

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019

H.B. 1126  
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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH40582-MKa-234

Short Title: Enabling Opportunity Scholarship Reporting. (Public)

Sponsors: Representative Ball.

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO REQUIRE THE ADMINISTRATION OF A COMMON EXAMINATION TO A  
3 SAMPLE OF CERTAIN NONPUBLIC AND PUBLIC STUDENTS FOR THE PURPOSES  
4 OF ENABLING OPPORTUNITY SCHOLARSHIP GRANT PROGRAM REPORTING  
5 AND TO PROVIDE FOR FUNDS FOR THE EVALUATION.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** G.S. 115C-562.2 is amended by adding a new subsection to read:

8 "(c1) An eligible student awarded a scholarship grant shall participate, if selected, in  
9 administration of a common examination selected by the Authority for purposes of program  
10 evaluation as provided in G.S. 115C-562.7A to maintain eligibility for receipt of the scholarship  
11 grant."

12 **SECTION 2.** G.S. 115C-562.5 reads as rewritten:

13 "**§ 115C-562.5. Obligations of nonpublic schools accepting eligible students receiving**  
14 **scholarship grants.**

15 (a) A nonpublic school that accepts eligible students receiving scholarship grants shall  
16 comply with the following:

17 ...

18 (4a) Administer or allow administration of a common examination to those  
19 students selected as provided in G.S. 115C-562.7A for purposes of program  
20 evaluation.

21 (4b) Provide to the Authority grade retention rates for students receiving  
22 scholarship grants and grade retention rates for the total number of students  
23 enrolled.

24 (5) Provide to the Authority graduation rates of the students receiving scholarship  
25 grants in a manner consistent with nationally recognized standards.

26 ...."

27 **SECTION 3.** G.S. 115C-562.7(c) reads as rewritten:

28 "(c) The Authority shall report annually, no later than December 1, to the Department of  
29 Public Instruction and the Joint Legislative Education Oversight Committee on the  
30 following: evaluation of the scholarship grants required by G.S. 115C-562.7A.

31 ~~(1) Learning gains or losses of students receiving scholarship grants. The report~~  
32 ~~shall include learning gains of participating students on a statewide basis and~~  
33 ~~shall compare, to the extent possible, the learning gains or losses of eligible~~  
34 ~~students by nonpublic school to the statewide learning gains or losses of public~~  
35 ~~school students with similar socioeconomic backgrounds, using aggregate~~



1 standardized test performance data provided to the Authority by nonpublic  
2 schools and by the Department of Public Instruction.

- 3 (2) ~~Competitive effects on public school performance on standardized tests as a  
4 result of the scholarship grant program. The report shall analyze the impact of  
5 the availability of scholarship grants on public school performance on  
6 standardized tests by local school administrative units to the extent possible,  
7 and shall provide comparisons of the impact by geographic region and  
8 between rural and urban local school administrative units.~~

9 This report shall be conducted by an independent research organization to be selected by the  
10 Authority, which may be a public or private entity or university. The independent research  
11 organization shall report to the Authority on the results of its research. The Joint Legislative  
12 Education Oversight Committee shall review reports from the Authority and shall make ongoing  
13 recommendations to the General Assembly as needed regarding improving administration and  
14 accountability for nonpublic schools accepting students receiving scholarship grants."

15 **SECTION 4.** Part 2A of Article 39 of Chapter 115C of the General Statutes is  
16 amended by adding a new section to read:

17 **"§ 115C-562.7A. Scholarship grant evaluations.**

18 (a) Selection of Evaluator. – The Authority shall select an independent research  
19 organization, which may be a public or private entity or university, to conduct research for the  
20 reports required under G.S. 115C-562.7(c). In consultation with the independent research  
21 organization, the Authority shall select a common test to be used for purposes of the scholarship  
22 grant evaluations. The Authority shall provide information to the independent research  
23 organization related to both applicants and recipients for the scholarship grants for the purpose  
24 of establishing student samples to conduct the evaluation.

25 (b) Evaluation Reports. – The independent research organization selected pursuant to  
26 subsection (a) of this section shall conduct research and report to the Authority on the evaluation  
27 of at least the following:

- 28 (1) Learning gains or losses of students receiving scholarship grants. The report  
29 shall include learning gains of participating students and shall compare, to the  
30 extent possible, the learning gains or losses of eligible students by nonpublic  
31 school to the statewide learning gains or losses of public school students with  
32 similar socioeconomic backgrounds.

- 33 (2) Competitive effects on public school performance on standardized tests as a  
34 result of the scholarship grant program. The report shall analyze, to the extent  
35 possible, the impact of the availability of scholarship grants on public school  
36 performance on standardized tests by local school administrative units and  
37 shall provide comparisons of the impact by geographic region and between  
38 rural and urban local school administrative units.

39 (c) Evaluation Methods. – To ensure valid and reliable results, the independent research  
40 organization shall select samples of students who (i) receive the scholarship grant and attend  
41 nonpublic schools and (ii) meet eligibility requirements for the scholarship grant and attend a  
42 public school and shall administer a common test to those students for purposes of the scholarship  
43 grant evaluations. This testing shall be conducted so that the sample size shall be large enough  
44 to assure valid comparisons. If students selected for the sample have otherwise been administered  
45 the common test in that school year, the results of that test shall be provided to the independent  
46 research organization by the nonpublic or public school.

47 (d) Aggregate Test Information. – The Department of Public Instruction and the  
48 Authority shall provide aggregate test information for nonpublic and public students to the  
49 independent research organization upon request for the purpose of conducting the scholarship  
50 grant evaluation.

1       (e) Confidential Information. – All personally identifiable student information provided  
2 to the independent research organization for research purposes as permitted by the Federal  
3 Education Rights and Privacy Act, 20 U.S.C. § 1232g., shall be confidential and shall not be a  
4 public record."

5       **SECTION 5.** G.S. 115C-174.11(c) is amended by adding a new subdivision to read:

6       "(5) The Department of Public Instruction shall require local boards of education  
7 to participate in administration of a common examination to the sample of  
8 students enrolled in the local school administrative unit selected as provided  
9 in G.S. 115C-562.7A for purposes of evaluation of the scholarship grant  
10 program established in Part 2A of Article 39 of this Chapter. The testing shall  
11 be conducted with the smallest size sample of students necessary to assure  
12 valid comparisons."

13       **SECTION 6.** G.S. 115C-562.8(c) reads as rewritten:

14       "(c) Of the funds allocated to the Authority to award scholarship grants under this Part,  
15 the Authority may retain the lesser of ~~up to~~ four percent (4%) of the funds appropriated or ~~one~~  
16 two million five hundred one hundred fifty thousand dollars (\$1,500,000)–(\$2,150,000) each  
17 fiscal year for administrative costs associated with the scholarship grant program. The Authority  
18 shall use up to one hundred fifty thousand dollars (\$150,000) each fiscal year to cover expenses  
19 related to the selection of an independent research organization to conduct evaluations pursuant  
20 to G.S. 115C-562.7A."

21       **SECTION 7.** Section 8.29(g) of S.L. 2013-360 reads as rewritten:

22       "**SECTION 8.29.(g)** The Authority shall select an independent research organization, as  
23 required by G.S. 115C-562.7, as enacted by this section, beginning with the 2017-2018 school  
24 year. ~~The first learning gains report required by G.S. 115C-562.7, as enacted by this section, shall~~  
25 ~~not be due until December 1, 2018.~~ The first financial review for a nonpublic school that accepts  
26 scholarship grant funds, as required by G.S. 115C-562.5(a)(6), as enacted by this section, shall  
27 not be required until the 2015-2016 school year."

28       **SECTION 8.** The Authority shall select an independent research organization to  
29 conduct the research required by G.S. 115C-562.7A, as enacted by this act, beginning with the  
30 2020-2021 school year. The first learning gains report required by G.S. 115C-562.7, as amended  
31 by this act, shall not be due until December 1, 2021.

32       **SECTION 9.** If House Bill 966, 2019 Regular Session, becomes law, then Section  
33 8A.11 of that act is repealed.

34       **SECTION 10.** Section 6 of this act becomes effective July 1, 2020. The remainder  
35 of this act becomes effective when the act becomes law. Sections 1 through 5 of this act apply  
36 beginning with the 2020-2021 school year. A nonpublic school enrolling a student receiving a  
37 scholarship grant for the 2020-2021 school year shall provide the Authority with data on grade  
38 retention required pursuant to G.S. 115C-562.5(a)(4b), as enacted by this act, for the 2017-2018,  
39 2018-2019, and 2019-2020 school years.