

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

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HOUSE BILL 934

Short Title: Student Success Program. (Public)

Sponsors: Representatives Hardister, Brockman, Hanig, and Willis (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Education - K-12, if favorable, Appropriations, if favorable, Rules, Calendar, and Operations of the House

May 12, 2021

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH THE STUDENT SUCCESS PROGRAM.

The General Assembly of North Carolina enacts:

SECTION 1. Transfer of Funds from Reserve to Relief Fund. – If Senate Bill 172, 2021 Regular Session, becomes law, the State Controller shall transfer the sum of one hundred seventy million dollars (\$170,000,000) in nonrecurring funds from the State Fiscal Recovery Reserve established in Section 2.1 of that act to the State Fiscal Recovery Fund established in Section 2.2 of that act.

SECTION 2. Appropriation of Funds from Relief Fund. – If Senate Bill 172, 2021 Regular Session, becomes law, there is appropriated from the State Fiscal Recovery Fund to the Office of State Budget and Management the sum of one hundred seventy million dollars (\$170,000,000) in nonrecurring funds to be allocated to the Department of Public Instruction to establish the Student Success Program in accordance with Section 3 of this act.

SECTION 3.(a) Findings; Purpose of the Student Success Program. – The General Assembly finds that the unique and varied needs of students should be met with a response that allows families to identify programs, interventions, and services that meet the unique needs of their children. Therefore, contingent upon the appropriation of funds pursuant to Section 2 of this act, the General Assembly directs the Department of Public Instruction to contract with the State Education Assistance Authority (Authority) to establish and administer a program that allows parents of eligible children to use federal funds intended to mitigate the negative impacts of COVID-19 towards allowable educational uses of their choice to address student learning loss, provide summer learning or enrichment, and provide comprehensive after-school programs. In doing so, the Department shall use one hundred seventy million dollars (\$170,000,000) of the funds provided in Section 2 of this act for the Authority to provide grants for eligible students under the Student Success Program established in accordance with this section. The Department shall also encourage public school units to participate in the Student Success Program by holding in a reserve one hundred million dollars (\$100,000,000) from the funds allocated to the Department so that public school units may provide the Authority a match from the federal funds the units received to respond to COVID-19 impacts to maximize awards to eligible students in accordance with subsection (d) of this section.

SECTION 3.(b) Program Established. – There is established the Student Success Program (Program) to be administered by the Authority through a contract with the Department of Public Instruction. The Authority shall provide a one-time grant to each recipient household with an eligible child in accordance with the Program. The Authority shall ensure that funds



1 directed to a recipient household are limited to funds used for allowable expenditures permitted
2 under subsection (c) of this section. Grants shall be awarded in an amount of one thousand dollars
3 (\$1,000) per eligible child with a maximum grant award not to exceed three thousand dollars
4 (\$3,000) per recipient household. The Authority shall make grant funds available to recipient
5 households as soon as practicable, but no later than August 16, 2021. For the purposes of this
6 section, an "eligible child" shall mean an elementary or secondary school-aged child residing in
7 North Carolina who is eligible to attend a North Carolina public school pursuant to
8 G.S. 115C-366. No grant shall be awarded to more than one recipient household for the same
9 eligible child.

10 **SECTION 3.(c)** Use of Grant Funds. – The Authority shall enter into a written
11 agreement with the recipient of the grant to only use the funds for the following allowable
12 expenditures prior to the receipt of the funds:

- 13 (1) Participation in summer enrichment programs.
- 14 (2) Academic and enrichment programs designed to serve students before or after
15 normal school hours.
- 16 (3) Tutoring services provided by a licensed State educator, a person with
17 experience teaching in higher education, or a person who has a bachelor's
18 degree or graduate degree in the subject area in which tutoring is provided.
- 19 (4) Textbooks, curriculum, or other instructional materials.
- 20 (5) Therapies for students with disabilities from a licensed or accredited
21 practitioner or provider, including, but not limited to, occupational,
22 behavioral, physical, and speech-language therapies.
- 23 (6) Educational programs or courses offered for a fee or pursuant to contract by a
24 local educational agency, charter school, nonpublic school, institution of
25 higher education, or career and technical education program.
- 26 (7) Fees for national standardized assessments, advanced placement
27 examinations, examinations related to college or university admissions, or
28 industry-recognized certification examinations.

29 Grant funds awarded to a recipient household must be spent by the recipient
30 household no later than September 1, 2022. Any unexpended funds remaining after September
31 1, 2022, shall be returned to the Authority and to the Department of Public Instruction.

32 **SECTION 3.(d)** Public School Unit's Matching Funds. – In an effort to create as
33 many opportunities for students as possible, from the one hundred million dollars (\$100,000,000)
34 held in reserve by the Department of Public Instruction pursuant to subsection (a) of this section,
35 the Authority shall provide a match to contributions to the Program from any public school unit
36 required to fund activities that address learning loss, summer learning or enrichment, and
37 comprehensive after-school programs. Public school units seeking to participate in the Program
38 may elect to contribute funds to the Program to serve their students. The Authority shall match
39 each dollar designated by public school units to the Program on a first-come, first-served basis
40 up to one hundred million dollars (\$100,000,000) held in reserve. When the Authority matches a
41 contribution by a public school unit, those funds shall be provided to students residing in the
42 county in which the public school unit is located. Public school units may elect to provide
43 matching funds until July 1, 2021, to designate how much funding to allocate to students for this
44 purpose. After that date, any of the remaining funds held in reserve shall be available to distribute
45 to eligible students under the Program in accordance with this section.

46 **SECTION 3.(e)** Administration. – The Authority may contract with outside
47 organizations to ensure compliance with this section, including a vendor that provides a virtual
48 e-wallet platform and an e-commerce marketplace. The outside organizations may also include
49 vendors, auditing firms, or financial institutions who can restrict the use of funds to allowable
50 expenditures or firms that preauthorize allowable expenditures. The Department of Public
51 Instruction may use up to five hundred thousand dollars (\$500,000) of the funds allocated for the

1 Program for administrative costs, and the Authority may use up to four million five hundred
2 thousand dollars (\$4,500,000) of the funds allocated for the Program for administrative costs,
3 including to contract with outside organizations.

4 **SECTION 4.** Report. – If Senate Bill 172, 2021 Regular Session, becomes law, the
5 report required by Section 1.2 of that act shall apply to the funds transferred and appropriated
6 under Sections 1 and 2 of this act.

7 **SECTION 5.** This act is effective when it becomes law.