



CHAPTER 115C
ARTICLE 41 - PERSONAL EDUCATION STUDENT ACCOUNTS FOR CHILDREN WITH DISABILITIES

N.C.G.S. § 115C-595.

Parental agreement; use of funds.

SOURCE General Statutes of North Carolina, as published by the General Assembly	LAST AMENDMENT IN THIS TEXT No amendment history on record	RETRIEVED 21 September 2026, 04:17 UTC	SOURCE FINGERPRINT a5272a1060e08cd409c2ed14 - 22f30228cab4155bf598f92a - f54820a72a6fd598
--	---	---	--

- § 115C-595(a) Parental Agreement. - The Authority shall provide the parent of a scholarship recipient with a written agreement, applicable for each year the eligible student receives scholarship funds under this Article, to be signed and returned to the Authority prior to receiving the scholarship funds. The agreement shall be submitted to the Authority electronically. The parent shall not designate any entity or individual to execute the agreement on the parent's behalf. A parent or eligible student's failure to comply with this section shall result in a forfeit of scholarship funds and those funds may be awarded to another eligible student. The parent shall agree to the following conditions in order to receive scholarship funds under this Article:
- (1) Use at least a portion of the scholarship funds to provide an education, for no less than 70 days of each semester, to the eligible student in, at a minimum, the subjects of English language arts, mathematics, social studies, and science.
 - (2) Unless the student is a part-time eligible student, release a local education agency in which the student is eligible to attend under G.S. 115C-366 of all obligations to educate the eligible student while the eligible student is receiving scholarship funds under this Article. A parent of a student, other than a part-time eligible student, who decides to enroll the student into the local education agency or other North Carolina public school during the term of the agreement shall notify the Authority to request a release from the agreement and shall return any unexpended funds to the Authority.
 - (3) Use the scholarship funds deposited into a personal education student account only for the following qualifying education expenses of the eligible student:

- a. Tuition and fees for a G.S. 115C-562.5 compliant school, disbursed as provided in subdivision (1) of subsection (a1) of this section.
 - b. Textbooks required by a nonpublic school.
 - c. Tutoring and teaching services provided by an individual or facility accredited by a State, regional, or national accrediting organization.
 - d. Curricula.
 - e. Fees for nationally standardized norm-referenced achievement tests, advanced placement tests, or nationally recognized college entrance exams.
 - f. Fees charged to the account holder for the management of the PESA.
 - g. Fees for services provided by a public school, including individual classes and extracurricular programs.
 - h. Premiums charged to the account holder for any insurance or surety bonds required by the Authority.
 - i. Educational therapies from a licensed or accredited practitioner or provider.
 - j. Educational technology defined by the Authority as approved for use pursuant to G.S. 115C-591(2a).
 - k. Student transportation, pursuant to a contract with an entity that regularly provides student transportation, to and from (i) a provider of education or related services or (ii) an education activity.
 - l. Transaction or merchant fees charged to the account holder, not to exceed two and one-half percent (2.5%) of the cost of the item or service.
- (3a) Use of scholarship funds for reimbursement of tuition. - Notwithstanding sub-subdivision a. of subdivision (3) of this subsection, a parent of an eligible student may pay tuition to Part 1 or 2 nonpublic schools that are not G.S. 115C-562.5 compliant schools with funds other than funds available in the personal education student account and then request reimbursement from the Authority from scholarship funds if the parent complies with the provisions of subdivision (2) of subsection (a1) of this section.
- (4) Not use scholarship funds for any of the following purposes:
- a. Computer hardware or other technological devices not defined by the Authority as educational technology approved for use pursuant to G.S. 115C-591(2a).

- b. Consumable educational supplies, including paper, pen, or markers.
- c. Tuition and fees at an institution of higher education, as defined in G.S. 116-143.1, or a private postsecondary institution.
- d. Tuition and fees for a nonpublic school that meets the requirements of Part 3 of Article 39 of this Chapter.

§ 115C-595(a1)

Disbursement of Funds for Tuition. - The method by which the Authority shall disburse scholarship funds awarded to eligible students for tuition at a nonpublic school shall be based upon whether the nonpublic school is a G.S. 115C-562.5 compliant school. Scholarship funds for tuition shall be disbursed as follows:

- (1) Scholarship endorsement for tuition. - The Authority shall remit, at least two times each school year, scholarship funds from the personal education student account for eligible students who attend G.S. 115C-562.5 compliant schools. The funds shall be remitted to the G.S. 115C-562.5 compliant school for endorsement by at least one of the student's parents. The parent shall restrictively endorse the scholarship funds awarded to the eligible student for deposit into the account of the G.S. 115C-562.5 compliant school to the credit of the eligible student. The parent shall not designate any entity or individual associated with the school as the parent's attorney-in-fact to endorse the scholarship funds. A parent's failure to comply with this subdivision shall result in forfeiture of the scholarship funds for tuition. Scholarship funds forfeited for failure to comply with this subdivision shall be returned to the Authority to be awarded to another student.
- (2) Reimbursement for tuition. - The parent of an eligible student who enrolls in a school that is (i) a North Carolina public school other than the public school to which that student would have been assigned as provided in G.S. 115C-366 or (ii) a Part 1 or 2 nonpublic school that is not a G.S. 115C-562.5 compliant school may pay tuition directly to the school with funds other than scholarship funds and request reimbursement with funds available in the personal education student account under subdivision (3a) of subsection (a) of this section. However, the Authority shall not reimburse the parent prior to the midpoint of each semester. A parent may only receive reimbursement for tuition if the parent provides documentation to the Authority that the student is enrolled in the school.

§ 115C-595(b)

No Refunds to an Account Holder. - A nonpublic school or a provider of services purchased under subsection (a) of this section shall not refund or rebate any scholarship funds to a parent or eligible student in any manner. The parent shall notify the Authority if such a refund is required.

§ 115C-595(c) Repealed by Session Laws 2018-5, s. 38.10(m), effective for taxable years beginning on or after January 1, 2018. (2017-57, s. 10A.4(a); 2018-2, s. 6(d); 2018-5, s. 38.10(m); 2021-180, s. 8A.3(l); 2023-134, s. 8A.11(b).)

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS II
5 AUTHORITIES

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 115C-366	(a)(2)	"student is eligible to attend under"
G.S. 115C-562.5	(a)	"a. Tuition and fees for a"
G.S. 115C-591(2a)	(a)	"as approved for use pursuant to"
G.S. 116-143.1	(a)	"of higher education, as defined in"
G.S. 115C-366 or (ii)	(a1)(2)	"have been assigned as provided in"

APPARATUS III

Citation

FULL SECTION
N.C. Gen. Stat. § 115C-595 (2026).

PINPOINT
N.C. Gen. Stat. § 115C-595(a) (2026).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

COLOPHON

Provenance

This document reproduces the text of one section of the General Statutes of North Carolina from a source file whose SHA-256 digest is printed on every page. The digest fixes the bytes this export was made from; if the State's file changes, the digest will not match.

The text of the section is unaltered. Subsection designators have been moved from the run of text into the margin. The amendment history and the table of authorities are derived from the section by mechanical extraction — they add no characterization of the law.

This is not the official text. The official text is published by the General Assembly of North Carolina.

SET IN SPECTRAL AND ARCHIVO
NORTH CAROLINA LAW — STATUTE EXPORT, FORMAT V1

