GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

SESSION LAW 2021-1
SENATE BILL 36

AN ACT TO MAKE CERTAIN MODIFICATIONS TO 2020 COVID-19 RELIEF LEGISLATION.

The General Assembly of North Carolina enacts:

EXTRA CREDIT GRANT PROGRAM EXTENSION

SECTION 1. Section 4.12(c) and Section 4.12(d) of S.L. 2020-4, as enacted by Section 1.3 of S.L. 2020-97, read as rewritten:

"**SECTION 4.12.(c)** Grant Award. – The grant amount is three hundred thirty-five dollars ($335.00) per eligible individual. For purposes of this section, spouses who filed a joint 2019 State income tax return are considered one eligible individual. The Department of Revenue must award the grants as soon as ~~practicable, but no later than December 15, 2020. If an individual meets all the requirements of this section for a grant award, but the return is not processed by the Department on or before December 15, 2020, then the Department may issue a grant award to the individual upon the processing of the return but in no event may an award be issued on or after January 1, 2021.~~ practicable. The Department cannot disclose information regarding individual grants awarded under this program except as allowed for tax information in G.S. 105-259(b)(1)-(55). The Department may report on the aggregate grant awards provided under this program.

A grant may be issued by direct deposit if the individual received a 2019 State tax refund by direct deposit. In such circumstances, the direct deposit should be to the account to which the individual's 2019 State tax refund was deposited. If the Department becomes aware that such account is no longer associated with the individual or that the owner of the account has not remitted the grant to the individual entitled to the grant, then the Department may demand that the recipient of the deposit return the grant. In such circumstances, the Department may also reissue the grant to the individual by virtue of a check mailed to the address on the individual's 2019 State income tax return. Grants issued by checks will be mailed to the address on the individual's 2019 State income tax return unless an updated address is available or the address on the individual's application. Checks issued by the Department under this subsection are valid for 90 days.

"**SECTION 4.12.(d)** Eligibility. – The Department of Revenue must award a grant to the following individuals:

(1) Automatic grant award. – An individual who filed a 2019 State income tax return on or before October 15, 2020, as provided under G.S. 105-263 and meets both of the following conditions:
   a. The taxpayer reported on Form D-400 that either the taxpayer or, if filing a joint return, the taxpayer's spouse, was a resident of the State for the entire 2019 calendar year.
   b. The taxpayer reported at least one qualifying child on line 10a of Form D-400.

(1a) Amended return. – An individual who filed a 2019 State income tax return as required under subdivision (1) of this section but who did not receive an

automatic grant award because the taxpayer did not meet the eligibility conditions of that subdivision and who files an amended return satisfying the conditions of that subdivision on or before May 31, 2021.

(2) Application for grant award. – An individual who applied for a grant under this program on a form prescribed by the Secretary of Revenue postmarked on or before ~~October 15, 2020,~~ May 31, 2021, and meets all the following conditions:

a. The applicant did not file a 2019 State income tax return solely because the applicant's gross income for the 2019 taxable year did not exceed the State filing requirements for the taxpayer's filing status.

b. The applicant provides a name, mailing address, and any other information required by the Secretary.

c. The applicant reports that the applicant was a resident of the State for the entire 2019 calendar year.

d. The applicant reports the applicant had at least one child that met the conditions of a qualifying child, as that term is defined in Section 24 of the Internal Revenue Code, for the 2019 calendar year. The applicant must include the name, age, and social security number of the qualifying child. A child can only be claimed as a qualifying child by one applicant.

(3) Optional application for grant award. – An individual who filed a 2019 State income tax return as required under subdivision (1) of this subsection but who did not receive an automatic grant award because the taxpayer did not report a qualifying child on line 10a of Form D-400 on or before October 15, 2020, and who does not file an amended return correcting line 10a as provided under subdivision (1a) of this section, may apply for a grant under this program on a form prescribed by the Secretary of Revenue postmarked on or before May 31, 2021. The Secretary may accept applications from paid preparers or holders of a valid power of attorney on behalf of individuals applying for a grant under this subdivision. Applications received under this subdivision do not amend a taxpayer's tax return."

REPEAL REALLOCATION AUTHORITY

SECTION 2. Section 1.9 of S.L. 2020-97 is repealed.

EXTEND CERTAIN DEADLINES FOR USE OF AND ADJUST COVID-19 FUNDS

SECTION 3.1. Section 2.2 of S.L. 2020-4 reads as rewritten:

"**SECTION 2.2.** The Coronavirus Relief Fund (Fund) is established. The purpose of the Fund is to provide necessary and appropriate relief and assistance from the effects of COVID-19, consistent with the provisions of this act and subsequent legislation addressing the effects of COVID-19. The Fund shall be maintained as a special fund and administered by OSBM to carry out the provisions of this act and subsequent acts necessitated as a result of the COVID-19 outbreak. All funds allocated from the Fund must be used for necessary expenditures incurred due to the public health emergency with respect to COVID-19. Only expenditures incurred during the period that begins on March 1, 2020, and ends on ~~December 30, 2020,~~ the deadline established by applicable federal law and guidance are eligible for funding from this Fund."

SECTION 3.2. Section 3.3 of S.L. 2020-4, as amended by Section 3 of S.L. 2020-32, Section 4 of S.L. 2020-49, Section 1.1(d) of S.L. 2020-80, Section 3B(b) of S.L. 2020-88, Section 4.9(a) of S.L. 2020-91, and Section 1.2 of S.L. 2020-97, reads as rewritten:

"**SECTION 3.3.** Allocations of Funds. – OSBM shall allocate the funds appropriated in Section 3.2 of this act as follows:

…

(3) $237,500,000 to OSBM to be used for the continuity of operation needs across State government. As referenced in Section 2.2 of this act, expenditures incurred during the period ~~that begins on March 1, 2020, and ends on December 30, 2020,~~ identified in that section are eligible for funding under this subdivision. Expenditures eligible under this subdivision may include, but are not limited to, covering overtime costs at mental health institutions, prisons, community corrections, juvenile facilities, and veterans homes; covering costs of pay provided to employees of the Division of Adult Correction and Juvenile Justice at the Department of Public Safety in accordance with The Communicable Disease Emergency Policy established by the Office of State Human Resources; covering costs of in-home monitoring for all nonviolent juvenile offenders and nonviolent, elderly, health-compromised, and near-release adult offenders; covering costs of personal protective equipment, COVID-19 testing, and hygienic supplies for the Division of Adult Correction and Juvenile Justice at the Department of Public Safety; rent and utility assistance; purchasing critical information technology equipment and software licenses; enhancing telepresence services in public safety facilities and the court system; and purchasing emergency sanitation and hygienic supplies. Provided that the United States Department of Labor does not approve additional funding for the Customer Call Center operated by the Division of Employment Security, funds may also be used to hire additional time-limited staff in the Customer Call Center to meet the unprecedented demand for services. Up to two million dollars ($2,000,000) of the funds allocated in this subdivision may be used to establish a temporary North Carolina Pandemic Recovery Office in accordance with Section 4.3 of this act. Up to five hundred thousand dollars ($500,000) of the funds allocated in this subdivision may be further allocated to the Office of the State Auditor to perform the requirements set forth in Section 1.8 of this act. OSBM shall provide a report to the Joint Legislative Commission on Governmental Operations no later than August 15, 2020, March 1, 2021, and quarterly thereafter until all funds have been allocated, detailing the allocation of funds under this subdivision. ~~The~~ Each report shall include which State agencies received allocations, the amounts disbursed, the amount spent and in ~~the 2019-2020~~ which fiscal year, and for what purposes the funds were used by fund code and line-item detail.

…

(6) $75,000,000 to the Department of Public Instruction for emergency school nutrition services, including innovative school meals, provided to students in response to COVID-19 by public school units participating in the National School Lunch Program, School Breakfast Program, or Summer Food Service Program from March 16, 2020, through ~~December 30, 2020.~~ the deadline established by applicable federal law and guidance. Funds for these services shall be allocated in the same manner as if the participating public school units were reimbursed by school meal receipts or federal funds.

…

(12) $10,000,000 to the Department of Public Instruction to be allocated in a manner consistent with the formula for the Instructional Support Allotment. These funds shall be used for contracted services provided no later than ~~December 30, 2020,~~ the deadline established by applicable federal law and guidance for school health support personnel to provide additional physical

and mental health support services for students in response to COVID-19, including remote and in-person physical and mental health support services. For purposes of this subdivision, the term "school health support personnel" shall refer to school counselors, school nurses, school psychologists, and school social workers.

(13) $70,000,000 to the Department of Public Instruction to be allocated to local school administrative units, charter schools, and the Innovative School District to provide a supplemental summer learning program for students whose learning has been negatively affected by the impacts of COVID-19, in accordance with the following:

a. The summer learning program shall include the following:

1. Reading interventions for students who were in kindergarten through grade three ~~during the 2019-2020 school year~~ who were not on track to meet ~~2019-2020~~ year-end expectations based on diagnostic ~~assessments completed prior to March 16, 2020.~~assessments.

2. Reading interventions for students who were in grade four ~~during the 2019-2020 school year~~ who were not on track to meet ~~2019-2020~~ year-end expectations as identified by their ~~2019-2020 school year~~ reading teachers.

3. Math interventions for students who were in kindergarten through grade four ~~during the 2019-2020 school year~~ who were not on track to meet ~~2019-2020~~ year-end expectations as identified by their ~~2019-2020 school year~~ math teachers.

b. Of the funds appropriated by this subdivision for summer reading programs, at least thirty-five million dollars ($35,000,000) shall be used to provide reading interventions for students who were in grades two and ~~three during the 2019-2020 school year.~~ three. Up to twenty-five percent (25%) of these funds may be used to provide supplemental literacy support for students in grades three and four ~~during the 2020-2021 school year~~ who are not on track to meet ~~2020-2021~~ year-end expectations, as identified by their ~~2020-2021 school year~~ reading teachers. All of the funds described in this subdivision shall be used prior to ~~December 30, 2020.~~the deadline established by applicable federal law and guidance.

c. The funds appropriated by this subdivision that are not used as described in sub-subdivision b. of this subdivision shall be used for (i) reading interventions for students who were in kindergarten, grade one, and grade four ~~during the 2019-2020 school year~~ and (ii) math interventions for students who were in kindergarten through grade ~~four during the 2019-2020 school year,~~ four, as described in this subdivision.

d. Funds provided for summer learning programs may be used to deliver interventions and instruction to participating students using methods such as digital resources, printed materials, literacy coaches, and face-to-face instruction.

The governing body of a public school unit receiving funds under this subdivision shall consult with ~~2019-2020 school year~~ teachers of kindergarten through fourth grade students to develop summer learning program plans that deliver targeted instruction to students participating in the summer learning program. Each public school unit's plan shall comply with the requirements of

any executive order in effect at the time of the summer learning program, including requirements on the use of public school buildings, and shall comply with social distancing and other public health guidelines provided by the Department of Health and Human Services. ~~No later than June 22, 2020, local~~ Local school administrative units and the Innovative School District shall submit their summer learning program plans to the Department of Public Instruction (Department). The Department may provide feedback as necessary to ensure that each summer learning program provides instruction and interventions as required by this section. Each public school unit shall begin its summer learning program in accordance with its plan as developed pursuant to this subdivision and shall not delay the start of its summer learning program pending feedback from the Department.

Summer learning programs shall not be included in scheduled instructional ~~time for the 2020-2021 school year calendar,~~ time, but shall provide a supplement to that instruction in order to better prepare students for academic ~~success during the 2020-2021 school year,~~ success, despite the impacts of COVID-19. Each public school unit receiving funds under this subdivision is encouraged to identify or prepare resources and strategies that parents or guardians can provide at home for students who qualify for a summer learning program and who (i) do not attend or (ii) attend and would like additional material. Parents or guardians of students who qualify for summer learning programs shall make the final decision regarding student attendance at summer learning programs.

No later than February 15, 2021, and February 15, 2022, the State Board of Education shall report to the Joint Legislative Education Oversight Committee on the implementation of this subdivision and the use of funds for summer learning programs. The State Board shall submit with its report a copy of each summer learning program plan submitted and shall include any other data deemed by the State Board to be useful to the Joint Legislative Education Oversight Committee in evaluating the delivery of summer learning programs.

…

(18) $5,000,000 to the Department of Public Instruction for the Extended Learning and Integrated Student Supports Competitive Grant Program ~~(Program) for the 2019-2020 and 2020-2021 fiscal years.~~ (Program). Of these funds, the Department of Public Instruction may use up to two hundred thousand dollars ($200,000) to administer the Program. The purpose of the Program is to fund high-quality, independently validated extended learning and integrated student support service programs for at-risk students whose learning has been negatively affected by COVID-19 impacts. The programs funded shall raise standards for student academic outcomes by focusing on the following:

…

Grants shall be used to award funds for new or existing eligible programs for at-risk students operated by (i) nonprofit corporations and (ii) nonprofit corporations working in collaboration with local school administrative units. Grant participants are eligible to receive grants in an amount of up to five hundred thousand dollars ($500,000) each year. Programs should focus on serving (i) at-risk students not performing at grade level as demonstrated by statewide assessments or not on-track to meet year-end ~~expectations as of March 16, 2020,~~ expectations, as demonstrated by existing indicators, including teacher identification, (ii) students at risk of dropout, and (iii) students at risk of school displacement due to suspension or expulsion as a

result of antisocial behaviors. Priority consideration shall be given to applications demonstrating models that focus services and programs in schools that are identified as low-performing, pursuant to G.S. 115C-105.37. A grant participant shall provide certification to the Department of Public Instruction that the grants received under the program shall be matched on the basis of three dollars ($3.00) in grant funds for every one dollar ($1.00) in nongrant funds. Matching funds shall not include State funds. The Department shall also give priority consideration to an applicant that is a nonprofit corporation working in partnership with a local school administrative unit resulting in a match utilizing federal funds under Part A of Title I of the Elementary and Secondary Education Act of 1965, as amended, or Title IV of the Higher Education Act of 1965, as amended, and other federal or local funds. Matching funds may include in-kind contributions for up to fifty percent (50%) of the required match. A nonprofit corporation may act as its own fiscal agent for the purposes of this Program. Grant recipients shall report to the Department of Public Instruction for the year in which grant funds were expended on the progress of the Program, including alignment with State academic standards, data collection for reporting student progress, the source and amount of matching funds, and other measures. Grant recipients shall also submit a final report on key performance data, including statewide test results, attendance rates, graduation rates and promotion rates, and financial sustainability of the program. The Department of Public Instruction shall provide a report on the Program to the Joint Legislative Education Oversight Committee by February 15, ~~2021.~~ 2021, and February 15, 2022. The report shall include the results of the Program and recommendations regarding effective program models, standards, and performance measures based on student performance; leveraging of community-based resources to expand student access to learning activities; academic and behavioral support services; and potential opportunities for the State to invest in proven models for future grants programs.

…

(32) $12,425,000 to OSBM to allocate to North Carolina Association of Free and Charitable Clinics (NCAFCC), a nonprofit organization, to be used for distribution to its member clinics to cover the cost of eligible health services provided during the COVID-19 emergency and other costs allowed pursuant to federal guidance. By August 1, 2020, ~~and by~~ November 1, 2020, April 1, 2021, and every four months thereafter until all funds are expended, NCAFCC shall report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division on a plan for allocating the funds received under this ~~subdivision~~ subdivision, and by February 1, 2021, and February 1, 2022, on the use of these funds by recipients.

…

(34) $12,425,000 to OSBM to allocate to North Carolina Community Health Center Association (NCCHCA), a nonprofit organization, to be used as follows:

…

b. The remainder for distribution to its member health centers to cover the cost of eligible health services provided during the COVID-19 emergency and other costs allowed pursuant to federal guidance. By August 1, 2020, ~~and by~~ November 1, 2020, April 1, 2021, and every four months thereafter until all funds are expended, the NCCHCA

shall report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division on a plan for allocating the funds received under this ~~subdivision,~~ subdivision, and by February 1, 2021, and February 1, 2022, on the use of these funds by recipients.

…

(39) $65,000,000 to OSBM to establish the COVID-19 Rural Hospitals Relief Fund. OSBM shall allocate the monies in the fund as grants to hospitals designated as critical access hospitals by the Centers for Medicare and Medicaid Services and to hospitals located in (i) a tier 1 county or (ii) a tier 2 county with a population of less than 150,000. These funds shall be used to offset expenses incurred for providing patient care in North Carolina to respond to the COVID-19 pandemic. OSBM shall award grants in an amount equal to at least $350,000 for each eligible critical access hospital and in an amount equal to at least $250,000 for each eligible hospital located in a tier 1 or tier 2 county. OSBM shall use any remaining funds to increase the amount of the grants awarded to these hospitals based on a pro rata share of the 2018 hospital operating costs for these hospitals. Grant recipients shall not use these funds for any purpose other than to offset the following costs related to patient care provided in North Carolina as a result of the COVID-19 pandemic:

…

As a condition of receiving the funds allocated in this subdivision, each grant recipient shall submit a detailed written report to the House Appropriations Subcommittee on Health and Human Services, the Senate Appropriations Committee on Health and Human Services, and the Joint Legislative Oversight Committee on Health and Human Services by December 1, 2020, and by February 1, 2022, that contains a breakdown of all expenditures from the funds received under this subdivision; and the total amount of funds received from the Provider Relief Fund provided for in P.L. 116-136 and any other COVID-19 Recovery Legislation or other legislation enacted by Congress during calendar year 2020 or 2021 to support the national response to COVID-19.

(40) $15,000,000 to OSBM to establish the COVID-19 Teaching Hospitals Relief Fund. OSBM shall allocate the monies in the fund as grants to the five hospitals located within the State that are classified as teaching hospitals by the Centers for Medicare and Medicaid Services (Wake Forest Baptist Medical Center, Duke University Hospital, University of North Carolina at Chapel Hill Medical Center, Vidant Medical Center, and Central Harnett Hospital) for the purpose of offsetting expenses incurred for providing patient care in North Carolina as a result of the COVID-19 pandemic. OSBM shall award grants in an amount equal to $3,000,000 to each eligible teaching hospital. Grant recipients shall not use these funds for any purpose other than the following to offset costs related to patient care provided in North Carolina to respond to the COVID-19 pandemic:

…

As a condition of receiving the funds allocated in this subdivision, each grant recipient shall submit a detailed written report to the House Appropriations Subcommittee on Health and Human Services, the Senate Appropriations Committee on Health and Human Services, and the Joint Legislative Oversight Committee on Health and Human Services by December 1, 2020, and by February 1, 2022, that contains (i) a breakdown of all expenditures

from the appropriated funds received under this section by the categories listed in this subdivision and (ii) the total amount of funds received from the Provider Relief Fund provided for in P.L. 116-136 and any other COVID-19 Recovery Legislation or other federal legislation enacted by Congress during calendar year 2020 or 2021 to support the national response to COVID-19.

(41) $15,000,000 to OSBM to establish the COVID-19 General Hospitals Relief Fund. OSBM shall allocate the monies in the fund as grants to hospitals located within the State that are not eligible for grants under subdivision (39) or (40) of this section, for the purpose of offsetting expenses incurred for providing care to patients in North Carolina as a result of the COVID-19 pandemic. OSBM shall award grants to eligible general hospitals based on a pro rata share of the 2018 hospital operating costs for these hospitals. Grant recipients shall not use these funds for any purpose other than to offset the following costs related to patient care provided in North Carolina to respond to the COVID-19 pandemic:

…

As a condition of receiving the funds allocated in this subdivision, each grant recipient shall submit a detailed written report to the House Appropriations Subcommittee on Health and Human Services, the Senate Appropriations Committee on Health and Human Services, and the Joint Legislative Oversight Committee on Health and Human Services by December 1, 2020, and by February 1, 2022, that contains (i) a breakdown of all expenditures from the appropriated funds received under this section by the categories listed in this subdivision and (ii) the total amount of funds received from the Provider Relief Fund provided for in P.L. 116-136 and any other COVID-19 Recovery Legislation or other legislation enacted by Congress during calendar year 2020 or 2021 to support the national response to COVID-19.

…

~~(46) $9,000,000 to the Department of Information Technology to use for the Growing Rural Economies with Access to Technology Fund to provide supplementary project funding to enable funding for all qualifying GREAT program applications. GREAT program grant applications received on or before April 1, 2020, that meet the criteria established pursuant to G.S. 143B-1373 shall be eligible to receive the supplementary funding in accordance with this subdivision. Applications that may have been eliminated as a result of the scoring process or that may have contained proposed project areas that overlap with other applications may submit a revision to an existing application to the Department to qualify for funding under this subdivision. An applicant awarded a grant shall, upon finalizing the agreement, receive an initial lump sum grant fund disbursement equal to the total grant award amount minus amounts assessed to the grant recipient for the matching requirement in G.S. 143B-1373(j). A grant recipient receiving the initial lump sum disbursement must provide evidence satisfactory to the Department that the recipient is financially solvent and has been providing broadband service in this State for at least two years and an attestation that the project will be completed pursuant to the agreement. Funds allocated under this subsection that remain unawarded on or after September 1, 2020, may be awarded for GREAT program grants that may be awarded by the Department in a special supplementary grant process occurring after October 1, 2020.~~

…

(63) $27,000,000 to the Department of Public Instruction to provide personal protective equipment for public schools, in response to the COVID-19 pandemic, to facilitate in-person ~~instruction for the 2020-2021 school year.~~ instruction. Personal protective equipment provided pursuant to this subdivision shall meet applicable federal standards and guidelines from the Centers for Disease Control and Prevention. Funds allocated pursuant to this subdivision may also be used to provide COVID-19 testing for public schools.

…

(68) $7,000,000 to OSBM to be allocated as grants in equal amounts to the following hospitals: (i) Good Hope Hospital, Inc., (ii) Lake Norman Regional Medical Center, (iii) Cape Fear Valley Health Hoke Hospital, (iv) Catawba Valley Medical Center, (v) Davis Regional Medical Center, (vi) Carolinas Healthcare System Blue Ridge, and (vii) AdventHealth Hendersonville. These funds shall be used to offset expenses incurred for providing patient care in North Carolina to respond to the COVID-19 pandemic. Grant recipients shall not use these funds for any purpose other than to offset the following costs related to patient care provided in North Carolina as a result of the COVID-19 pandemic:

…

As a condition of receiving the funds allocated in this subdivision, each grant recipient shall submit a detailed written report to the House Appropriations Subcommittee on Health and Human Services, the Senate Appropriations Committee on Health and Human Services, and the Joint Legislative Oversight Committee on Health and Human Services by December 1, 2020, and February 1, 2022, that contains a breakdown of all expenditures from the funds received under this subdivision and the total amount of funds received from the Provider Relief Fund provided for in P.L. 116-136 and any other COVID-19 recovery legislation or other legislation enacted by Congress during calendar year 2020 or 2021 to support the national response to COVID-19.

(69) $2,500,000 to OSBM to allocate to any county designated as a development tier two area, as defined in G.S. 143B-437.08, with a population of less than 150,000, that has a hospital located within its borders meeting all of the following criteria: (i) provided care to patients in North Carolina related to the COVID-19 pandemic, (ii) is not affiliated with a university health system, and (iii) filed a petition in U.S. Bankruptcy Court seeking relief under Chapter 11 of the U.S. Bankruptcy Code within the five-month period preceding the effective date of this section. The county shall distribute these allocated funds to each eligible hospital for the purpose of offsetting expenses incurred for providing care to patients in North Carolina as a result of the COVID-19 pandemic. Any county, county officer, county official, or county employee who uses these allocated funds for any purpose other than the purpose specified in this subdivision shall be subject to a civil action by the State and held personally liable to reimburse the State. These funds shall be used to offset expenses incurred for providing patient care in North Carolina to respond to the COVID-19 pandemic. Grant recipients shall not use these funds for any purpose other than to offset the following costs related to patient care provided in North Carolina as a result of the COVID-19 pandemic:

…

As a condition of receiving the funds allocated in this subdivision, each grant recipient shall submit a detailed written report to the House Appropriations

Subcommittee on Health and Human Services, the Senate Appropriations Committee on Health and Human Services, and the Joint Legislative Oversight Committee on Health and Human Services by December 1, 2020, and by February 1, 2022, that contains a breakdown of all expenditures from the funds received under this subdivision and the total amount of funds received from the Provider Relief Fund provided for in P.L. 116-136 and any other COVID-19 recovery legislation or other legislation enacted by Congress during calendar year 2020 or 2021 to support the national response to COVID-19.

…

(86) $6,500,000 to the Board of Governors of The University of North Carolina to be allocated to the State Education Assistance Authority (Authority) to be used to provide scholarships as an alternative educational option for certain students with disabilities during the COVID-19 pandemic. The Authority shall award scholarship funds as follows:

a. The Authority shall first award scholarship funds to eligible students who (i) had applied for scholarship funds for the 2020-2021 school year within the application deadlines established by the Authority and (ii) had not been awarded scholarship funds as of the date this act becomes law according to the following:

1. For applications for the Personal Education Savings Account Program, established pursuant to Article 41 of Chapter 115C of the General Statutes, the sum of three million six hundred fifty thousand dollars ($3,650,000). Scholarship funds shall be disbursed for the fall ~~semester~~ and spring semesters of the 2020-2021 school year only, in accordance with the amounts set forth in G.S. 115C-592. Notwithstanding G.S. 115C-592, a student who receives an award of scholarship funds for the fall or spring semester of the 2020-2021 school year pursuant to this subdivision who applies for a scholarship for the 2021-2022 school year shall not receive priority in the award of a scholarship under G.S. 115C-592(a)(1).

2. For applications for the Special Education Scholarships for Students with Disabilities Program, established pursuant to Part 1H of Article 9 of Chapter 115C of the General Statutes, the sum of two million eight hundred fifty thousand dollars ($2,850,000). Scholarship funds shall be disbursed for the fall ~~semester~~ and spring semesters of the 2020-2021 school year only, in accordance with the amounts set forth in G.S. 115C-112.6. Notwithstanding G.S. 115C-112.5(2)f., a student who receives an award of scholarship funds for the fall or spring semester of the 2020-2021 school year pursuant to this subdivision who applies for a scholarship for the 2021-2022 school year (i) shall be deemed to meet the eligibility requirements of G.S. 115C-112.5(2)f.1. and (ii) shall not receive priority in the award of a scholarship under G.S. 115C-112.6(a2)(1).

b. After awarding scholarship funds pursuant to sub-subdivision a. of this subdivision, the Authority shall, to the extent feasible, distribute any remaining funds as scholarship funds to additional eligible students for the fall or spring semester of the 2020-2021 school year, including

reopening the application period under the Personal Education Savings Account Program or the Special Education Scholarships for Students with Disabilities Program or both. The provisions of this subdivision shall apply to the award of any additional scholarship funds under those programs.

…

(103a) $19,850,000 to YMCA of the Triangle Area, Inc., (YMCA) for the North Carolina Alliance of YMCAs (Alliance) which shall develop and administer a grant program to facilitate remote learning opportunities during the COVID-19 pandemic. For purposes of the grant program, the YMCA shall serve only as the fiscal agent for the Alliance. The following shall apply to the grant program developed and administered by the Alliance pursuant to this subdivision:

…

e. Applicants shall demonstrate the ability to use all grant funds before ~~December 30, 2020.~~the deadline established by applicable federal law and guidance.

…

(111) $500,000 to OSBM to provide a grant to Triangle Residential Options for Substance Abusers, Inc., a nonprofit corporation, to be used for (i) offsetting increased operational expenses incurred for providing comprehensive residential substance use disorder treatment associated with the COVID-19 pandemic, for the period beginning March 1, 2020, and ending ~~December 30, 2020,~~ on the deadline established by federal law and guidance and (ii) any other COVID-19 related losses or expenses incurred during that time period, as allowed under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, P.L. 116-136.

(112) $1,000,000 to OSBM to be allocated to the Nurse Family Partnership, a nonprofit corporation located in North Carolina, to help offset COVID-19 related expenses incurred for the following services provided and supplies used within the State between March 1, 2020, and ~~December 30, 2020:~~ the deadline established by federal law and guidance:

…

(114e) $23,000,000 to OSBM, one-half to be allocated to the North Carolina Health Care Facilities Association (NCHCFA) and one-quarter each to be allocated to the North Carolina Senior Living Association (NCSLA) and North Carolina Assisted Living Association (NCALA). NCHCFA shall use its allocated funds to purchase and distribute, free of charge, to licensed skilled nursing facilities; and the NCSLA and NCALA shall use its allocated funds to purchase and distribute, free of charge, to licensed adult care homes and family care homes, as those terms are defined in Article 1 of Chapter 131D of the General Statutes, the following materials to their member facilities:

…

The NCSLA and NCALA shall collaborate together to assure equitable distribution of the materials described in this subdivision to adult care homes and family care homes. By February 1, 2021, by April 1, 2021, and by February 1, 2022, the NCSLA, NCHCFA, and NCALA shall each submit a report on their use of these allocated funds to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division.

…

~~(115) $30,000,000 to the Department of Information Technology to use for the Growing Rural Economies with Access to Technology Fund to provide funding for a special supplementary GREAT Act grant process in accordance with Section 4.17 of this act.~~"

SECTION 3.3. Section 1.7 of S.L. 2020-4, as amended by Section 2.1(a) of S.L. 2020-80, reads as rewritten:

"**SECTION 1.7.(a)** In addition to any report required under this act or any other law, ~~OSBM~~ the North Carolina Pandemic Recovery Office established in Section 4.3 of this act shall provide a report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division by ~~April~~ March 1, 2021, detailing the use of funds allocated ~~under Section 3.3 of this act.~~from the Fund. For each allocation from the Fund, the Pandemic Recovery Office shall report the following:

(1) The amount disbursed as of December 30, 2020.
(2) The amount expended as of December 30, 2020.
(3) The amount obligated as of December 30, 2020.
(4) The amount, if any, reallocated pursuant to Section 1.9 of S.L. 2020-97 as of December 30, 2020. For each reallocation, the report shall clearly identify where the funds were reallocated from, the amount the original allocation was reduced by, the activity or activities the funds were reallocated to, and the amount the activity or activities were increased by.
(5) The amount remaining to be spent as of December 30, 2020.
(6) The number of full-time equivalent (FTE) established by State agencies with funds allocated from the Fund. For each FTE established, the report shall include a position number, the position status, the date the position was established, the hire date, and the date on which the position is to be abolished.
(7) A brief description as to how each allocation was used.

"**SECTION 1.7.(b)** Beginning April 10, 2021, the Pandemic Recovery Office shall submit a monthly report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on allocations from the Fund that were not fully expended as of December 30, 2020. A final report is due no later than 30 days after the date of the final expenditure of funds allocated from the Fund.

"**SECTION 1.7.(c)** ~~Additionally, each~~ Beginning April 1, 2021, each State agency or department that receives federal grant funds under Section 4.1 of this act shall ~~provide~~ submit a quarterly report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division ~~no later than 90 days from the day the grant period ends detailing the use of funds. The report required from OSBM under this section shall include the amount of funds allocated to each State agency, State department, and nonprofit organization; how the funds were used by each State agency, State department, and nonprofit organization; and the amount of funds allocated to each State agency, State department, and nonprofit organization that remained unspent as of December 30, 2020.~~ detailing the use of funds. The report required from each State agency or department that receives federal grant funds under ~~Section 4.1 of this act~~ this subsection shall include the amount of funds granted, the source of the funds, how the funds were used, and the amount of funds that remained unspent at the end of the grant period. The quarterly report required under this subsection shall end upon submission of the final report from each State agency or department, which shall be no later than 90 days from the date the grant period ends for the relevant funds."

SECTION 3.4. Section 4.2C(f) of S.L. 2020-4, as enacted by Section 1.1(e) of S.L. 2020-80, reads as rewritten:

"**SECTION 4.2C.(f)** In consultation with participating judicial districts and the East Carolina University Department of Criminal Justice, Caitlyn's Courage, Inc., shall report on the effectiveness of the pilot programs created by this section to the Joint Legislative Oversight

Committee on Justice and Public Safety, the Joint Legislative Oversight Committee on Health and Human Services, and the Fiscal Research Division of the North Carolina General Assembly in an interim report by April 1, ~~2021.~~2021, and in a final report by April 1, 2022."

SECTION 3.5. Section 4.3 of S.L. 2020-4 reads as rewritten:

"**SECTION 4.3.(a)** OSBM shall establish a temporary North Carolina Pandemic Recovery Office (Office) to oversee and coordinate funds made available under COVID-19 Recovery Legislation. This Office shall also provide technical assistance and ensure coordination of federal funds received by State agencies and local governments and ensure proper reporting and accounting of all funds. The authorization set forth in this section expires ~~12 months from the effective date of this act,~~ on December 31, 2021, and the Office shall cease to operate upon expiration of the authorization.

"**SECTION 4.3.(b)** Beginning March 1, 2021, and ending on the date the Office ceases to operate under subsection (a) of this section, the Office shall submit a monthly report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division that includes each of the following:

(1) For each month since March 1, 2020, the number of staff hired to support the Office's duties and responsibilities, including the position numbers, whether the position is permanent or temporary, the start date and end date for each temporary position, the funding source for each position, and the total amount of funds spent on salary and benefits for personnel.

(2) For each month since March 1, 2020, an accounting of nonpersonnel expenditures.

(3) A description of the Office's activities during the 2020 calendar year.

(4) A description of the Office's activities related to the Fund that remain to be completed in the 2021 calendar year.

"**SECTION 4.3.(c)** The General Assembly finds that the need for a fully staffed Office declines as funds from the Fund are expended and reports are submitted to the federal government. Therefore, the Office shall reduce its level of staffing accordingly as the duties and responsibilities of the Office decline."

SECTION 3.6. Section 4.15(f) of S.L. 2020-4, as enacted by Section 1.3 of S.L. 2020-97, reads as rewritten:

"**SECTION 4.15.(f)** Study. – Up to $50,000 of the funds allocated by this section may be used by the Department to study issues arising from the COVID-19 pandemic with transportation and product diversification within the North Carolina dairy industry. The Department shall report its findings and any recommendations for legislative action to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division no later than April 1, 2022. ~~Nothing in this subsection shall be construed as allowing the expenditure of funds from the Coronavirus Relief Fund past December 30, 2020.~~"

SECTION 3.7. Section 8 of S.L. 2020-64 reads as rewritten:

"…

"**SECTION 8.(b)** Transfer. – The State Controller shall transfer the sum of six hundred ~~forty-five~~ eighty-four million four hundred thousand dollars ~~($645,400,000)~~ ($684,400,000) from the Coronavirus Relief Reserve established in Section 2.1 of S.L. 2020-4 to the Coronavirus Relief Fund established in Section 2.2 of that same act.

"**SECTION 8.(c)** Appropriation. – There is appropriated from the Coronavirus Relief Fund to the Office of State Budget and Management (OSBM) the sum of six hundred ~~forty-five~~ eighty-four million four hundred thousand dollars ~~($645,400,000)~~ ($684,400,000) in nonrecurring funds for the 2020-2021 fiscal year to be used to offset General Fund appropriations across State government for allowable expenditures of funds from the Coronavirus Relief Fund.

"**SECTION 8.(d)** Creation of Reserve. – There is created in the General Fund a Statewide Reserve for Appropriations (Reserve) (Budget Code: 190XX). The Reserve shall have a

beginning negative appropriation balance of six hundred ~~forty-five~~ eighty-four million four hundred thousand dollars ~~($645,400,000).~~ ($684,400,000). By ~~December 30, 2020,~~ June 30, 2021, the Reserve shall have a balance of zero dollars ($0.00).

…."

SECTION 3.8.(a) Section 3.1 of S.L. 2020-4, as amended by Section 1 of S.L. 2020-32, Section 1.1(b) of S.L. 2020-80, and Section 1.1(a) of S.L. 2020-97, reads as rewritten:

"**SECTION 3.1.** Transfer of Funds from Reserves to Relief Fund. – The State Controller shall transfer the sum of two billion three hundred ~~sixty-three~~ twenty-four million three hundred ninety thousand six hundred forty-six dollars ~~($2,363,390,646)~~ ($2,324,390,646) for the 2019-2020 fiscal year from the Reserve established in Section 2.1 of this act, and the sum of three hundred million dollars ($300,000,000) for the 2019-2020 fiscal year from the Local Government Coronavirus Relief Reserve established in Section 2.3 of this act, to the Fund established in Section 2.2 of this act. All interest earned on funds held in the Reserve shall be transferred to the Coronavirus Relief Fund."

SECTION 3.8.(b) Section 3.2 of S.L. 2020-4, as amended by Section 2 of S.L. 2020-32, Section 1.1(c) of S.L. 2020-80, and Section 1.1(b) of S.L. 2020-97, reads as rewritten:

"**SECTION 3.2.** Appropriation of Funds from Relief Fund to OSBM. – There is appropriated from the Fund to OSBM the sum of two billion six hundred ~~sixty-three~~ twenty-four million three hundred ninety thousand six hundred forty-six dollars ~~($2,663,390,646)~~ ($2,624,390,646) in nonrecurring funds for the 2019-2020 fiscal year to be allocated and used as provided in Section 3.3 of this act. The funds appropriated in this section shall not revert at the end of the 2019-2020 fiscal year. Notwithstanding any provision of law to the contrary in this act or any other act appropriating funds from the Fund, funds appropriated from the Fund shall (i) remain available to expend until the deadline established by applicable federal law or guidance and (ii) be returned in accordance with that applicable federal law or guidance if unexpended by that deadline."

SECTION 3.9. Section 4(b) of S.L. 2020-27 reads as rewritten:

"**SECTION 4.(b)** There is appropriated from the Coronavirus Relief Fund to the Office of State Budget and Management (OSBM) the sum of twenty-two million dollars ($22,000,000) in nonrecurring funds ~~for the 2020-2021 fiscal year~~ to be allocated to the Department of Public Instruction to fund an increase in Average Daily Membership (ADM), as reflected in the revised allotted 2020-2021 fiscal year ADM, for low-wealth counties due to the impacts of COVID-19. These funds shall be available for expenditure until the deadline established by applicable federal law and guidance."

SECTION 3.10. Section 8(b) of S.L. 2020-79 reads as rewritten:

"**SECTION 8.(b)** Appropriation. – There is appropriated from the Coronavirus Relief Fund to the Office of State Budget and Management (OSBM) the sum of four million eight hundred thousand dollars ($4,800,000) in nonrecurring funds ~~for the 2020-2021 fiscal year~~ to the Board of Governors of The University of North Carolina to be allocated to the Southern Regional Area Health Education Center (SR AHEC) to be used for residencies in the SR AHEC service areas and for COVID-19 related response activities. These funds shall be available for expenditure until the deadline established by applicable federal law and guidance."

SECTION 3.11. Section 4.2D(d) of S.L. 2020-4, as enacted by Section 1.1.(e) of S.L. 2020-80, reads as rewritten:

"**SECTION 4.2D.(d)** Reporting Requirements. – The local school administrative units participating in the pilot shall provide a report by May 1, 2021, to the Office on implementation of the pilot for that school year, including (i) the use of the funds described in subsection (c) of this section, (ii) the number of students impacted by the pilot and the number of students pursing STEM-related CTE career pathways as a result of the pilot, measured by the number of students declaring interest in a career with a chemistry-dependent industry located in North Carolina and the number of students pursuing higher education in a chemistry-related major or technical certification at a school in North Carolina, (iii) demand and feedback by teachers on the use of

the STEM-focused educational technology, and (iv) any other information requested by the Office.

The Office shall provide a report by June 1, 2021, to the ~~Joint Legislative Education Oversight Committee, Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources,~~ Senate Appropriations Committee on Education/Higher Education; House Appropriations Committee on Education; Senate Appropriations Committee on Agriculture, Natural, and Economic Resources; the House of Representatives Appropriations Committee on Agriculture and Natural and Economic Resources; and the Fiscal Research Division on the implementation of the pilot and the information reported by participating local school administrative units pursuant to this section. The report shall include any data on student outcomes related to implementation of the pilot, the expenditure of funds described in subsection (c) of this section, and recommendations by the Office on modification of the pilot and the need for continued support."

SECTION 3.12. Section 1.7(b) of S.L. 2020-97 reads as rewritten:

"**SECTION 1.7.(b)** This section applies to all contracts entered into on or after the date it becomes law and expires on December ~~30, 2020.~~31, 2021."

GREAT ACT REVISIONS

SECTION 4.1.(a) There is transferred from the General Fund to the State Capital and Infrastructure Fund, established pursuant to G.S. 143C-3-4.1, the sum of thirty-nine million dollars ($39,000,000) for the 2020-2021 fiscal year.

SECTION 4.1.(b) There is appropriated from the State Capital and Infrastructure Fund to the Growing Rural Economies with Access to Technology Fund, established pursuant to G.S. 143B-1373(b), the sum of thirty-nine million dollars ($39,000,000) for the 2020-2021 fiscal year. Of the funds appropriated in this section, thirty million dollars ($30,000,000) shall be distributed in the special supplementary grant process established in Section 4.17 of S.L. 2020-4, as amended in this act. The remaining amount shall be used to fund supplementary project grants previously awarded. The funds appropriated in this section shall remain available until expended and shall not revert.

SECTION 4.2.(a) Section 4.17(a) of S.L. 2020-4, as enacted by Section 1.3 of S.L. 2020-97, reads as rewritten:

"**SECTION 4.17.(a)** From the funds appropriated in Section 3.3(115) of this ~~act,~~ act, or by any other act enacted during the 2020-2021 fiscal year for this purpose, the Department of Information Technology shall provide a special supplementary grant process to accelerate the provision of broadband access through the Growing Rural Economies with Access to Technology grant program. Grants may be awarded ~~with funds appropriated in this act~~ for applications submitted on or before October 23, 2020. The Department shall post applications no later than October 28, 2020, and shall begin issuing awards no later than ~~November 9, 2020. The Department shall award all grants pursuant to this act on or before December 30, 2020.~~ March 1, 2021. Except as otherwise provided in this Part, notwithstanding any provision of G.S. 143B-1373 to the contrary, the Department may establish a final schedule and process for the special supplementary grant process."

SECTION 4.2.(b) Section 4.17(b)(8) of S.L. 2020-4, as enacted by Section 1.3 of S.L. 2020-97, reads as rewritten:

"(8) For the purposes outlined in this act, notwithstanding G.S. 143B-1373(i), the Office shall use the following guidelines in awarding and administering grants:

Applications receiving the highest score shall receive priority status for the awarding of grants pursuant to G.S. 143B-1373. As a means of breaking a tie for applications receiving the same score, the Office shall give priority to the application proposing to serve the highest number of new households or

businesses at the lowest cost per household or business. Applicants awarded grants shall enter into an agreement with the Office. The agreement shall contain all of the elements outlined in G.S. 143B-1373(d) and any other provisions the Office may require. The agreement shall contain a provision governing the time line and minimum requirements and thresholds for disbursement of grant funds measured by the progress of ~~the project; provided, however, that an applicant awarded a grant shall, upon finalizing the agreement, receive an initial lump sum grant fund disbursement equal to the total grant award amount minus amounts assessed to the grant recipient for the matching requirement in G.S. 143B-1373(j). A grant recipient receiving the initial lump sum disbursement must provide evidence satisfactory to the Office that the recipient is financially solvent and has provided all required documentation to the Office for any prior GREAT grant application or award and an attestation that the matching funds required pursuant to G.S. 143B-1373(j) are available at the time the agreement is executed.~~ the project. At project completion, the grant recipient shall certify and provide to the Office evidence consistent with Federal Communications Commission attestation that either speeds greater than those identified in the application guidelines or the proposed upstream and downstream broadband speeds identified in the application guidelines, and for which a base speed multiplier was awarded pursuant to G.S. 143B-1373(g)(6), are available throughout the project area prior to any end user connections. A single grant award shall not exceed two million eight hundred thousand dollars ($2,800,000). No combination of grant awards involving any single county may exceed five million six hundred thousand dollars ($5,600,000)."

SECTION 4.2.(c) The Office of Broadband Infrastructure may limit the number of grant recipients receiving funds appropriated in this act that are also eligible to receive the supplemental grant award authorized in Section 3.14(d) of S.L. 2020-97.

SECTION 4.2.(d) Section 3.14(d) of S.L. 2020-97 reads as rewritten:

"**SECTION 3.14.(d)** Notwithstanding the grant amount limitations in G.S. 143B-1373, the Department shall provide a supplementary grant award of fifteen thousand dollars ($15,000) from the Growing Rural Economies with Access to Technology Fund for each grant project awarded during the 2020-2021 fiscal year that has also received a grant from the Federal Communications Commission Rural Digital Opportunity Fund Auction Phase I. A project may only receive a single supplementary grant award under this subsection."

NEW FEDERAL GRANTS FOR VACCINES, RENTAL ASSISTANCE, AND EDUCATION

SECTION 5.(a) Funds received from federal grants authorized under the Consolidated Appropriations Act, 2021, P.L. 116-260, for COVID-19 Vaccine Preparedness (Division M, Title III), for Elementary and Secondary School Emergency Relief Fund II (Division M, Title III), and for Emergency Rental Assistance (Division N, Title V) are appropriated in the amounts provided in the notification of award from the federal government or any entity acting on behalf of the federal government to administer the federal funds.

SECTION 5.(b) The programs and grant amounts in the schedule set forth in this subsection are estimates of North Carolina's allocations from the Consolidated Appropriations Act, 2021, P.L. 116-260, for the programs listed in this subsection to be deposited in the State's Treasury and administered by the responsible agency. The responsible agencies may, with approval of the Director of the Budget, spend funds in the amounts received from the federal grants in this schedule. Positions created with such funds shall terminate at the earlier of the funds

being fully expended or the deadline established by applicable federal law and guidance for use of the funds.

Program (Responsible Agency)	Amount
COVID-19 Vaccine Preparedness (Department of Health and Human Services)	$94,768,784
Elementary and Secondary School Emergency Relief Fund II (Department of Public Instruction)	$1,602,591,000
Emergency Rental Assistance (Office of Recovery and Resiliency, Department of Public Safety; Office of State Budget and Management)	$546,597,070
Total Estimated Funding	**$2,243,956,854**

SECTION 5.(c) The use of federal grant funds received under this section shall be detailed in quarterly reports as provided in this subsection. A report required under this subsection shall include the amount of federal funds received; the amount of grant funds expended; how the funds were used, including program information such as number of people served and geographic distribution; the amount spent on administration; and the amount of funds that remained unspent. In addition, a report required under this subsection shall provide the number of full-time equivalent (FTE) positions established with funds received and, for each FTE established, a position number, position status, date the position was established, hire date, and date on which the position is to be abolished. The requirement to submit a report under this subsection shall end upon submission of the final report from each entity that receives federal grant funds under this section, which shall be no later than 90 days from the date the grant period ends for the relevant funds. The required quarterly report, the reporting entity, and the timing are as follows:

(1) Each public school unit receiving federal grant funds under this section, beginning March 1, 2021, shall submit the report to the Department of Public Instruction. The Department of Public Instruction, beginning April 1, 2021, shall collate and submit the reports into a single, consolidated report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division.

(2) Each State agency or department receiving federal grant funds under this section, beginning April 1, 2021, shall submit the report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division.

SECTION 5.(d) The appropriation of funds under this section does not obligate the State or create an ongoing obligation of the State for future appropriations for programs or other purposes for which the funds shall be used.

EFFECTIVE DATE

SECTION 6. Except as otherwise provided, this act is effective when it becomes law.

In the General Assembly read three times and ratified this the 4th day of February, 2021.

s/ Mark Robinson
President of the Senate

s/ Tim Moore
Speaker of the House of Representatives

s/ Roy Cooper
Governor

Approved 9:47 a.m. this 10th day of February, 2021