the sum of ~~five hundred twenty million five hundred forty thousand dollars (\$520,540,000)~~ eight hundred twenty-five million dollars (\$825,000,000) to be used for the purposes set forth in this section. When developing the base budget, as defined by G.S. 143C-1-1, for each fiscal year specified in this subsection, the Director of the Budget shall include the appropriated amount specified in this subsection for that fiscal year."

PART II. ADDITIONAL FUNDS FOR NORTH CAROLINA PERSONAL EDUCATION STUDENT ACCOUNTS FOR CHILDREN WITH DISABILITIES PROGRAM

SECTION 2.(a) There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of twenty-four million seven hundred thousand dollars (\$24,700,000) in recurring funds for the 2024-2025 fiscal year to be allocated to the State Education Assistance Authority for the North Carolina Personal Education Student Accounts for Children with Disabilities Program in accordance with Article 41 of Chapter 115C of the General Statutes.

SECTION 2.(b) G.S. 115C-600(a), as amended by Section 8A.13(a) of S.L. 2023-134, reads as rewritten:

"(a) The General Assembly finds that due to the continued growth and ongoing need in this State to provide opportunity for school choice for children with disabilities, it is imperative that the State provide an increase in funds of at least one million dollars (\$1,000,000) each fiscal year for 10 years for the Personal Education Student Accounts for Children with Disabilities Program. To that end, there is appropriated from the General Fund to the Board of Governors of The University of North Carolina the following amounts each fiscal year to be allocated to the Authority for the Program in accordance with this Article:

Fiscal Year	Appropriation
2023-2024	\$48,943,166
2024-2025	\$49,943,166
2025-2026	\$50,943,166 <u>\$75,643,166</u>
2026-2027	\$51,943,166 <u>\$76,643,166</u>
2027-2028	\$52,943,166 <u>\$77,643,166</u>
2028-2029	\$53,943,166 <u>\$78,643,166</u>
2029-2030	\$54,943,166 <u>\$79,643,166</u>

1	2030-2031	\$55,943,166	<u>\$80,643,166</u>
2	2031-2032	\$56,943,166	<u>\$81,643,166</u>
3	2032-2033 and each subsequent fiscal year thereafter	\$57,943,166	<u>\$82,643,166</u>

4 When developing the base budget, as defined by G.S. 143C-1-1, for each fiscal year specified
5 in this section, the Director of the Budget shall include the appropriated amount specified in this
6 section for that fiscal year."
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8 **PART III. EFFECTIVE DATE**

9 **SECTION 3.** This act becomes effective July 1, 2024.