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GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2019

SESSION LAW 2020-97

HOUSE BILL 1105

AN ACT TO PROVIDE ADDITIONAL AND REVISED USES FOR FEDERAL CORONAVIRUS RELIEF FUNDS, TO PROVIDE FUNDING FOR DISASTER RECOVERY, AND TO MAKE OTHER REVISIONS OF LAW.

The General Assembly of North Carolina enacts:

PART I. TRANSFER, APPROPRIATION, AND USE OF REMAINING CORONAVIRUS RELIEF FUNDS

TRANSFER AND APPROPRIATION OF CORONAVIRUS RELIEF FUNDS

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

"**SECTION 3.1.** Transfer of Funds from Reserves to Relief Fund. – The State Controller shall transfer the sum of ~~one~~ two billion ~~seven~~ three hundred ~~ninety-five~~ sixty-three million ~~nine~~ three hundred ~~eighty-eight~~ ninety thousand ~~twenty-nine~~ six hundred forty-six dollars ~~($1,795,988,029)~~ ($2,363,390,646) 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 1.1.(b) Section 3.2 of S.L. 2020-4, as amended by Section 2 of S.L. 2020-32 and Section 1.1(c) of S.L. 2020-80, 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 ~~ninety-five~~ six hundred sixty-three million ~~nine~~ three hundred ~~eighty-eight~~ ninety thousand ~~twenty-nine~~ six hundred forty-six dollars ~~($2,095,988,029)~~ ($2,663,390,646) 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 but~~ 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 ~~December 30, 2020.~~ 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 1.1.(c) Section 2.3 of S.L. 2020-4, as amended by Section 1.1(a) of S.L. 2020-80, reads as rewritten:

"**SECTION 2.3.** The State Controller shall establish a Local Government Coronavirus Relief Reserve (Local Reserve) in the General Fund to maintain certain federal funds transferred from the Reserve established in Section 2.1 of this act that are eligible to mitigate the impact of the COVID-19 outbreak in North Carolina on the revenue of local governments. The State Controller shall transfer the sum of three hundred million dollars ($300,000,000) from the Reserve to the Local Reserve. Funds that are reserved in the Local Reserve do not constitute an "appropriation made by law," as that phrase is used in Section 7(1) of Article V of the North Carolina Constitution. All interest earned on funds held in the Local Reserve shall be transferred to the Coronavirus Relief Fund."

USE OF CORONAVIRUS RELIEF FUNDS

SECTION 1.2. 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, and Section 4.9(a) of S.L. 2020-91, 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) ~~$370,000,000~~ $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, 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, detailing the allocation of funds under this subdivision. The report shall include which State agencies received allocations, the amounts disbursed, the amount spent in the 2019-2020 fiscal year, and for what purposes the funds were used by fund code and line-item detail.

~~(4) $300,000,000 to OSBM to allocate to the General Maintenance Reserve in the Highway Fund for the Department of Transportation; provided that OSBM shall not transfer these allocated funds to the Department for use until the guidelines in "Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments," dated April 22, 2020, are revised by the United States Department of the Treasury to authorize the use of funds from the Coronavirus Relief Fund for the purpose of replacing lost revenue due to the COVID-19 emergency, or a subsequent act of Congress authorizes the use of funds from the Coronavirus Relief Fund for the purpose of replacing lost revenue due to the COVID-19 emergency. 30 days prior to the transfer of funds pursuant to this subsection, OSBM shall submit a report to the Joint Legislative Commission on Governmental Operations. On or before April 1, 2021, the Department shall submit a report on the status of utilizing these funds and a revenue update to the Joint Legislative Transportation Oversight Committee (JLTOC) and the Fiscal Research Division. The Governor may not use the funds described in this subdivision to make budget adjustments under G.S. 143C-6-4 or to make reallocations under G.S. 166A-19.40(c). Notwithstanding Section 3.2 of this act, if, by September 1, 2020, the guidelines in "Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments," dated April 22, 2020, are not revised by the United States Department of the Treasury to authorize the use of funds from the Coronavirus Relief Fund for the purpose of replacing lost revenue due to the COVID-19 emergency, or a subsequent act of Congress does not authorize the use of funds from the Coronavirus Relief Fund for the purpose of replacing lost revenue due to the COVID-19 emergency, the State Controller shall transfer the funds described in this subdivision to the Reserve and the funds shall remain unspent until appropriated by an act of the General Assembly.~~

~~(4a) $20,000,000 to OSBM, for allocation to State agencies negatively impacted by the loss of anticipated receipts. OSBM shall not transfer the allocated funds to the State agencies for use until the guidelines in "Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments" dated April 22, 2020, are revised by the United States Department of the Treasury or a subsequent act of Congress authorizes the use of funds from the Coronavirus Relief Fund for the purpose of replacing lost revenue due to the COVID-19 emergency. Prior to the transfer of funds pursuant to this subsection, OSBM shall submit a report to the Joint Legislative Commission on Governmental Operations.~~

...

(8) ~~$11,000,000~~ $21,000,000 to the Department of Public Instruction to improve Internet connectivity for students, in response to COVID-19, by providing community and home mobile Internet access points. These funds shall be used only for the purchase of devices and not for subscription services.

...

(21) ~~$20,000,000~~ $25,000,000 to the Board of Governors of The University of North Carolina to be allocated to the State Education Assistance Authority (Authority) for the Authority to provide funds to each eligible private postsecondary institution, as defined in G.S. 116-280(3), by apportioning an amount equal to the following:

a. Seventy-five percent (75%) of the institution's relative share of full-time equivalent students who were enrolled as of March 13, 2020, who received scholarships pursuant to Article 34 of Chapter 116 of the General Statutes for the spring semester of the 2019-2020 academic year.

b. Twenty-five percent (25%) of the institution's relative share of full-time equivalent students who were enrolled as of March 13, 2020, who had not received scholarships pursuant to Article 34 of Chapter 116 of the General Statutes for the spring semester of the 2019-2020 academic year.

These funds shall be used to transition to online education for students and to provide funds for students and families impacted by COVID-19.

(22) ~~$15,000,000~~ $17,000,000 to OSBM to allocate to the Duke University Human Vaccine Institute (DHVI) of the Duke University School of Medicine to develop (i) a safe and effective COVID-19 vaccine that will be available to the public as soon as ~~possible.~~ possible and (ii) rapid, low-cost COVID-19 testing for active infections.

...

(28) ~~$6,000,000~~ $12,000,000 to the Department of Health and Human Services to allocate equally among each of the six food banks in this State. The food banks are encouraged to use the funds allocated in this subdivision to purchase food from North Carolina–based farmers and vendors.

...

(30a) $20,000,000 to the Department of Health and Human Services, Division of Social Services (DSS), for facilities licensed to accept State-County Special Assistance. These funds shall be used to provide temporary financial assistance in the form of a monthly payment to these facilities to offset the increased costs of serving residents who are recipients of State-County Special Assistance during the COVID-19 emergency. For the period commencing August 1, 2020, and ending December 30, 2020, the amount of the monthly payment authorized by this subdivision shall be equal to two hundred fifty dollars ($250.00) per month for each resident of the facility as of the first day of the month who is a recipient of State-County Special Assistance. The DSS shall terminate all monthly payments pursuant to this subdivision on the earlier of December 30, 2020, or when the funds allocated under this subdivision are depleted. Nothing in this subdivision shall be construed as an obligation by the General Assembly to appropriate funds for the purpose of this subdivision or as an entitlement by any facility, resident of a facility, or other person to receive financial assistance under this subdivision. The following definitions apply in this subdivision:

a. Facility licensed to accept State-County Special Assistance payments. – Any residential care facility that is (i) licensed by the Department of Health and Human Services and (ii) authorized to accept State-County Special Assistance payments from its residents.

b. State-County Special Assistance. – The program authorized by G.S. 108A-40.

...

(32) ~~$7,425,000~~ $12,425,000 to OSBM to allocate to ~~the~~ 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, 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 ~~section,~~ subdivision and by February 1, 2021, on the use of these funds by recipients.

(33) ~~$1,500,000~~ $6,500,000 to the Department of Health and Human Services to provide a grant to NC MedAssist, a nonprofit corporation, to offset increased costs for providing prescription assistance services during the COVID-19 pandemic to individuals who are indigent or uninsured.

(34) ~~$7,425,000~~ $12,425,000 to OSBM to allocate to ~~the~~ North Carolina Community Health Center Association (NCCHCA), a nonprofit organization, to be used ~~for~~ as follows:

a. $600,000 for equal distribution to the following North Carolina federally qualified health center look-alikes, to cover the cost of eligible health services provided during the COVID-19 emergency and other costs allowed pursuant to federal guidance:

1. Black River Health Services, Inc., a nonprofit corporation.

2. Hot Springs Health Program, a nonprofit corporation.

3. NeighborHealth Center, Inc., a nonprofit corporation.

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, 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 ~~section,~~ subdivision, and by February 1, 2021, on the use of these funds by recipients.

...

(35a) $34,002,617 in nonrecurring funds to OSBM to be allocated for COVID-19 testing, as provided in sub-subdivisions a. and b. of this subdivision.

a. $29,002,617 to be distributed in equal amounts to the nonprofit organizations known as NC Senior Living Association (NCSLA), NC Health Care Facilities Association (NCHCFA), and NC Assisted Living Association (NCALA) to purchase COVID-19 tests that, at a minimum, have been approved for emergency use by the United States Food and Drug Administration. NCSLA, NCHCFA, and NCALA shall use at least fifty percent (50%) of their allocated funds to purchase rapid COVID-19 tests for distribution to their member facilities. NCSLA, NCHCFA, and NCALA shall distribute all tests funded by this allocation equally among their member facilities, free of charge, for testing facility staff, residents, and visitors. Each of the member facilities shall reserve the COVID-19 rapid tests received under this subdivision for testing visitors who are family members or legal guardians of residents.

b. $5,000,000 to the Board of Governors of The University of North Carolina (UNC), to be used to effectively mitigate the spread of COVID-19 on UNC campuses through testing, tracing, enforcing required on-campus isolation and quarantine, and providing COVID-19 related health care services.

...

(37) ~~$19,000,000~~ $20,000,000 to the Department of Health and Human Services to provide funding for food banks, support for residential settings that are incurring additional costs to mitigate spread or isolate positive cases (Special Assistance), adult and child protective services response, support for homeless and domestic violence shelters and housing security (prevention, diversion, and rapid re-housing), child care response, costs to expand NCCARE360, a Statewide coordinated care network that will connect individuals impacted by COVID-19 to local services such as food, housing, child care and other resources, and technology modifications to support COVID-19 emergency relief to beneficiaries. From funds received pursuant to this subdivision, the sum of ~~$2,500,000~~ $3,500,000 is allocated to Reinvestment Partners, a nonprofit organization, for its Produce Prescription Program, which provides a monthly forty dollar ($40.00) per household benefit for each eligible Food and Nutrition Services recipient enrolled by the recipient's health care provider, to serve individuals impacted by the COVID-19 emergency. Individuals receiving assistance pursuant to this subdivision are limited to three months of food assistance.

...

(42) ~~$3,550,000~~ $4,350,000 to the Department of Health and Human Services, Division of Social Services, to assist in serving children in foster care during the COVID-19 emergency. These funds shall be used for monthly supplemental payments in the amount of one hundred dollars ($100.00) for each child receiving foster care assistance payments beginning with the month of April 2020 and continuing until funds are exhausted.

...

(45) ~~$125,000,000~~ $75,000,000 to OSBM for Golden LEAF to provide loans in accordance with Section 4.2 of this act.

(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.

(47) ~~$10,000,000~~ $20,250,000 to the Department of Agriculture and Consumer Services to be used to provide support for meat processing facilities and for seafood processing facilities in accordance with Section 4.2A of this act.

...

(51) ~~$15,000,000~~ $60,500,000 to the Department of Commerce for grants awarded by the Economic Investment Committee pursuant to Section 4.2B of this act.

...

(63) ~~$7,000,000~~ $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. 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.

(64) ~~$5,000,000~~ $22,000,000 to the Department of Public Instruction to hold in reserve and to award as grants, in the discretion of the Department, to public school units that apply for funds to provide access to services for exceptional children who have lost critical services as a result of school closures related to COVID-19. Of these funds, the Department is encouraged to use at least seventeen million dollars ($17,000,000) for in-person services for qualifying children.

...

(70) $4,300,000 to OSBM to be allocated to the Children's Advocacy Centers (CACNC) of North Carolina, Inc., a nonprofit corporation, ~~to~~ of which at least seventy-five percent (75%) shall be distributed to child advocacy centers in this State that are in good standing with CACNC to ~~cover the cost of increased child caseloads and the statewide provision of more effective and available virtual counseling~~ assist with increased costs due to the COVID-19 pandemic.

...

(72) $440,541,000 to the Department of Revenue for grants awarded by the Department pursuant to Section 4.12 of this act.

(73) $2,000,000 to OSBM to allocate to the Carolina Small Business Development Fund, a community development financial institution, to be used for business advisory services to and deploying capital to small businesses in North Carolina to assist those businesses with losses due to a disruption of services resulting from the COVID-19 pandemic. Funding provided in this subdivision shall be used for financial assistance, business solutions and research, technology for applications for and reporting on aid, underwriting and loan servicing, technical assistance and advisory services, consulting for technical assistance workshops, and marketing and communication regarding services.

(74) $3,750,000 to OSBM to be allocated in the form of a grant to CAGC Foundation, Inc., a nonprofit organization, to be used in accordance with Section 4.14 of this act.

(75) $87,000,000 to the Department of Commerce, Division of Employment Security, to be credited to the Unemployment Insurance Trust Fund and used to provide the increased benefit amount payable under G.S. 96-14.2(e). If the increased benefits paid under G.S. 96-14.2(e) exceed $87,000,000, then there is appropriated from the General Fund to the Unemployment Insurance Trust Fund an amount equal to the amount of increased benefits paid under G.S. 96-14.2(e) less $87,000,000. The intent of the General Assembly is to hold harmless the Unemployment Insurance Trust Fund for any increased benefits paid under G.S. 96-14(e).

(75a) $50,000,000 to the OSBM to fulfill any outstanding State match requirement due to FEMA under the federal Lost Wage Assistance program at the close of that program. If this amount falls short of the State match required under the Lost Wages Assistance program, then OSBM is authorized to use funds allocated under Section 3.3(3) of S.L. 2020-4 to meet the remainder of the State match requirement. If any funds allocated under this subdivision are not needed to meet the outstanding State match requirement at the close of the federal Lost Wage Assistance program, then they are allocated to be used for the continuity of operation needs across State government, in accordance with Section 3.3(3) of S.L. 2020-4.

(76) $2,000,000 to the Department of Agriculture and Consumer Services to be used for emergency support of milk producers in accordance with Section 4.15 of this act.

(77) $750,000 to the Department of Agriculture and Consumer Services to provide emergency aid for farmers market operators and local food enterprises. The aid will allow those operations to adapt to new market conditions and further support communities experiencing food insecurity. Eligible categories for emergency aid include, but are not limited to, labor, technology or software upgrades, infrastructure enhancements, COVID-19 education materials, PPE, and test kits.

(78) $19,700,000 to the Department of Natural and Cultural Resources to provide direct aid to mitigate business disruptions due to COVID-19 at Arts Councils throughout the State and at various statewide support groups for cultural and historical attractions. The Department shall distribute the funds as follows:

a. $9,400,000 for grants to eligible local arts organizations on a per capita basis. For purposes of this sub-subdivision, an eligible local arts organization is an Arts Council or other nonprofit arts organization located in a county with a population of less than 1,000,000, according to the 2020 county population projections of the Office of State Budget and Management.

b. $10,300,000 to statewide support organizations for the State's cultural, scientific, and historical attractions, to be distributed as follows:

1. $300,000 to the Friends of the North Carolina State Museum of Natural Sciences.

2. $1,500,000 to the North Carolina Aquarium Society.

3. $2,500,000 to the North Carolina Museum of Art Foundation, Inc.

4. $1,000,000 to the North Carolina Museum of History Foundation to support the North Carolina Museum of History, the Graveyard of the Atlantic Museum, the Mountain Gateway Museum and Heritage Center, the Museum of the Albemarle, the Museum of the Cape Fear, the North Carolina Maritime Museum at Beaufort, and the North Carolina Maritime Museum at Southport.

5. $1,500,000 to the North Carolina Transportation Museum Foundation.

6. $1,500,000 to the North Carolina Zoological Society, Inc.

7. $1,000,000 to the Roanoke Island Historical Association, Inc.

8. $1,000,000 to the Tryon Palace Foundation, Inc.

(78a) $1,000,000 to the Department of Agriculture and Consumer Services for a grant to the North Carolina Association of Agricultural Fairs to alleviate enterprise impacts due to COVID-19 at the North Carolina State Fair and the Western North Carolina Agricultural Center.

(78b) $2,100,000 to the Department of Natural and Cultural Resources to address needs at State Parks and Trails caused by high demand and record visitation levels due to COVID-19. Eligible uses include, but are not limited to, trail construction, increased trail maintenance, safety and health maintenance needs, updates at public-facing facilities, temporary employees for cleaning and safety, and other uses that promote health and safety with the State Parks and Trails systems.

(79) $400,000 to the Department of Natural and Cultural Resources for the North Carolina Symphony Society, Incorporated to mitigate increases in operational expenses for the Symphony's educational and community outreach missions due to COVID-19.

(79a) $700,000 to OSBM to allocate to the Carolina Ballet, a nonprofit organization, to alleviate operational disruptions due to the COVID-19 pandemic.

(80) $2,650,000 to the Department of Commerce to allocate to the following entities to address impacts related to COVID-19 as follows:

a. $200,000 to Prospera North Carolina, LLC.

b. $1,000,000 for a North Carolina nonprofit corporation with which the Department contracts pursuant to G.S. 143B-431.01(b) for economic marketing.

c. $750,000 to Southeastern Economic Community Development Corporation, Inc., a nonprofit corporation.

d. $250,000 to Sampson County for economic development.

e. $250,000 to Sampson Community College.

f. $100,000 to the Paul J. Ciener Botanical Garden, a nonprofit corporation.

g. $100,000 to Old Salem, Inc., a nonprofit corporation.

(81) $1,500,000 to the Department of Commerce to allocate to the One NC Small Business Fund established in G.S. 143B-437.71 for the mitigation of impacts from COVID-19 at eligible businesses to foster job creation and promote research and technological development in response to COVID-19. These funds shall not be used as a required match for any federal grant program.

(82) $150,000 to the Office of State Budget and Management to be allocated to the Steve Smith Family Foundation, a 501(c)(3) organization, to be used for its virtual learning support program that assists homeless students during the COVID-19 pandemic to prevent those students from falling further behind the education gap. These funds shall be used for COVID-19 eligible expenses, including the cost of tutors, meals, personal protective equipment, cleaning, rental of work space for students, and on-site support of information technology and counseling.

(83) $5,000,000 to the Community Colleges System Office to be allocated to community college campuses to purchase personal protective equipment in response to the COVID-19 pandemic. Personal protective equipment purchased with these funds shall meet applicable federal standards and guidelines from the Centers for Disease Control and Prevention. These funds may also be used for COVID-19 testing on community college campuses.

(84) $9,000,000 to the University of North Carolina at Charlotte for the Bioinformatics Research Center to be used as follows:

a. $4,000,000 for the development and analysis of viral and epidemiological data to address viral spread, assess treatments and therapeutics, and combat the COVID-19 pandemic and future viruses.

b. $5,000,000 for the development of a novel COVID-19 monitoring program based on the presence of the virus in wastewater and public transportation systems.

(85) $13,000,000 to the Board of Governors of The University of North Carolina to be allocated to constituent institutions to be used to purchase personal protective equipment in response to the COVID-19 pandemic. Personal protective equipment purchased with these funds shall meet applicable federal standards and guidelines from the Centers for Disease Control and Prevention.

(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 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 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 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 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 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.

(87) $250,000 to the Board of Governors of The University of North Carolina to be allocated to the State Education Assistance Authority (Authority) to be allocated to nonpublic schools that enroll students who receive scholarship funds pursuant to the Opportunity Scholarship Grant Program, established in accordance with Part 2A of Article 39 of Chapter 115C of the General Statutes, for the

purchase of personal protective equipment for use in schools. The Authority shall allocate to each eligible nonpublic school a pro rata amount based on the number of students enrolled in the school that receive scholarship funds as of September 15, 2020. Personal protective equipment purchased with these funds shall meet applicable federal standards and guidelines from the Centers for Disease Control and Prevention.

(88) $5,000,000 to the Board of Governors of The University of North Carolina to be allocated to the State Education Assistance Authority (Authority) for the Authority to provide funds to each eligible private postsecondary institution, as defined in G.S. 116-280(3), by apportioning an amount equal to the following:

a. Seventy-five percent (75%) of the institution's relative share of full-time equivalent students who were enrolled as of March 13, 2020, who received scholarships pursuant to Article 34 of Chapter 116 of the General Statutes for the spring semester of the 2019-2020 academic year.

b. Twenty-five percent (25%) of the institution's relative share of full-time equivalent students who were enrolled as of March 13, 2020, who had not received scholarships pursuant to Article 34 of Chapter 116 of the General Statutes for the spring semester of the 2019-2020 academic year.

These funds shall be used to purchase personal protective equipment in response to the COVID-19 pandemic. Personal protective equipment purchased with these funds shall meet applicable federal standards and guidelines from the Centers for Disease Control and Prevention.

(89) $1,100,000 to the Department of Public Instruction to be allocated to Communities in Schools of North Carolina, Inc., in response to COVID-19, for the following:

a. Personal protective equipment for staff that meets applicable federal standards and guidelines from the Centers for Disease Control and Prevention.

b. Assistance for students in kindergarten through twelfth grade with remote instruction, nutrition, family support, and mental health.

(90) $115,000 to the Department of Public Instruction to be allocated to Mount Airy City Schools, in response to COVID-19, to establish the Smart School Bus Safety Pilot Program in accordance with Section 4.16 of this act.

(91) $1,000,000 to the Department of Public Instruction to be allocated to Alamance-Burlington Schools, in response to COVID-19, for school nutrition services, transportation services, technology, remote instruction materials and services, personal protective equipment that meets applicable federal standards and guidelines from the Centers for Disease Control and Prevention, temperature screening tools, Alamance-Burlington Connects Initiative, and other goods and services necessitated by the COVID-19 pandemic.

(92) $500,000 to the Department of Public Instruction to be allocated on the basis of average daily membership to all public school units in Bertie County, Camden County, Chowan County, Perquimans County, Tyrrell County, and Washington County, in response to COVID-19, for school nutrition services, transportation services, technology, remote instruction materials and services, personal protective equipment that meets applicable federal standards and guidelines from the Centers for Disease Control and Prevention, temperature screening tools, and other goods and services necessitated by the COVID-19 pandemic.

(93) $5,000,000 to the Community Colleges System Office to be allocated to community college campuses for equipment costs for health care workforce and first responder programs necessary for the State's response to the COVID-19 pandemic.

(94) $14,300,000 to OSBM for the PPE-NC Initiative, a partnership between the Manufacturing Solutions Center (MSC) at Catawba Valley Community College, Gaston College's Textile Technology Center, the City of Conover, Gaston County, and the private sector to create a launch pad for prototyping and testing reusable personal protective equipment (PPE) products for entrepreneurs and existing manufacturers in response to the COVID-19 pandemic. The funds shall be allocated by OSBM as follows:

a. $9,000,000 as a grant to the City of Conover for the following purposes:

1. $7,250,000 shall be used to construct a purpose-built facility to house testing labs, rapid prototyping, and a textile sourcing library.

2. $1,250,000 shall be used for a clean room upfit for MSC facilities.

3. $500,000 shall be used for equipment, materials, and logistics for a rapid prototyping pilot line to create product and to train a workforce for United States manufacturers of PPE.

b. $5,300,000 as a grant to Gaston County to construct an Incubator and Extrusion Center for Advanced Fibers for Gaston College's Textile Technology Center.

(95) $1,000,000 to the Community Colleges System Office to be allocated to Cleveland Community College for personal protective equipment and costs for equipment and training related to COVID-19.

(96) $1,000,000 to the Board of Governors of The University of North Carolina for the New Teacher Support Program to provide mentoring and coaching support to beginning teachers who are employed in public schools most impacted by COVID-19 at no cost to the local school administrative units.

(97) $500,000 to the University of North Carolina at Chapel Hill to be used for the Southern Regional Area Health Education Center for COVID-19 related response activities, including outreach and education.

(98) $500,000 to East Carolina University to conduct research in partnership with the Dartmouth Atlas Project at the Dartmouth Institute for Health Policy and Clinical Practice on the key impacts of COVID-19, including studying patient clinical outcomes, health impacts, resulting economic hardships, and other long-term economic outcomes, such as unemployment, bankruptcy, and recovery.

(99) $5,000,000 to Fayetteville State University to be used to complete physical and virtual technology laboratories required to continue existing research on the impacts of the COVID-19 pandemic and to develop solutions for industry partners and vulnerable populations. The funds shall be used as follows:

a. $2,000,000 for the build-out of an existing structure, including fixtures and equipment needed to perform research and development.

b. $3,000,000 for developing virtual infrastructure and capabilities required for computational development and testing, including meeting cybersecurity and compliance standards.

(100) $1,000,000 to the Department of Public Instruction to make available to public school units one or more Gaggle safety management products to enhance student safety while providing remote instruction in response to COVID-19.

(101) $4,500,000 to the Office of State Budget and Management, Special Appropriations, to allocate to the Community Foundation of Greater Greensboro, Inc., a nonprofit corporation, to mitigate impacts resulting from the COVID-19 pandemic. These funds shall be allocated as follows:

a. $2,250,000 for Guilford County.

b. $875,000 for Alamance County.

c. $750,000 for Randolph County.

d. $625,000 for Rockingham County.

(102) $12,000,000 to the Department of Administration, Council for Women, to be allocated as follows:

a. $6,000,000 for domestic violence centers across the State to help mitigate increased incidents of domestic violence as a result of the COVID-19 pandemic in accordance with G.S. 50B-9.

b. $6,000,000 for sexual assault programs across the State to help mitigate increased incidents of sexual assault as a result of the COVID-19 pandemic in accordance with G.S. 143B-394.21.

(103) $50,000 to the Department of Administration, Division of Non-Public Education, to fund temporary positions to assist in processing the increased volume of homeschool filings resulting from the COVID-19 pandemic.

(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:

a. All North Carolina YMCAs, YWCAs, Boys and Girls Clubs, county and municipal parks and recreation departments, and community-based organizations are eligible to receive grant funds. For purposes of this subdivision, the term "community-based organizations" means public or private nonprofit organizations of demonstrated effectiveness that are representative of a community or significant segments of a community that provide educational or related services to individuals in the community, such as parks and recreation programs, YMCAs, YWCAs, and Boys and Girls Clubs.

b. All applicants shall submit a plan detailing how grant funds will be spent and the estimated number of children that will be served with grant funds.

c. Priority shall be given to applicants serving populations from local education agencies that are operating under Plans B and C of the Department of Health and Human Services guidelines for school operations.

d. Individual grants shall not exceed one hundred thousand dollars ($100,000).

e. Applicants shall demonstrate the ability to use all grant funds before December 30, 2020.

f. Of the funds allocated in this subdivision, the Alliance and YMCA may use a total of one hundred thousand dollars ($100,000) for administrative costs.

(104) $5,000,000 to the State Board of Elections, Budget Code 28025, to prevent, prepare for, and respond to the coronavirus pandemic during the 2020 federal election cycle to be allocated as follows:

a. $1,000,000 to provide each county $10,000 to supplement county funds for election-day voting.

b. $2,500,000 to counties to increase election day worker pay, consistent with applicable federal law or guidance governing the use of funds, by $100.00 for each worker during the administration of the November 3, 2020, statewide general election.

c. $1,000,000 to the State Board of Elections for an advertising campaign to recruit election day workers.

d. $500,000 to be held in reserve by the State Board of Elections to reimburse counties for additional election day worker pay in accordance with the initial allocation provided under sub-subdivision b. of this subdivision.

After funding the required allocations under this subdivision, the State Board of Elections shall use the five hundred thousand dollars ($500,000) held in reserve under sub-subdivision d. of this subdivision, or any portion remaining, to reimburse counties if the initial allocation in sub-subdivision a. of this subdivision is insufficient. Counties shall certify to the State Board of Elections that CARES Act funds received under this subdivision will be used to supplement, not supplant, county funds. Funds allocated under this subdivision shall be used in accordance with this subdivision and the requirements and limitations set forth in the federal CARES Act. Any unspent federal CARES Act funds allocated to counties shall be returned to the State by December 15, 2020, and deposited in Budget Code 28025. The State Board of Elections shall transfer all unspent CARES Act funds to the Coronavirus Relief Fund no later than December 30, 2020. The State Board of Elections shall report on the funds expended in accordance with this subdivision to the chairs of the Joint Legislative Oversight Committee on General Government and the Joint Legislative Elections Oversight Committee. The State Board of Elections shall submit an initial report of expenditures by November 30, 2020, and a final report by December 31, 2020.

(105) Consistent with the findings set forth in Section 1 of S.L. 2020-14, $300,000 to the Department of Public Safety to be used as follows:

a. $275,000 as a grant to the Craven County Sheriff's Office for the purchase of Voice Interoperability Plan for Emergency Responders (VIPER) radios.

b. $25,000 as a grant to the Town of Chocowinity for the purchase of VIPER radios.

(105a) $100,000 to the Department of Public Safety to provide a grant to the Lenoir County Emergency Services to be used for equipment needed to respond to COVID-19.

(105b) $50,000 to the Administrative Office of the Courts to provide a grant to Robeson County to use for eligible costs incurred due to the COVID-19 pandemic by an existing innovative court pilot project in the county.

(106) $600,000 to the Department of Health and Human Services, Division of Social Services, to continue increasing access to Food and Nutrition Services (FNS) benefits for individuals who are dually eligible for Medicare and Medicaid in response to the COVID-19 pandemic.

(106a) $35,000,000 to the Department of Health and Human Services, Division of Child Development and Early Education (Division), to provide operational grants to licensed child care providers. The Division shall distribute these grants in a manner consistent with the formula the Division used in distributing operational grants from prior CARES Act funds it has received and post the formula on its public Web site for licensed child care providers to access. Providers receiving grant awards under this subdivision may use the funds for various operating costs, including, but not limited to, nonrecurring staff pay increases consistent with the applicable federal law or guidance governing the use of funds, offsetting transportation costs, and any other reasonable costs incurred in providing child care in response to the COVID-19 pandemic.

(106b) $8,000,000 to the Department of Health and Human Services, Division of Child Development and Early Education (Division), to provide assistance payments to parents using remote learning opportunities for the care of their children in accordance with G.S. 110-86(2)i., as amended by Section 3.7A of House Bill 1105, 2019 Regular Session. The Division shall (i) establish a process for parents to apply for assistance under this subdivision, (ii) post the application on its public Web site, and (iii) inform parents that these assistance payments are available for both licensed child care facilities and community-based organizations registered with the Division in accordance with G.S. 110-98.5, as amended by Section 3.7A of House Bill 1105, 2019 Regular Session. The Division shall give preference to applicants who reside in a household with an income level not in excess of one hundred fifty percent (150%) of the amount required for a child in the home to qualify for the federal free or reduced-price lunch program. The Division shall not count any distribution from the estate of a decedent in calculating the income level of the applicant's household for the purposes of determining eligibility for assistance under this subdivision.

(106c) $20,000,000 to the Department of Health and Human Services (Department) to establish the North Carolina COVID-19 Provider Relief Fund (Fund). The Department shall allocate the monies in the Fund to reimburse providers enrolled in the North Carolina Medicaid program for costs incurred in providing COVID-19 related treatment to uninsured patients in North Carolina during the COVID-19 pandemic. The Department shall reimburse these providers for COVID-19 related treatment expenses incurred on or after March 10, 2020, through December 30, 2020. However, the Department shall not reimburse expenses pursuant to this subdivision that exceed Medicare reimbursement rates. The Department shall model the Fund, including eligibility for the receipt of funds and the criteria for reimbursement, as reasonably as possible, after the federal Provider Relief Program established under the CARES Act. At a minimum, the Department shall include the following criteria in establishing the Fund:

a. The documentation to be submitted with the request for reimbursement.

b. The means by which a provider is to submit documentation requesting reimbursement.

c. A statement by the provider attesting that the documentation submitted is for an eligible expense and that the payment will not be used for expenses that have been or will be reimbursed from other sources.

(107) $300,000 to the Department of Health and Human Services, Division of Social Services, for Children's Home Society of North Carolina, Inc., (CHS) to provide virtual foster care and adoption services for families and children experiencing hardship as a result of the COVID-19 pandemic.

(108) $100,000 to OSBM to provide a grant to Backpack Ministry, Inc., d/b/a Food for Families, a nonprofit organization that provides food to students that otherwise would not receive a meal at home, to address increased food service demands due to the impact of COVID-19.

(109) $300,000 to the Department of Health and Human Services, Division of Social Services, to establish a student health collaborative pilot program in accordance with Section 4.18 of this act.

(110) $400,000 to OSBM to provide a grant to Bridge to Recovery, Inc., a nonprofit organization, to offset the costs of increased demand for substance use disorder services related to the impacts of COVID-19 and to fund the development of innovative substance use disorder programs designed to address growing substance use disorder concerns in Union County, Stanly County, and surrounding areas as a result of COVID-19.

(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, 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 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:

a. Overtime, additional staffing requirements, teaching program participants and their families preventive measures, supporting program participants and their families in coping with preventive social distancing or quarantine, and translating, as needed, educational and health interventions to a distance platform.

b. Personal protective equipment for distribution, free of charge, to program participants, their families, and the visiting nurses serving program participants.

c. Any other allowed uses under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, P.L. 116-136.

(114) $750,000 to OSBM to be allocated to North Carolina Assisted Living Association (NCALA), a nonprofit organization, to facilitate safe visitation and communication between residents and family members and to maintain Centers for Disease Control and Prevention infection control guidance and safety standards. NCALA shall distribute these funds as follows:

a. $500,000 to be distributed equally among its member facilities for the purchase of communications equipment and technology, such as smart devices for residents.

b. $250,000 to be distributed equally among its member facilities for the purchase of environmental supplies and the development of plans to redesign visitation or common areas to address resident isolation.

(114a) $34,000 to OSBM to provide a grant to the Iredell County Health Department, to be used to purchase a cargo trailer, temporary fencing, and a canopy to support a mobile mass-testing site for COVID-19.

(114b) $25,000,000 to OSBM to allocate to the North Carolina Medical Society Foundation to ensure access to medical care for the citizens of this State by distributing these funds to independent medical practices in this State with demonstrable financial needs related to COVID-19.

(114c) $10,000 to OSBM to be allocated to Watauga County to be used to purchase a portable broadband kit for the local health department to facilitate the real-time transmission of testing data from COVID-19 mobile testing sites located in rural areas served by the local health department. These funds shall not be used for either of the following:

a. Any purpose other than to purchase the equipment described in this subdivision.

b. To purchase subscription services.

(114d) $6,000,000 to be allocated to the Department of Health and Human Services to purchase personal protective equipment and sanitizing supplies for prevention efforts to combat COVID-19 in child care settings regulated by the State.

(114e) $23,000,000 to OSBM, one-half to be allocated to North Carolina Health Care Facilities Association (NCHCFA) and one-quarter each to be allocated to 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 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:

a. COVID-19 related supplies and equipment necessary for life safety, health, and sanitation, such as ventilators, touch-free thermometers, gowns, disinfectant, and sanitizing wipes.

b. Personal protective equipment, such as surgical and respiratory masks and gloves, that meets Centers for Disease Control and Prevention standards and guidelines.

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, 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.

(114f) $38,000,000 to the Department of Health and Human Services, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMH/DD/SAS), to be distributed to local management entities/managed care organizations (LME/MCOs) as additional lump sum single-stream allocations. LME/MCOs shall not use these funds for any purpose other than to provide eligible individuals direct services associated with the COVID-19 pandemic. The DMH/DD/SAS shall distribute these funds among the LME/MCOs as follows:

a. $5,899,330 to Alliance Behavioral Healthcare.

b. $9,166,016 to Cardinal Innovations Healthcare.

c. $4,027,152 to Eastpointe.

d. $4,375,407 to Partners Behavioral Health Management.

e. $4,631,095 to Sandhills Center.

f. $5,292,267 to Trillium Health Resources.

g. $4,608,733 to Vaya Health.

(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 1.3. S.L. 2020-4 is amended by adding the following new sections to read:

"**EXTRA CREDIT GRANT PROGRAM**

"**SECTION 4.12.(a)** Purpose, Use, Appropriation. – The purpose of this section is to use funds from the Coronavirus Relief Fund to help families with qualifying children in North Carolina by providing economic support to assist with virtual schooling and child-care costs during the COVID-19 pandemic. The Department of Revenue may use up to $5,000,000 of the funds allocated in subdivision (72) of Section 3.3 of this act for the administration of the grant program and shall use the remainder of the funds to provide grants under this program. If the amount of grants awarded under this program exceeds the amount of funds allocated under this act for this program, then there is appropriated from the General Fund for the 2020-2021 fiscal year to the Department of Revenue an amount equal to the amount of grants awarded under this program less the amount of funds allocated under this section from the Coronavirus Relief Fund for this program.

"**SECTION 4.12.(b)** Extra Credit Grant Program. – There is created the Extra Credit Grant Program to be administered by the Department of Revenue. The Department must provide a one-time grant to an individual that meets the conditions of this section.

The Department must include with each grant award an explanatory insert provided by the State Controller. The insert must specify that the grant award is intended to assist with the additional virtual schooling or child care expenses incurred due to COVID-19. The insert cannot include the name of an elected official.

"**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. 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.

(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, 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.

"**TEMPORARY FLEXIBILITY FOR TRANSPORTATION ALLOTMENT**

"**SECTION 4.13.** For the 2020-2021 school year, local school administrative units may use funds provided from the transportation allotment for the following additional purposes related to the COVID-19 pandemic:

(1) School nutrition.

(2) School- and community-based child care.

(3) Sanitizing schools and buses.

(4) In order to facilitate in-person instruction, personal protective equipment that meets applicable federal standards and guidelines from the Centers for Disease Control and Prevention.

(5) Remote instruction.

"**CONSTRUCTION PPE & EDUCATION**

"**SECTION 4.14.(a)** The General Assembly finds that the coronavirus pandemic requires enactments that promote the general welfare, serve the public interest, and further the public purpose of helping to better protect our citizens from the coronavirus.

"**SECTION 4.14.(b)** The funds allocated in subdivision (74) of Section 3.3 of this act to the Office of State Budget and Management (OSBM) shall be used to provide grants to CAGC Foundation, Inc., (Foundation), a nonprofit organization, as follows:

(1a) The sum of $3,000,000 in the form of a grant to the Foundation to be used to make subgrants to entities listed in subdivision (2) of this subsection and as authorized under the federal CARES Act and U.S. Treasury Department Guidance for coronavirus pandemic mitigation in the construction workplace. Mitigation efforts shall relate to health and safety measures that may include, but are not limited to, providing medical staffing and equipment needed to screen and protect individuals in the workplace, the purchase of personal protective equipment for individual worker use while on a jobsite, rapid response testing kits, implementing computer or smartphone applications that enable workers to answer daily screening questions before reporting to the jobsite, purchase of jobsite sanitization equipment for use in disinfecting jobsites, mental health support, and other pandemic-related safety gear for construction workers. The Foundation shall determine a formula and protocols for making grants that is subject to the approval of OSBM.

(1b) The sum of $750,000 in the form of a grant to the Foundation to be used to make subgrants to entities listed in subdivision (2) of this subsection for (i) multilingual education, training, and community outreach programs with accompanying educational materials using various media to reach construction workers, including those who lack proficiency in the English language and (ii) online and in-person construction industry job safety events related to coronavirus pandemic mitigation measures. The Foundation shall determine a formula and protocols for making grants that is subject to the approval of OSBM.

(2) The following entities are eligible to apply for grants to implement the activities authorized in this section:

a. Nonprofit organizations, including, but not limited to, trade organizations and affinity groups and churches for nonsectarian educational purposes.

b. Businesses with a physical presence in the State with outreach to rural, minority-owned, and women-owned small businesses.

c. Media organizations that will produce public service materials in English and other languages related to the health, safety, and welfare of construction industry workers during the coronavirus pandemic.

d. Other entities determined eligible by OSBM to carry out the purposes of the grants in accordance with federal CARES Act requirements. This may include established grant-making organizations capable of administering Fund grants in the manner required by law.

(3) With strict guidelines to achieve adherence to the requirements of the federal CARES Act and U.S. Treasury Department guidance.

(4) In collaboration with the Department of Labor and the Department of Health and Human Services, as necessary for the full implementation of this act.

(5) All contractual and interagency agreements necessary to implement this section shall be executed within 30 days of this section becoming law.

(6) A grant recipient may not utilize grant funds to pay for expenses that have been or will be covered under another coronavirus relief program.

"**EMERGENCY GRANTS FOR MILK PRODUCERS**

"**SECTION 4.15.(a)** Findings. – The General Assembly finds that the COVID-19 emergency has resulted in serious and substantial impacts on the food supply chain, including the State's dairy industry. Dairy producers and processors in the State lost more than half of their market with COVID-19 related shutdowns of the school systems and food service industries. This resulted in milk being dumped and a devastating decrease in milk pay prices, which were already at a historical low. The additional bottlenecks caused by shutdowns in the meat processing plants and lack of facilities to process dairy animals for beef left producers with no income options from the sale of cows culled from their herds. The General Assembly further finds that financial assistance to these producers is necessary in order to reduce disruptions in the supply chain for fresh dairy products and to help dairy producers in the State stay in business.

"**SECTION 4.15.(b)** Allocation of Funds. – The funds allocated in this act to the Department of Agriculture and Consumer Services for emergency support of milk producers shall be allocated by the Department to the North Carolina Dairy Stabilization and Growth Fund to provide grants as specified in subsection (c) of this section to compensate eligible dairy producers for losses incurred as a result of the collapse in dairy prices due to the COVID-19 pandemic or to improve the resiliency and adaptability of the dairy supply chain to future pandemics. These funds may only be used for purposes consistent with the Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments provided by the United States Department of the Treasury or with any subsequent act of Congress.

"**SECTION 4.15.(c)** Grant Procedures. – The Department shall develop policies and procedures for the disbursement of grants that include, at a minimum, the following:

(1) Notwithstanding any provision of Article 68A of Chapter 106 of the General Statutes to the contrary, the Department shall make a monthly grant payment from the Dairy Stabilization and Growth Fund to each eligible dairy producer for any month in which the baseline price exceeds the announced price. The amount of the payment shall be the difference between the baseline price and the announced price, times the hundredweight of milk produced by the producer for each month beginning with April 2020 and continuing until the earlier of the month in which the funds appropriated by this act have been expended or December 30, 2020. Payments for months ending prior to the effective date of this act shall be included with the first monthly payment to each eligible dairy producer.

(2) The maximum grant amount provided to any producer in any month shall be twenty-five thousand dollars ($25,000).

(3) If the funds appropriated by this act are insufficient to make a full payment to each producer in any month, the Department may either award a partial grant to each eligible producer calculated based on the ratio of available funds to needed funds or may supplement the appropriated funds with other funds available to the Department in order to award the full grant amount or a uniformly increased grant to each eligible producer.

(4) The Department may use up to one percent (1%) of the funds allocated by subdivision (76) of Section 3.3 of this act for administrative expenses related to administration of the grants authorized by this act.

"**SECTION 4.15.(d)** Definitions. – The following definitions apply in this act:

(1) Announced price. – The monthly Class I Milk Price for the Appalachian Milk Marketing Order area reported by the Agricultural Marketing Service of the United States Department of Agriculture.

(2) Baseline price. – Twenty dollars and thirty-eight cents ($20.38), the average monthly Class I Milk Price for the Appalachian Milk Marketing Order area for 2019 reported by the Agricultural Marketing Service of the United States Department of Agriculture.

(3) Eligible producer. – A Grade A milk producer who can demonstrate to the satisfaction of the Department that the producer is complying with federal Grade A milk regulations.

"**SECTION 4.15.(e)** Report Requirements. – The Department of Agriculture and Consumer Services shall report to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division by November 1, 2020, on its distribution of the funds appropriated by this act and by February 1, 2021, on the use of funds by recipients.

"**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.

"**SMART SCHOOL BUS SAFETY PILOT PROGRAM**

"**SECTION 4.16.(a)** Pilot Program; Purpose. – The Department of Public Instruction shall establish the Smart School Bus Safety Pilot Program (Program), beginning no later than November 23, 2020, and ending on or before January 1, 2024. The purpose of the Program is to transform and improve the transportation of public school students through technology in response to the COVID-19 pandemic. Nothing in this subsection shall be construed as allowing the expenditure of funds from the Coronavirus Relief Fund past December 30, 2020.

"**SECTION 4.16.(b)** Participation. – As part of the Program, participating local school administrative units shall identify and contract with qualifying vendors to provide technology and services for school buses in accordance with this section. The following local school administrative unit is authorized to participate in the Program, subject to the requirements of this section: Mount Airy City Schools. Any local board of education of a local school administrative unit authorized to participate in the Program may elect not to participate. For each local school administrative unit that elects not to participate in the Program, the Department may authorize one replacement local school administrative unit to participate in the Program.

"**SECTION 4.16.(c)** Technology and Services. – Qualifying vendors shall provide technology and services for school buses to participating local school administrative units. Participating units shall have discretion over the specific technology and services provided as long as the technology and services meet the following minimum requirements:

(1) Improve overall communications and reporting on school buses.

(2) Include automated school bus safety cameras, as defined in G.S. 115C-242.1, and on-board integration with those cameras.

(3) Enable employee time tracking, student ridership tracking, and contact tracing in the event of a COVID-19 infection.

(4) Enable global positioning system (GPS) tracking of school buses.

(5) Enable turn-by-turn navigation along bus routes.

(6) Optimize time, expenditure, and safety of bus routes.

(7) Provide pre- and post-trip vehicle inspections that may be transmitted to the Department of Public Instruction on a regular basis.

(8) Communicate ridership information to the student information management system.

(9) Permit parents or legal guardians to access applicable information.

(10) Conform to applicable guidance provided by the North Carolina Department of Health and Human Services for the transportation of students during the COVID-19 pandemic.

(11) Include implementation and project management assistance, training, radio-frequency identification technology, and check-in and check-out security stickers or other badges for students.

"**SECTION 4.16.(d)** Requirements and Contingencies. – The following requirements and contingencies shall apply to each participating local school administrative unit:

(1) Every school bus in a participating local school administrative unit designed for the transportation of children with disabilities shall be outfitted with technology provided pursuant to the Program as long as the technology is appropriate for children with disabilities and can be provided in a cost-effective manner.

(2) At the conclusion of the Program, all hardware provided to a participating local school administrative unit shall become the property of the unit.

"**SECTION 4.16.(e)** Reports. – No later than November 1 and March 1 of each year the Program is in effect, the Department of Public Instruction, in consultation with each participating local school administrative unit, shall report at least all the following information to the Joint Legislative Education Oversight Committee, any committee constituted by the House of Representatives or Senate to address school safety, and the Fiscal Research Division:

(1) An itemized breakdown of software infrastructure, hardware infrastructure, and equipment provided by qualifying vendors to participating local school administrative units pursuant to the Program.

(2) A description of all services provided by qualifying vendors to participating local school administrative units pursuant to the Program.

(3) A list of qualifying vendors contracting with participating local school administrative units pursuant to the Program.

(4) The impact and effectiveness of the Program.

(5) All expenditures of State funds pursuant to the Program.

"**SPECIAL SUPPLEMENTARY GREAT ACT GRANT PROCESS**

"**SECTION 4.17.(a)** From the funds appropriated in Section 3.3(115) of this act, 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. 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 4.17.(b)** Grant applications shall be submitted and grant funds shall be awarded pursuant to G.S. 143B-1373, with the exception of the following:

(1) The 30-day period for posting of applications on the Department's Web site in G.S. 143B-1373(e) is reduced to 10 calendar days. Protest submissions must be submitted within the 10-day period.

(2) The definition of "eligible economically distressed county" in G.S. 143B-1373(a)(5) shall include counties designated as development tier one and tier two areas, and rural census tracts located in development tier three areas, as defined in G.S. 143B-437.08. For the purposes of this subdivision, the term "rural census tract" has the same meaning as contained in G.S. 143B-472.127(a)(2). Counties with total employment of 500,000 or more, as of January 1, 2020, as measured pursuant to G.S. 143B-437.52(c)(3), are not eligible.

(3) An "eligible project" is as defined in G.S. 143B-1373(a)(6), except that a project is limited to those project areas where no more than an incidental number of households or businesses, not to exceed ten percent (10%) of the total households or businesses within the boundaries of the project area submitted by the applicant, may have terrestrially deployed Internet access service with transmission speeds greater than 10 Mbps download and 1 Mbps upload.

(4) "Infrastructure costs" in G.S. 143B-1373(a)(9) also include engineering and any other costs associated with securing a lease to locate or collocate infrastructure on public or private property or structures, but not including the actual monthly lease payment.

(5) For administering the program, the Office shall include the term "unserved household or business" which is defined as a household or business that does not presently have access to broadband service, as defined in G.S. 143B-1373.

(6) The scoring model measures contained in G.S. 143B-1373(g)(5) are replaced with the following:

a. For projects proposed in the Piedmont or Coastal Plain Regions:

Est. Cost per Household/Business	Partnership Using Infrastructure	Private Provider Only
Up to $1,700	4	9
$1,701-2,200	3	8
$2,201-2,700	2	7
$2,701-3,200	1	6

b. For projects located in the Mountain Region:

Est. Cost per Household/Business	Partnership Using Infrastructure	Private Provider Only
Up to $2,500	4	9
$2,501-3,300	3	8
$3,301-3,800	2	7
$3,801-4,300	1	6

(7) The matching fund requirements contained in G.S. 143B-1373(j) are replaced with the following:

Score	Matching Requirement
12.0 points or less	50%
Greater than 12.0 points, but less than 17.5 points	45%
17.5 points, up to 22.0 points	40%
Greater than 22.0 points	30%

Up to fifty percent (50%) of matching funds paid by the grant recipient may be comprised of third-party funding including funds from other grant programs. Funds from the Universal Service Fund shall not be used for any portion of the required matching funds. Any other current or future federal funds may be used, including any future phase of the Connect America Fund, for the required matching funds within the parameters of this program.

(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. 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).

(9) In addition to the grant forfeiture provisions contained in G.S. 143B-1373(*l*), a project awarded a grant pursuant to this act shall forfeit the grant amount if the project is not completed, subject to force majeure, under the terms of the grant agreement prior to December 30, 2022. The Office may cancel an agreement and the grant recipient shall forfeit the amount of the grant received if it fails to perform, in material respect, the obligations established in the agreement. The Office may also cancel an agreement if the grant recipient reduces or proposes to reduce the scope of the project to the extent that the reduction would result in either a lower score and reduced ranking for funding consideration or the amount of State matching funds the project would receive.

(10) In addition to the base speed multiplier formula provided in G.S. 143B-1373(g)(6), projects that will provide a minimum download speed of 200 megabits per second and a minimum upload speed of 20 megabits per second (200:20 Mbps), or greater, shall have a score multiplier of two points.

(11) The amount of appropriated funds the Department may use for administration of the program under G.S. 143B-1373(p) is reduced to one-half percent (0.5%).

"**ESTABLISH STUDENT HEALTH COLLABORATIVE PILOT PROGRAM**

"**SECTION 4.18.(a)** The General Assembly finds that:

(1) The COVID-19 pandemic has exerted significantly new stresses on the mental and physical well-being of students in our public schools.

(2) Public school units cannot incur additional recurring expenses in personnel.

(3) There are mental and physical support personnel available in every county in the local departments of social services.

"**SECTION 4.18.(b)** Of the funds allocated in subdivision (109) of Section 3.3 of this act, as amended, the Department of Health and Human Services, Division of Social Services, shall establish a student health collaborative pilot program allowing a local education agency (LEA) to collaborate with the county department of social services to assist students with their mental and physical well-being while in a public school setting in response to the COVID-19 pandemic. The Division of Social Services, in collaboration with the State Board of Education and the Department of Public Instruction, shall select at least one LEA to participate in the pilot program upon providing the required local match to funds allocated in this act for the collaborative pilot. Nothing in this subsection shall be construed as allowing the expenditure of funds from the Coronavirus Relief Fund past December 30, 2020.

"**SECTION 4.18.(c)** The Division of Social Services shall submit a progress report six months after implementing the pilot program established under this section to the Joint Legislative Oversight Committee on Health and Human Services, the Joint Legislative Education Oversight Committee, and the Fiscal Research Division. At a minimum, the report shall include each of the following:

(1) The number of students served by age, gender, and ethnicity.

(2) The types of services or supports provided to students, including student outcomes.

(3) Total project costs, including any administrative costs.

(4) The amount of funds needed to expand the program to other counties or statewide."

SECTION 1.4.(a) G.S. 105-153.5(b) reads as rewritten:

"(b) Other Deductions. – In calculating North Carolina taxable income, a taxpayer may deduct from the taxpayer's adjusted gross income any of the following items that are included in the taxpayer's adjusted gross income:

...

(14) The amount granted to the taxpayer during the taxable year under the Extra Credit grant program. This subdivision expires for taxable years beginning on or after January 1, 2021."

SECTION 1.4.(b) Subsection (a) of this section is effective for taxable years beginning on or after January 1, 2020, and expires for taxable years beginning on or after January 1, 2021.

SECTION 1.4A. Section 4.2A of S.L. 2020-4, as amended by Section 1.1(e) of S.L. 2020-80, reads as rewritten:

"**SECTION 4.2A.(a)** Findings. – The General Assembly finds that the COVID-19 emergency has resulted in serious and substantial impacts on the food supply chain. In particular, small livestock producers in the State have found that bottlenecks and lack of capacity among the small and independent meat processors who serve small livestock producers due to COVID-19 related slowdowns and capacity reductions have had a substantial negative impact on their ability to have their animals slaughtered and processed. Seafood processors lack capacity to meet increased and altered consumer demand for seafood products due to COVID-19 related changes in the market for seafood and seafood products. The General Assembly further finds that financial assistance to these processors for physical expansion and facility improvements, for workforce development, and for the creation of additional processing capacity is necessary to reduce disruptions in the supply chain for fresh meat and seafood and to help small producers get their product to market.

...

"**SECTION 4.2A.(c)** Grant Types and Criteria. – The Department shall develop policies and procedures for the disbursement of the grants authorized by this section that include, at a minimum, the following:

(1) The Department may provide three categories of grants:

a. Capacity enhancement grant. – This grant is available to an eligible meat or seafood processing facility that is experiencing slowdowns in production or has limited capacity to accommodate increased demand for meat processing due to the COVID-19 pandemic. A capacity enhancement grant may be used for expansion of an existing eligible facility and for fixtures or equipment at an existing eligible facility that will expand animal throughput, processing capacity, the amount or type of products produced, or processing speed.

b. Workforce development grant. – This grant is available to an eligible meat processing facility that is experiencing slowdowns in production or has limited capacity to accommodate increased demand for meat processing due to workforce limitations or reductions due to the COVID-19 pandemic. A workforce development grant may be used for educational and workforce training provided either by the facility or by an institution of higher education.

c. Planning grant. – This grant is available to a nonprofit entity or institution of higher education to complete feasibility or siting studies for a new eligible meat processing facility.

(2) Eligible facility. – For purposes of this section, an eligible meat processing facility is a ~~meat~~ food processing facility that ~~either:~~

~~a. Meets~~ meets both of the following requirements:

~~1.~~ a. The plant contracts with independent livestock producers or seafood harvesters to process animals ~~owned by the producers.~~ or seafood.

~~2.~~ b. The United States Department of Agriculture (USDA) contracts with Department inspectors to conduct federal inspection activities authorized by the Talmadge-Aiken Act of 1962 (7 U.S.C. § 1633) at the plant, the plant is otherwise regulated by the ~~USDA,~~ USDA or the FDA, or the plant is a State-inspected ~~facility; or~~

~~b. Is a catfish aquaculture operation that raises and processes catfish.~~ facility.

(3) The Department may prioritize projects that will create additional jobs.

(4) Recipients shall provide matching funds for the grant in the amount of one dollar ($1.00) from nongrant sources for every two dollars ($2.00) provided by the grant.

...."

SECTION 1.5.(a) Section 4.2B(e) and (g) of S.L. 2020-4, as enacted by Section 1.1(e) of S.L. 2020-80, reads as rewritten:

"**SECTION 4.2B.(e)** Grant Program Limit. – The total of all funds granted under this Program may not exceed ~~fifteen million dollars ($15,000,000).~~ sixty million five hundred thousand dollars ($60,500,000). The Economic Investment Committee must calculate the total amount of grants requested from the applications timely filed under subsection (f) of this section. If the total amount of grants requested exceeds the maximum amount of funds available under this subsection, the Committee must reduce each grant award on a proportionate basis. The Committee's grant determinations based on applications timely filed are final.

...

"**SECTION 4.2B.(g)** Definitions. – The following definitions apply in this section:

...

(7) Nonprofit. – An entity exempt from income tax under ~~G.S. 105-130.11(a)(3) or G.S. 105-130.11(a)(6).~~ G.S. 105-130.11(a)(3), (a)(4), and (a)(6).

...."

SECTION 1.5.(b) Section 4.2B of S.L. 2020-4, as enacted by Section 1.1(e) of S.L. 2020-80, is amended by adding two new subsections to read:

"**SECTION 4.2B.(h)** Round II for Small Businesses and Nonprofits. – If the Economic Investment Committee determines that the total amount of grants requested from the applications filed on or before September 1, 2020, do not exceed the maximum amount of funds available under subsection (e) of this section, then the Job Retention Grant Program is extended for an additional round of applications. The provisions of this section apply to Round II of the Program grants, except as modified below:

(1) The total of all funds granted under Round II may not exceed sixty million five hundred thousand dollars ($60,500,000) less the amount granted in Round I. The Economic Investment Committee must calculate the total amount of grants requested from the applications timely filed under this subsection. If the total amount of grants requested exceeds the maximum amount of funds available under this subsection, the Committee must reduce each grant award on a proportionate basis. The Committee's grant determinations based on applications timely filed are final.

(2) A business or nonprofit is eligible for a grant under Round II if it meets all the following conditions:

a. Had 20 or fewer full-time employees, or full-time equivalent employees, during the COVID-19 period in North Carolina.

b. The number of full-time employees, or full-time equivalent employees, it employed during the COVID-19 period in North Carolina was not reduced by more than two from the number it employed in North Carolina for the pay period ending on or about February 28, 2020.

c. Experienced an economic loss as provided under subsection (c)(2) of this section.

d. Did not participate in the programs listed under subsection (c)(3) of this section.

(3) The application for a grant under Round II of the Program must be filed with the Economic Investment Committee on or before Friday, September 25, 2020. The Committee may not accept late applications. An application submitted by a business or nonprofit with 20 or fewer full-time employees under Round I of the Program that was found ineligible solely for failure to meet the job retention requirement of Section 4.2B(c)(1) will be reconsidered under Round II of the Program without further action on the part of the applicant.

(4) A business or nonprofit may only receive one grant under this Program.

"**SECTION 4.2B.(i)** The Office of Historically Underutilized Businesses, Department of Administration, is directed to inform and educate minority-owned businesses that may be eligible to apply for the grants provided by this Program as soon as practicable so they may have the opportunity to access the grants provided by it."

SECTION 1.6. Section 4.2 of S.L. 2020-4 reads as rewritten:

"**SECTION 4.2.(a)** Program. – Of the funds allocated in subdivision (45) of Section 3.3 of this act, Golden LEAF shall provide grants to entities for the purpose of making emergency loans to assist small businesses with business needs during periods of economic hardship occasioned by the COVID-19 pandemic. It is the intent of the General Assembly for an equitable portion of funds allocated in this section to be used for the benefit of historically underutilized small businesses. The following shall apply to the program and loans made under the program:

(1) Golden LEAF shall require a lender to provide assistance to, or direct to an appropriate entity that provides assistance to, a qualifying business with applying for available federal assistance.

(2) Golden LEAF shall require a lender to prioritize loans for establishments (i) with ~~100~~ 150 or fewer full-time equivalent employees determined as of the State of Emergency (ii) that are independently owned by a qualifying business.

(3) Golden LEAF shall work with the N.C. Small Business Center Network, the Office of Historically Underutilized Businesses within the Department of Administration, the N.C. Small Business and Technology Development Center, the North Carolina Institute of Minority Economic Development, Inc., and other similar entities with the goal of ensuring all qualifying businesses are aware of the program.

(3a) Golden LEAF may use up to two million dollars ($2,000,000) to provide grants for the purpose of providing technical assistance to businesses working to apply for a loan from the program authorized by this section or for other federal assistance programs.

(4) The loan shall have an interest rate of up to four percent (4%) before the date of a triggering event and an interest rate of at least five and one-half percent (5.5%) on and after the date of a triggering event.

(5) The term of the loan shall not exceed ~~66~~ 120 months and shall be amortized over the term of the loan.

(6) A qualifying business shall certify in writing that it will use a loan provided under the program for employee compensation, mortgage, rent, utilities, and other operating costs and expenses incurred on behalf of a business located in this State.

(7) A loan provided under the program is limited to no more than two hundred fifty thousand dollars ~~($50,000)~~ ($250,000) per qualifying business.

(8) Upon the occurrence of a triggering event, repayment of the loan shall commence. A triggering event occurs ~~six~~ 18 months following the closing of a loan made under the program.

(9) Loans are made pursuant to an agreement with a qualifying business that includes at least the following:

a. A provision requiring a qualifying business to certify in writing that it will use a loan provided under the program for employee compensation, mortgage, rent, utilities, and other operating costs and expenses incurred on behalf of a business located in this State.

b. A provision establishing the method for determining compliance with the program.

c. A provision requiring the qualifying business to first repay the loan amount with any federal assistance received by the business that represents a duplication of benefits; provided, that the repayment does not disqualify or impair the federal assistance available to the business.

d. A provision requiring the loan is secured through a Uniform Commercial Code financing statement.

e. A provision requiring recapture of loan funds if a business fails to comply with the requirements of the program. The lender shall recapture loan funds only if the lender determines there is a reasonable expectation that the recovery of funds will exceed the cost of recovery.

(10) The awarding of new loans using State funds appropriated in this section shall cease ~~upon six months following the date the State of Emergency ends.~~ on the latest date allowable under applicable federal law.

"**SECTION 4.2.(b)** Definitions. – For purposes of this section, the following definitions apply:

(1) Compensation. – Defined in section 3401 of the Internal Revenue Code.

(2) Employee. – Defined in G.S. 143B-437.02A.

(3) Golden LEAF. – The Golden L.E.A.F. (Long-Term Economic Advancement Foundation), Inc.

(4) Net loan funds. – The total loan fund allocation authorized in subdivision (45) of Section 3.3 of this act less (i) the amount used in accordance with subdivision (a)(3a) of this section, (ii) the cost of administering the loans made under the program, not to exceed five percent (5%) of the total amount loaned under the program, ~~and~~ (iii) the State's loan funds that are not ~~recaptured.~~ recaptured, and (iv) expenses incurred to recapture loan funds.

(5) Office. – The Office of State Budget and Management.

(6) Qualifying business. – A business with a physical presence in the State that is able to show economic losses as a result of COVID-19.

(7) State of Emergency. – Executive Order No. 116 issued March 10, 2020, by Governor Roy A. Cooper, including any amendments issued by executive order.

"**SECTION 4.2.(c)** Miscellaneous. – In order to receive the funds appropriated under this act, Golden LEAF shall provide matching funds from other non-State funds for such funds in the amount of fifteen dollars ($15.00) of non-State funds for every one hundred twenty-five dollars ($125.00) of State funds allocated in this section. State funds allocated in this section may be matched with any prior expenditure by Golden LEAF of non-State funds for entities making short-term loans to businesses during periods of economic hardship occasioned by the COVID-19 pandemic. ~~Six months following the date the State of Emergency ends~~ On the date the authority to award new loans using State funds appropriated in this section ceases and every six months thereafter, Golden LEAF shall remit the net loan funds that have been received to the Office, which shall deposit the funds into the Coronavirus Relief Reserve. Amounts deposited into the Reserve under this subsection are receipts that do not constitute an "appropriation made by law," as that phrase is used in Section 7(1) of Article V of the North Carolina Constitution. Section 1.5 of this act does not apply to this section.

"**SECTION 4.2.(d)** Reporting. – Every six months, Golden LEAF shall submit a report on the program to the Joint Legislative Economic Development and Global Engagement Oversight Committee and the Fiscal Research Division. The duty to report pursuant to this section shall cease after the submission of the report following when Golden LEAF has remitted the entirety of the net loan funds to the Office. Each report shall contain all of the following:

(1) The number of recipients of loans for each represented North American Industry Classification System Code.

(2) The number of jobs retained.

(3) The number of loans awarded.

(4) The average loan amount.

(5) The total amount loaned to date.

(6) The total amount of loans repaid to date.

(7) The total amount of loans defaulted on to date.

(8) The total amount of loans defaulted that have been recaptured."

SECTION 1.6A. G.S. 96-14.2 is amended by adding a new subsection to read:

"(e) COVID-19 Increased Benefit Amount. – The weekly benefit amount calculated under this section shall be increased by fifty dollars ($50.00). The increased benefit amount is payable for weeks beginning on or after September 5, 2020. The increased benefit amount expires and will not be paid for weeks (i) beginning on or after December 26, 2020, or (ii) immediately following the week that fully expends the amount allocated by the General Assembly for this purpose under Section 3.3(75) of S.L. 2020-4, as amended by House Bill 1105, 2019 Regular Session, whichever occurs first."

SECTION 1.7.(a) Notwithstanding the provisions of G.S. 143-57, State departments, institutions, and agencies subject to Article 3 of Chapter 143 of the General Statutes may obtain in the open market necessary supplies, materials, equipment, printing, or services to address the COVID-19 pandemic, including purchases that exceed the benchmark established under G.S. 143-53.1, without the authorization or approval of the Secretary of Administration. A report on COVID-19 expenditures shall be made a matter of record promptly after the expenditures have been made. If the expenditure exceeds the benchmark established under G.S. 143-53.1, the report shall also be made promptly thereafter to the Division of Purchase and Contract. For purposes of this subsection, the term "COVID-19" means the coronavirus disease 2019.

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.

SECTION 1.8.(a) If additional federal relief and recovery funds related to the COVID-19 pandemic are made available through subsequent federal legislation, and the following uses are permitted under the federal legislation, it is the intent of the General Assembly to do the following:

(1) Appropriate the sum of three hundred million dollars ($300,000,000) in nonrecurring funds made available by the federal legislation to the Department of Transportation for the purpose of replacing lost revenue due to the COVID-19 pandemic.

(2) Appropriate the sum of thirty-one million five hundred thousand dollars ($31,500,000) in nonrecurring funds made available by the federal legislation to the State Capital and Infrastructure Fund for the purpose of providing funding for the following projects:

a. The Business School at the University of North Carolina at Chapel Hill.

b. The Nursing School Renovation at the University of North Carolina at Chapel Hill.

c. The STEM Building at North Carolina State University.

d. Repairs and renovations in accordance with G.S. 143C-8-13.

SECTION 1.8.(b) Section 2 of S.L. 2020-81 is repealed.

SECTION 1.9.(a) Findings and Purpose. – The General Assembly finds that the appropriations made in this act are made at the maximum funding levels required to carry out activities, purposes, and programs. Therefore, it is likely that some amount of funds may become available to support other uses authorized by this act if and when maximum spending levels are not reached. The purpose of this section is to authorize the reallocations of certain funds to the end that the State and its people receive the maximum benefit possible from the appropriations made in this act.

SECTION 1.9.(b) Requirements. – Notwithstanding any provision of this act or Chapter 143C of the General Statutes to the contrary, the North Carolina Pandemic Recovery Office (NCPRO), in consultation with the Director of the Budget, may reallocate Coronavirus Relief Funds appropriated by this act or any of the acts listed in Section 4.2 of this act under all of the following conditions only:

(1) The appropriated funds are unexpended on November 20, 2020.

(2) There is not a reasonable expectation that the funds will be expended before the deadline established by applicable federal law or guidance.

(3) The reallocation is made to support one or more COVID-19 related activities authorized and receiving appropriations under this act or one of the acts listed in Section 4.2 of this act. Reallocated funds shall not be used for any new activity, purpose, or program.

(4) To the extent that funds reallocated pursuant to this section are unappropriated, including interest accrual exceeding what is anticipated in this act, those funds are hereby appropriated and available for use pursuant to this section.

SECTION 1.9.(c) Reporting. – Beginning November 30, 2020, the Office of State Budget and Management shall report to the Fiscal Research Division weekly on the reallocations made pursuant to this section.

PART II. DISASTER RECOVERY

CREATION OF EARTHQUAKE DISASTER RECOVERY RESERVE

SECTION 2.1. The State Controller shall establish an Earthquake Disaster Recovery Reserve in the State General Fund to maintain funds reserved for disaster recovery in this Part. The State Controller shall transfer funds to the Earthquake Disaster Recovery Fund only as needed to meet the appropriations set out in this Part or other related acts of the General Assembly and only upon request by the Director of the Budget. Funds shall remain in the Reserve until funds are needed to comply with the allocations as set forth in this Part. Funds reserved in the Reserve do not constitute an "appropriation made by law," as that phrase is used in Section 7(1) of Article V of the North Carolina Constitution.

CREATION OF EARTHQUAKE DISASTER RECOVERY FUND

SECTION 2.2.(a) The Earthquake Disaster Recovery Fund is established. The purpose of the Fund is to provide necessary and appropriate relief and assistance from the effects of the M5.1 earthquake that occurred on August 9, 2020, in Alleghany County, North Carolina, consistent with the provisions of this Part. The Fund shall be maintained as a special fund and administered by the Office of State Budget and Management or by another State agency, as determined by the Governor, to carry out the provisions of this Part. All State and federal funds appropriated for earthquake relief and recovery efforts shall be budgeted and accounted for in the Fund established in this section.

SECTION 2.2.(b) Funds shall be drawn from the Fund only as needed upon justification by a State agency as evidence of the need for funds is determined for earthquake recovery efforts in Alleghany County.

SECTION 2.2.(c) Funds in the Fund that are not expended, made subject to an encumbrance, or disbursed shall remain available to implement the provisions of this Part until the General Assembly directs the reversion of the unexpended funds. Funds received by a State agency from the Fund that are not expended, made subject to an encumbrance, or disbursed to another entity at the end of each fiscal year shall revert to the Fund. Funds received by a non-State entity from the Fund that, after three years, are not expended, made subject to an encumbrance, or disbursed to a subgrantee shall be returned to the Fund.

SECTION 2.2.(d) The funds are to be spent only for earthquake relief and recovery efforts in Alleghany County, and in any counties that are (i) part of the emergency area set forth in any gubernatorial executive order or (ii) declared as a major disaster by the President of the United States under the Stafford Act (P.L. 93-288) as a result of the earthquake.

TRANSFERS OF FUNDS FOR EARTHQUAKE DISASTER RELIEF

SECTION 2.3.(a) The State Controller shall transfer the sum of twenty-four million dollars ($24,000,000) for the 2020-2021 fiscal year from the Savings Reserve in the General Fund to the Earthquake Disaster Recovery Reserve established in Section 2.1 of this act.

SECTION 2.3.(b) The State Controller shall transfer the sum of twenty-four million dollars ($24,000,000) for the 2020-2021 fiscal year from the Earthquake Disaster Recovery Reserve established in Section 2.1 of this act, to the Earthquake Disaster Recovery Fund established in Section 2.2 of this act.

APPROPRIATION AND ALLOCATION OF FUNDS FOR EARTHQUAKE DISASTER RELIEF

SECTION 2.4. There is appropriated from the Earthquake Disaster Recovery Fund the sum of twenty-four million dollars ($24,000,000) in nonrecurring funds for the 2020-2021 fiscal year to the Department of Public Safety, Division of Emergency Management to allocate as follows:

(1) $600,013 to Alleghany County for repairs and renovations for the county courthouse caused by damages from the earthquake.

(2) $160,000 to the Bruce Wayne Osbourne Post No. 7034, Veterans of Foreign Wars of the United States, a nonprofit corporation, to repair damage to the Veterans of Foreign Wars Post No. 7034 building located in Alleghany County caused by the earthquake.

(3) The remainder of the funds appropriated in this section shall be used for the following purposes related to the effects of the earthquake:

a. Short-term housing.

b. Short-term rental assistance.

c. Demolition for reconstruction.

d. Home reconstruction.

e. Septic system reconstruction.

f. Home repair reimbursements.

g. County and municipal water and sewer repair.

h. Other county assistance.

i. Other earthquake-related recovery efforts.

j. State and county project management administration.

k. State match for federal disaster assistance programs.

(4) Funds allocated under subdivision (3) of this section shall not be used to provide grants to for-profit businesses through a disaster recovery grant program.

REIMBURSEMENT FOR FUNDS PROVIDED FOR EARTHQUAKE DISASTER RELIEF

SECTION 2.5.(a) A recipient of State funds under Section 2.4 of this act shall use best efforts and take all reasonable steps to obtain alternative funds that cover the losses or needs for which the State funds are provided, including funds from insurance policies in effect and available federal aid. State funds paid under this act are declared to be excess over funds received by a recipient from the settlement of a claim for loss or damage covered under the recipient's applicable insurance policy in effect.

SECTION 2.5.(b) If a recipient obtains alternative funds pursuant to subsection (a) of this section, the recipient shall remit the funds to the State agency from which the State funds were received. A recipient is not required to remit any amount in excess of the State funds provided to the recipient under this act. The State agency shall transfer these funds to the Earthquake Disaster Recovery Fund. Funds deposited into the Fund under this subsection are receipts that do not constitute an "appropriation made by law," as that phrase is used in Section 7(1) of Article V of the North Carolina Constitution.

SECTION 2.5.(c) Any contract or other instrument entered into by a recipient for receipt of funds under this act shall include the requirements set forth in subsections (a) and (b) of this section.

SECTION 2.5.(d) For purposes of this section, the term "recipient" means a local political subdivision of the State, a State agency, a State department, or a non-State entity.

APPROPRIATION AND ALLOCATION OF FUNDS FOR HURRICANE DISASTER RELIEF

SECTION 2.6.(a) Hurricane Florence Disaster Recovery Reserve. – The State Controller shall transfer the sum of twenty-seven million seven hundred ninety-six thousand six hundred ten dollars ($27,796,610) from the Savings Reserve in the General Fund to the Hurricane Florence Disaster Recovery Reserve created in S.L. 2018-136.

SECTION 2.6.(b) Hurricane Florence Disaster Recovery Fund. – The State Controller shall transfer the sum of twenty-seven million seven hundred ninety-six thousand six hundred ten dollars ($27,796,610) from the Hurricane Florence Disaster Recovery Reserve to the Hurricane Florence Disaster Recovery Fund created in S.L. 2018-134 for the Department of Public Safety and those funds are appropriated within the Fund to be used to provide State match for Hurricane Florence federal disaster assistance programs.

SECTION 2.6.(c) Allocation. – Of the funds appropriated in subsection (b) of this section to the Hurricane Florence Disaster Recovery Fund the sum of three hundred thousand dollars ($300,000) is allocated to the Office of State Budget and Management to provide a grant to the Town of Bladenboro for the demolition, reconstruction, and repair of public infrastructure and public buildings damaged by Hurricane Florence.

SECTION 2.6.(d) State Emergency Response and Disaster Relief Fund. – The State Controller shall transfer the sum of thirteen million two hundred three thousand three hundred ninety dollars ($13,203,390) from the Savings Reserve in the General Fund to the State Emergency Response and Disaster Relief Fund and those funds are appropriated for the Department of Public Safety, Division of Emergency Management, to be used as follows:

(1) $10,423,729 to provide State match for federal disaster assistance programs related to Hurricane Matthew.

(2) $2,779,661 to provide State match for federal disaster assistance programs related to Hurricane Dorian.

SECTION 2.6.(e) Other Disaster Relief. – The sum of up to three million five hundred thousand dollars ($3,500,000) is reallocated and appropriated from the cash balance of the State Emergency Response and Disaster Relief Fund to the Department of Public Safety, Division of Emergency Management, to provide State match for federal disaster assistance programs related to Hurricane Isaias, as approved by the Federal Emergency Management Agency in EM-3534-NC on August 2, 2020, as a federal disaster.

SECTION 2.6.(f) In the event the Governor declares a State Type I Individual Assistance Disaster Declaration pursuant to G.S. 166A-19.21(b) for Bertie County and the contiguous counties of Chowan, Halifax, Hertford, Martin, Northampton, and Washington, the sum of seven hundred fifty thousand dollars ($750,000) is reallocated and appropriated from the cash balance of the State Emergency Response and Disaster Relief Fund to provide State level assistance related to the EF-3 tornado in Bertie County as a result of Hurricane Isaias.

APPROPRIATION OF FEDERAL FUNDS

SECTION 2.7. Appropriation/Federal Funds. – Funds received on or after September 1, 2020, under the federal Stafford Act (P.L. 93-288) and other federal disaster assistance programs for State disasters as a result of Hurricanes Florence, Dorian, Matthew, or Isaias, or the earthquake described in Section 2.2(a) of this act, are appropriated in the amounts provided in the notifications of award from the federal government or any entity acting on behalf of the federal government to administer federal disaster recovery funds. The Office of State Budget and Management and affected State agencies shall report all notifications of award to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division of the General Assembly.

REPORTING REQUIREMENTS

SECTION 2.8. Beginning January 1, 2021, the Department of Public Safety, Division of Emergency Management (Division), shall report to the Chairs of the House of Representatives and Senate Appropriations Committees and to the Fiscal Research Division of the General Assembly on the implementation of Section 2.4 and Section 2.6(e) of this Part on a quarterly basis and shall also provide any additional reports or information requested by the Fiscal Research Division. The final report is due on January 1, 2022. Each report required by this section shall include information about all funds expended or encumbered pursuant to Section 2.4 and Section 2.6(e) as of the date of the report, regardless of which State agency or non-State entity administers the funds. Non-State entities that administer or receive any funds appropriated in this act shall assist and fully cooperate with the Division in meeting the Division's obligations under this section.

PART III. OTHER REVISIONS OF LAW

AVERAGE DAILY MEMBERSHIP/HOLD HARMLESS

SECTION 3.1. Notwithstanding Section 7.15(b) of S.L. 2007-323, for the 2020-2021 fiscal year, the following applies:

(1) In making adjustments pursuant to G.S. 115C-75.10, 115C-218.105, 115C-238.70, 115C-238.82, 116-239.11, and Section 8.35(e) of S.L. 2014-100, as amended by Section 7.13 of S.L. 2018-5, the State Board of Education shall not reduce allocations to applicable public school units due to a discrepancy between their actual and anticipated average daily membership.

(2) After funding adjustments are made pursuant to subdivision (1) of this section, the State Board of Education shall not reduce allotments for local school administrative units due to a discrepancy between actual and anticipated average daily membership.

REVISE DEFINITION OF ADM IN PRINCIPAL SALARY SCHEDULE TO CONTINUE USING MEMBERSHIP AMOUNTS FROM THE 2019-2020 SCHOOL YEAR

SECTION 3.1A. Section 4.(b) of S.L. 2020-45 reads as rewritten:

"**SECTION 4.(b)** For purposes of determining the average daily membership of a principal's school, ~~the following amounts shall be used during the following time periods:~~

~~(1) Between July 1, 2020, and December 31, 2020,~~ the average daily membership for the school from the 2019-2020 school ~~year.~~ year shall be used. If the school did not have an average daily membership in the 2019-2020 school year, the projected average daily membership for the school for the 2020-2021 school ~~year.~~ year shall be used.

~~(2) Between January 1, 2021, and June 30, 2021, the average daily membership for the school for the 2020-2021 school year.~~"

VIRTUAL CHARTER SCHOOL ENROLLMENT

SECTION 3.2.(a) Notwithstanding Section 8.35(b) of S.L. 2014-100, as amended by Section 7.13 of S.L. 2018-5, the two virtual charter schools participating in the pilot program pursuant to Section 8.35 of S.L. 2014-100, as amended, shall be permitted to increase student enrollment for the 2020-2021 school year only as follows: (i) North Carolina Cyber Academy shall be permitted to increase its enrollment by 1,000 students and (ii) North Carolina Virtual Academy shall be permitted to increase its enrollment by 2,800 students. A virtual charter school permitted an increase in student enrollment pursuant to this section shall give enrollment priority to students for the 2021-2022 school year who were enrolled in the school for the 2020-2021 school year prior to the date this act became law.

SECTION 3.2.(b) The virtual charter schools shall provide an interim report by March 15, 2021, and a final report by November 15, 2021, to the Joint Legislative Education Oversight Committee, on the impact of the increase in student enrollment permitted by subsection (a) of this section, including data on where students had been previously enrolled by local school administrative unit, charter school, or nonpublic school, the grade level of students, the withdrawal rate of students after enrollment, and any student performance and accountability data.

CHANGES TO THE OPPORTUNITY SCHOLARSHIP GRANT PROGRAM

SECTION 3.3.(a) Remove Cap on K-1 Grade Funds. – G.S. 115C-562.2(a) reads as rewritten:

"(a) The Authority shall make available no later than February 1 annually applications to eligible students for the award of scholarship grants to attend any nonpublic school. Information about scholarship grants and the application process shall be made available on the Authority's Web site. Beginning March 15, the Authority shall begin awarding scholarship grants according to the following criteria:

(1) First priority shall be given to eligible students who received a scholarship grant for the school year prior to the school year for which the students are applying if those students have applied by March 1.

(2) After scholarship grants have been awarded to prior recipients as provided in subdivision (1) of this subsection, scholarships shall be awarded with remaining funds as follows:

a. At least fifty percent (50%) of the remaining funds shall be used to award scholarship grants to eligible students residing in households with an income level not in excess of the amount required for the student to qualify for the federal free or reduced-price lunch program.

~~b. No more than forty percent (40%) of the remaining funds shall be used to award scholarship grants to eligible students entering either kindergarten or first grade.~~

c. Any remaining funds shall be used to award scholarship grants to all other eligible students."

SECTION 3.3.(b) Applicability of Removing the K-1 Grade Cap. – Subsection (a) of this section applies beginning with applications for scholarship grants for the 2020-2021 school year. From the funds made available pursuant to subsection (a) of this section, the State Education Assistance Authority shall award scholarship funds for the fall semester of the 2020-2021 school year to provide an alternative educational option during the coronavirus disease 2019 (COVID-19) pandemic 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.

SECTION 3.3.(c) Change to Income Eligibility Threshold. – G.S. 115C-562.1(3)b. reads as rewritten:

"b. Resides in a household with an income level not in excess of ~~one hundred thirty-three percent (133%)~~ one hundred fifty percent (150%) of the amount required for the student to qualify for the federal free or reduced-price lunch program. The Authority shall not count any distribution from the estate of a decedent in calculating the income level of the applicant's household for the purposes of determining eligibility for a scholarship under this sub-subdivision."

SECTION 3.3.(d) Applicability of Change to Income Eligibility Threshold. – Subsection (c) of this section applies beginning with applications for the spring semester of the 2020-2021 school year.

NC PATRIOT STAR FAMILY SCHOLARSHIP PROGRAM

SECTION 3.4.(a) Transfer of Funds. – By October 1, 2020, the Department of Public Instruction shall transfer the sum of one million dollars ($1,000,000) in nonrecurring funds from the cash balance in the School Bus Replacement Fund (Budget Code: 73510; Fund Code: 7200) to UNC System Office (Budget Code: 16015).

SECTION 3.4.(b) Appropriation of Funds. – The funds transferred in subsection (a) of this section are appropriated to the Board of Governors of The University of North Carolina for the 2020-2021 fiscal year to be allocated by the Board of Governors as grants to

establish and administer the North Carolina Patriot Star Family Scholarship Program in accordance with this section as follows:

(1) The sum of five hundred thousand dollars ($500,000) to the Patriot Foundation, a nonprofit corporation.

(2) The sum of five hundred thousand dollars ($500,000) to the Marine Corps Scholarship Foundation, Inc., a nonprofit corporation.

SECTION 3.4.(c) Establishment of the Scholarship Program. – From the funds appropriated for the North Carolina Patriot Star Family Scholarship Program (Program) by subsection (b) of this section, the Patriot Foundation and the Marine Corps Scholarship Foundation, Inc., respectively, shall provide for scholarships to eligible children and eligible spouses of certain veterans and eligible children of certain currently serving members of the Armed Forces to attend eligible postsecondary institutions in accordance with the requirements of this section.

SECTION 3.4.(d) Definitions. – For the purposes of this section, the following definitions apply:

(1) Armed Forces. – A component of the United States Army, Navy, Marine Corps, Air Force, and Coast Guard, including their reserve components.

(2) Eligible child or eligible children. – Any person (i) who is attending or has been accepted to enroll in an eligible postsecondary institution, (ii) who is a legal resident of North Carolina when scholarship documentation is completed, provided that if a child is claimed as a dependent by the child's parent, residency may be established based on a parent meeting sub-sub-subdivision 4. of sub-subdivision a. of this subdivision, (iii) has complied with the requirements of the Selective Service System, if applicable, and (iv) whose parent is a veteran or a currently serving member of the Armed Forces that meets the following:

a. Meets one of the following residency conditions:

1. Is a resident of North Carolina at the time of scholarship documentation completion.

2. Was a resident of North Carolina at the time of entrance into service in the Armed Forces.

3. Was permanently stationed in North Carolina at the time of his or her death.

4. Is an active duty service member permanently stationed in North Carolina at the time of documentation completion.

b. Meets one of the following service conditions:

1. Was a member of the Armed Forces who was killed in action or in the line of duty, or died of wounds or other causes not due to the service member's willful misconduct during a period of war or national emergency.

2. Was a member of the Armed Forces who died of service-connected injuries, wounds, illness, or other causes incurred or aggravated while a member of the Armed Forces during a period of war or national emergency. Standard documentation of the parent's death, wounds, injury, or illness must be supplied by a scholarship recipient at the time of scholarship request.

3. Is a veteran of the Armed Forces who incurred traumatic injuries or wounds or sustained a major illness while a member of the Armed Forces during a period of war or national emergency and is receiving compensation for a wartime service-connected disability of at least fifty percent (50%) as rated by the U.S. Department of Veterans Affairs.

4. Is a current member of the Armed Forces who incurred traumatic injuries or wounds or sustained a major illness while a member of the Armed Forces during a period of war or national emergency. The parent's traumatic wounds, injury, or major illness must be documented by the U.S. Department of Defense.

(3) Eligible spouse. – Any person (i) who is attending or has been accepted to enroll in an eligible postsecondary institution, (ii) who is a legal resident of North Carolina when scholarship documentation is completed, (iii) has complied with the requirements of the Selective Service System, if applicable, and (iv) whose spouse was a member of the Armed Forces who was killed in action or in the line of duty, or died of wounds or other causes not due to the service member's willful misconduct during a period of war or national emergency.

(4) Eligible postsecondary institution. – A school that is any of the following:

a. A constituent institution of The University of North Carolina.

b. A community college under the jurisdiction of the State Board of Community Colleges.

c. A private educational institution as defined in G.S. 143B-1224.

d. An accredited, private vocational institution.

(5) Veteran. – An individual who has served and is no longer serving in the Armed Forces of the United States. For the purposes of this section, the veteran must have separated from the Armed Forces under honorable conditions or whose death or disability of at least fifty percent (50%) or more was incurred as a direct result of service in the line of duty.

SECTION 3.4.(e) Administration; Awards. – Within the funds made available for the Program, the Patriot Foundation and the Marine Corps Scholarship Foundation shall each separately administer and award scholarships to eligible children and eligible spouses in accordance with the requirements of the North Carolina Patriot Star Family Scholarship Program. In administering the Program, each

nonprofit corporation shall be responsible for program oversight for the scholarships awarded through its organization to ensure compliance with the provisions of this section.

Each nonprofit corporation shall, at a minimum, establish criteria and procedures related to scholarship documentation completion, the amount of individual scholarships, the permissible uses of scholarship funds, the period of eligibility for award of a scholarship, the conditions for a revocation of a scholarship, and any other procedures it deems necessary for its administration of the Program. A scholarship awarded to an eligible child or eligible spouse shall not exceed the cost of attendance at the eligible postsecondary institution.

If an eligible child or eligible spouse receives a scholarship or other grant covering the cost of attendance at an eligible postsecondary institution for which the scholarship is awarded, then the amount of a scholarship awarded under this section shall be reduced so that the sum of all grants and scholarships covering the cost of attendance received by the eligible child or eligible spouse does not exceed the cost of attendance for the institution. For the purposes of this subsection, cost of attendance shall be deemed to include monies for tuition, fees, books, supplies, and equipment required for study at an eligible postsecondary institution, as well as room and board as long as the scholarship recipient is enrolled as at least a half-time student at the institution. Off-campus housing costs for room and board are also included to the extent the eligible postsecondary institution includes it in its cost of attendance.

SECTION 3.4.(f) Reporting. – The Patriot Foundation shall submit a report by April 1, 2021, to the Joint Legislative Education Oversight Committee and the Fiscal Research Division on the activities described by this section and the use of the State funds.

The Marine Corps Scholarship Foundation, Inc., shall submit a report by April 1, 2021, to the Joint Legislative Education Oversight Committee and the Fiscal Research Division on the activities described by this section and the use of the State funds.

UNC ENROLLMENT FUNDING FOR COMPREHENSIVE TRANSITION PROGRAMS

SECTION 3.5. For the purposes of allocating enrollment funding to constituent institutions of The University of North Carolina, beginning with the 2021-2022 fiscal year, the Board of Governors shall allocate funds each fiscal year to constituent institutions on the same basis as full-time students enrolled in a curriculum program for up to 100 resident full-time students enrolled in either a four-semester or eight-semester certificate accomplishment program approved by the United States Department of Education as a Comprehensive Transition Program (CTP) pursuant to the Higher Education Opportunity Act of 2008, 20 U.S.C. §§ 1140f–1140i. If more than 100 resident full-time students are enrolled in CTPs at constituent institutions in any academic year, the Board of Governors shall allocate funds to each eligible constituent institution on a pro rata basis.

EXPANSION OF AUTHORITY FOR UNC TO DESIGNATE COUNSEL

SECTION 3.6. G.S. 116-11(13b) reads as rewritten:

"(13b) ~~Subject to the approval required in G.S. 114-2.3(a) and G.S. 147-17(a), the~~ Notwithstanding G.S. 114-2.3, G.S. 147-17, or any other provision of law, the Board may authorize the President to designate legal counsel, including private counsel, as the President deems necessary to represent the interests of the Board, The University of North Carolina, any constituent institution, or officer or employee of The University of North Carolina in any matter, case, or proceeding in or before any court or agency of this State, any other state, or the United States. The authority provided pursuant to this subdivision includes the discretion to designate whether legal representation in any given matter is provided by the Attorney General's office, attorneys employed on the legal affairs staff of The University of North Carolina, private counsel, or a combination thereof. In those instances when the President employs counsel in addition to or other than the Attorney General, the President may designate lead counsel to possess final decision-making authority with respect to the representation, counsel, or service for The University of North Carolina. Other counsel for The University of North Carolina shall, consistent with the Rules of Professional Conduct, cooperate with such designated lead counsel. The Board may authorize the expenditure of funds to hire private counsel to represent the Board, The University of North Carolina, and any constituent institution. G.S. 114-2.3(d), 143C-6-9(b), and 147-17(c1) shall not apply to these expenditures."

MEDICAID NONTAX REVENUE/CLARIFICATION OF AMOUNT TO BE TRANSFERRED

SECTION 3.7.(a) Section 2.3(b) of S.L. 2019-242 reads as rewritten:

"**SECTION 2.3.(b)** For the 2019-2020 fiscal year, the Department of Health and Human Services (DHHS) shall deposit from its revenues one hundred sixty-five million three hundred thousand dollars ($165,300,000) with the Department of State Treasurer to be accounted for as nontax revenue. For the 2020-2021 fiscal year, the Department of Health and Human Services ~~shall~~ shall, from its revenues, deposit ~~from its revenues one hundred thirty million dollars ($130,000,000)~~ with the Department of State Treasurer funds to be accounted for as nontax ~~revenue. These deposits shall represent~~ revenue that represent the return of General Fund appropriations, nonfederal revenue, fund balances, or other resources from State-owned and State-operated hospitals that are used to provide indigent and nonindigent care ~~services.~~ services in the amount of one hundred thirty million dollars ($130,000,000). If the funds returned to DHHS exceed one hundred thirty million dollars ($130,000,000) for the 2020-2021 fiscal year, then DHHS shall deposit the greater amount actually received. The return from State-owned and State-operated hospitals to the Department of Health and Human Services will be made from nonfederal resources in an amount equal to the amount of the payments from the Division of Health Benefits for uncompensated care. The treatment of any revenue derived from federal programs shall be in accordance with the requirements specified in the Title 2, Code of Federal Regulations, Part 225."

SECTION 3.7.(b) This section is effective July 1, 2020, and applies to the 2020-2021 fiscal year only.

FLEXIBILITY FOR CERTAIN CHILD CARE LICENSING REQUIREMENTS

SECTION 3.7A.(a) Article 7 of Chapter 110 of the General Statutes is amended by adding a new section to read:

"**§ 110-98.5. Care for school-age children during state of emergency.**

Notwithstanding any provision of law or rule to the contrary, when remote or virtual learning is required due to a declared state of emergency issued under G.S. 166A-19.20, the following shall apply:

(1) A community-based organization is authorized to provide care for school-age children at a remote learning facility, provided the community-based organization is registered with the Department through a process consistent with the registration process the Department uses for licensed child care facilities. For purposes of this subdivision, the following definitions shall apply:

a. Community-based organizations. – Organizations of demonstrated effectiveness that are representative of a community or significant segments of a community that provide educational or related services to individuals in the community, such as parks and recreation programs, YMCAs, YWCAs, and Boys and Girls Clubs.

b. Remote learning facility. – A building or space used to house school-age children during the school year for the purpose of facilitating online or remote learning.

(2) When providing care to school-age children pursuant to this section, the limitations regarding the maximum amount of screen time for children three years of age and older shall not apply.

(3) Care provided to school-age children pursuant to this section is not considered child care as defined under G.S. 110-86."

SECTION 3.7A.(b) G.S. 110-86 reads as rewritten:

"**§ 110-86. Definitions.**

Unless the context or subject matter otherwise requires, the terms or phrases used in this Article shall be defined as follows:

...

(2) Child care. – A program or arrangement where three or more children less than 13 years old, who do not reside where the care is provided, receive care on a regular basis of at least once per week for more than four hours but less than 24 hours per day from persons other than their guardians or full-time custodians, or from persons not related to them by birth, marriage, or adoption. Child care does not include the following:

...

i. Cooperative arrangements among parents to provide care for their own children as a convenience rather than for ~~employment;~~ employment. This exemption shall include arrangements between a group of parents, regardless of whether the parents are working, to provide for the instructional needs of their children, provided the arrangement occurs in the home of one of the cooperative participants;

...."

SECTION 3.7A.(c) Any community-based organization operating pursuant to subsection (a) of this section during the COVID-19 pandemic shall comply with the same COVID-19 related sanitation requirements as required of licensed child care facilities.

DEPARTMENT OF HEALTH AND HUMAN SERVICES/TECHNICAL CORRECTIONS

SECTION 3.7B.(a) Section 2.1(a) of S.L. 2020-88 reads as rewritten:

"**SECTION 2.1.(a)** The State Controller shall transfer the sum of twenty-six million four hundred thousand dollars ($26,400,000) in nonrecurring funds for the 2020-2021 fiscal year from funds available in the Medicaid Transformation Reserve in the General Fund to the Department of Health and Human Services, Division of Central Management and Support, to be used for operations and maintenance expenses for the North Carolina Families Accessing Services Through Technology (NC FAST) system and investment in infrastructure modernization, document management, and other critical NC FAST projects. Funds transferred under this subsection are appropriated for the purposes set forth in this subsection."

SECTION 3.7B.(b) Effective May 4, 2020, the introductory language of Section 3E.1(b) of S.L. 2020-3 reads as rewritten:

"**SECTION 3E.1.(b)** ~~G.S. 90-414(a2)~~ G.S. 90-414.4(a2) reads as rewritten:"

FORT FISHER AQUARIUM FUNDING FLEXIBILITY

SECTION 3.8. Notwithstanding Section 3.1(b) of S.L. 2018-134 or any other provision of law restricting the purposes for which funds drawn from the Hurricane Florence Disaster Recovery Fund may be used, funds appropriated from that Fund in S.L. 2019-224 and allocated to the Department of Natural and Cultural Resources for the aquarium at Fort Fisher may be used for the renovation or expansion of the aquarium.

REDIRECT FOREST SERVICE FUNDS

SECTION 3.9. The funds allocated to the North Carolina Forest Service by subdivision (10) of Section 4.1 of S.L. 2016-124 and that are unencumbered and unexpended for those purposes or for the additional purposes authorized by Section 12.9 of S.L. 2017-57 may be used by the Department of Agriculture and Consumer Services for either of the following purposes:

(1) The purchase and renovation of an existing facility for use as a regional headquarters and training facility for the North Carolina Forest Service.

(2) Support of operations and other receipt-supported activities such as maintenance and repairs at the North Carolina State Fair and the Western North Carolina Agriculture Center.

COMMUNITY LIVING HOUSING FUND

SECTION 3.11.(a) Pursuant to G.S. 122E-3.1(b), the sum of one million nine hundred forty-eight thousand one hundred twenty-one dollars ($1,948,121) is transferred from the Transitions to Community Living Fund established pursuant to Section 10.23A(d) of S.L. 2012-142 to the Community Living Housing Fund within the North Carolina Housing Finance Agency (Budget Code: 63011; Fund Code: 6201).

SECTION 3.11.(b) There is appropriated from the Community Living Housing Fund (Budget Code: 63011; Fund Code: 6201) to the North Carolina Housing Finance Agency the sum of ten million four hundred seventy-two thousand nine hundred ninety-three dollars ($10,472,993) in nonrecurring funds for the 2020-2021 fiscal year to be used as provided in G.S. 122E-3.1(c).

DEPARTMENT OF REVENUE/TAX SYSTEMS OPERATIONS & MAINTENANCE UPGRADES

SECTION 3.12. There is appropriated from the Collections Assistance Fee Special Fund (Budget Code: 24704; Fund Code: 2474) to the Department of Revenue the sum of twelve million five hundred thousand dollars ($12,500,000) in nonrecurring funds for the 2020-2021 fiscal year to be used for costs associated with tax systems operations and maintenance upgrades.

GDAC REVISIONS

SECTION 3.13. Section 9(a) of S.L. 2020-81 reads as rewritten:

"**SECTION 9.(a)** Notwithstanding any other provision of law to the contrary, the appropriation in Fund Code 14660-1990 for transfer to the IT Reserve Fund (Budget Code: 24667) is reduced by twelve million two hundred fifty thousand dollars ($12,250,000) in nonrecurring funds for the 2020-2021 fiscal year and the appropriation to Enterprise Security and Risk Management Office (Fund Code: 14660-1720) is increased by twelve million two hundred fifty thousand dollars ($12,250,000) in nonrecurring funds for the 2020-2021 fiscal year. In implementing the reductions authorized by this subsection, the Department of Information Technology and the Office of State Budget and Management shall identify existing resources to ensure that funding and positions supported by the Information Technology Fund are not adversely affected. The Department shall report to the Chairs of the Joint Legislative Oversight Committee on Information Technology, the Joint Legislative Commission on Governmental Operations, and the Fiscal Research Division at least 15 days prior to making any transfers from or reductions to funding or positions for the Governmental Data Analytics Center (GDAC)."

GREAT ACT REVISIONS

SECTION 3.14.(a) G.S. 143B-1373 reads as rewritten:

"§ 143B-1373. Growing Rural Economies with Access to Technology (GREAT) program.

(a) As used in this section, the following definitions apply:

(1) Agriculture. – Activities defined in G.S. 106-581.1.

(2) Broadband service. – For the purposes of this section, terrestrially deployed Internet access service with transmission speeds of at least ~~10~~ 25 megabits per second (Mbps) download and at least ~~one megabit~~ 3 megabits per second upload ~~(10:1).~~ (25:3).

(2a) Business. – Any lawful trade, investment, or other purpose or activity, whether or not conducted or undertaken for profit. The term also includes community anchor points, agricultural operations, and agricultural processing facilities.

...

(6) Eligible project. – An eligible project is a discrete and specific project located in an unserved area of an economically distressed county seeking to provide broadband service to homes, businesses, and community anchor points not currently served. Eligible projects do not include middle mile, backhaul, and other similar projects not directed at broadband service to end users. If a contiguous project area crosses from one eligible county into one or more eligible adjacent counties, for the purposes of this section, the project shall be deemed to be located in the county where the greatest number of unserved households are proposed to be served. To qualify for an award under this section, no more than an incidental number of households or businesses, not to exceed ten percent (10%) of the total households or businesses within the boundaries of the project area submitted by the applicant, may have terrestrially deployed Internet access service with transmission speeds greater than 10 Mbps download and 1 Mbps upload.

...

(9) Infrastructure costs. – Costs directly related to the construction of broadband infrastructure for the extension of broadband service for an eligible project, including installation, acquiring or updating easements, backhaul infrastructure, and testing costs. The term also includes engineering and any other costs associated with securing a lease to locate or collocate infrastructure on public or private property or structures, but not including the actual monthly lease payment. The term does not include overhead or administrative costs.

...

(14) Unserved area. – A designated geographic area that is presently without access to broadband service, as defined in this section, offered by a wireline or fixed wireless provider. Areas where a private provider has been designated to receive funds through other State or federally funded programs designed specifically for broadband deployment shall be considered served if such funding is intended to result in construction of broadband in the area within 18 months.

(15) Unserved household or business. – A household or business that does not presently have access to broadband service, as defined in this subsection.

...

(d) Applications for grants will be submitted at times designated by the Secretary and will include, at a minimum, the following information:

...

(5) An illustration or description of the area to be served, identifying the number of ~~homes, businesses, community anchor points, agricultural operations, or agricultural processing facilities~~ homes and businesses that will have access to broadband as a result of the project, including any available addresses, or other identifying information satisfactory to the Office, for the foregoing. In the event that the Office is unable to identify the proposed project area with specificity, the Office may require the applicant to submit additional information. If construction of the proposed project would result in the provision of broadband service to areas that are not eligible for funding, those ineligible areas should be identified in the application along with the eligible areas.

...

(11) For the proposed area to be served, the infrastructure cost per household or business for the project.

...

(e) Applications shall be made publicly available by posting on the Web site of the Department of Information Technology for a period of at least 30 days prior to award. During the 30-day period, any interested party may submit comments to the Secretary concerning any pending application. A provider of broadband services may submit a protest of any application on the grounds the proposed project covers an area that is not an eligible area under this section. Protests shall be submitted in writing, accompanied by all relevant supporting documentation, and shall be considered by the Office in connection with the review of the application. Upon submission of evidence satisfactory to the Office that the proposed project area includes prospective broadband recipients that are served, as measured using a methodology satisfactory to the Office, the Office may work with an applicant to amend an application to reduce the number of unserved prospective broadband recipients in the project area to reflect an accurate level of current broadband service. The Office may revise application scores in accordance with amended ~~applications.~~ applications; however, the Office may reject any amended application resulting in a lower application score to the extent that the lower score would have impacted the ranking of the application in the initial scoring process. For applications with filed protests, the Secretary shall issue a written decision to the protesting party at least 15 days prior to the approval of that application. Following a protest that is granted for a portion of the application, the Office may release to an applicant the locations or areas declared ineligible. The information released to the applicant is not a public record, as that term is defined under G.S. 132-1, and shall remain confidential. Any provider submitting a protest shall verify that the information in the protest is accurate and that the protest is submitted in good faith. The Office may deny any protest or application that contains inaccurate information.

As a means of resolving a protest, the Office may utilize speed tests to determine if the protested area or individual households or businesses currently have access to broadband service as defined in this section. The Department shall publish the speed test methodology it uses to assess speed levels pursuant to this section. All decisions regarding the speed test to be utilized and the manner by which the speed tests are applied shall be made by the Secretary or the Secretary's designee.

...

(g) Applications shall be scored based upon a system that awards a single point for criteria considered to be the minimum level for the provision of broadband service with additional points awarded to criteria that exceed minimum levels. The Office shall score project applications in accordance with the following:

...

(4) Unserved businesses. – The Office shall give additional points to projects that will provide broadband service to unserved businesses located within the eligible economically distressed county, as determined by the most recent data published by the Federal Communications Commission or any other information available to the Office. Points shall be given to projects that serve unserved businesses within the project area as follows:

a. Projects proposing to serve between 1 and 4 businesses shall receive 1 point.

b. Projects proposing to serve between 5 and 10 businesses shall receive 2 points.

c. Projects proposing to serve either (i) more than 10 businesses or (ii) ~~an agricultural operation, agricultural processing facility, or~~ a business with 31 or more full-time employees shall receive 3 points.

(5) Cost per ~~household. –~~ household or business. – The Office shall give additional points to projects that minimize the infrastructure cost of the proposed project per ~~household,~~ household or business, based upon information available to the Office. Points shall be given to projects based upon the estimated cost per household or business as follows:

a. For projects proposed in the Piedmont or Coastal Plain Regions:

Est. Cost per ~~Household~~ Household/Business	Partnership Using Infrastructure	Private Provider Only
Up to $1,700	4	9
$1,701-2,200	3	8
$2,201-2,700	2	7
$2,701-3,200	1	6

b. For projects located in the Mountain Region:

Est. Cost per ~~Household~~ Household/Business	Partnership Using Infrastructure	Private Provider Only
Up to $2,500	4	9
$2,501-3,300	3	8
$3,301-3,800	2	7
$3,801-4,300	1	6

(6) Base speed multiplier. – Projects that will provide minimum download and minimum upload speeds shall have the aggregate points given under subdivisions (1) through (5) of this subsection multiplied by a factor at the level indicated in the table below:

Minimum Download: Minimum Upload	Score Multiplier
~~At least 10:1 Mbps. up to 25:3 Mbps.~~	~~0.95~~
25:3 Mbps. up to 100:10 Mbps.	1.35
100:10 Mbps. ~~or greater~~ up to 200:20 Mbps.	1.75
200:20 Mbps. or greater.	2.00

...

(i) Applications receiving the highest score shall receive priority status for the awarding of grants pursuant this section. 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 at the lowest cost per ~~household.~~ household or business. Applicants awarded grants pursuant to this section shall enter into an agreement with the Office. The agreement shall contain all of the elements outlined in subsection (d) of this section 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. Grant funds shall be disbursed only upon verification by the Office that the terms of the agreement have been fulfilled according to the progress milestones contained in the agreement. 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 subdivision (6) of subsection (g) of this section, are available throughout the project area prior to any end user connections. A single grant award shall not exceed two million dollars ($2,000,000). No more than one grant may be awarded per fiscal year for a project in any one eligible economically distressed county; except that if funds remain available after all top scoring projects have been awarded a grant, then the next highest scoring projects may be awarded a grant even if the project is located in a county where a grant has been awarded in that fiscal year provided the total award associated with that county does not exceed two million dollars ($2,000,000) in that fiscal year.

No more than one-third of the funds appropriated to the fund established in subsection (b) of this section shall be disbursed for projects located in a development tier two county.

(j) Grant recipients are required to provide matching funds based upon the application scoring pursuant to this section in the following minimum amounts:

Score	Matching Requirement
12.0 points or less	55%
Greater than 12.0 points, but less than 17.5 points	50%
17.5 points, up to 22.0 points	45%
Greater than 22.0 points	35%

Up to fifty percent (50%) of matching funds paid by the grant recipient may be comprised of third-party funding ~~and~~ including funds from other grant programs. Funds from the Universal Service ~~Fund, or Connect America Phase II Fund~~ Fund shall not be used for any portion of the required matching funds. Any other current or future federal funds may be used, including any future phase of the Connect America Fund, for the required matching funds within the parameters of this program.

...

(n) Grant recipients shall submit to the Office an annual report for each funded project for the duration of the agreement. The report shall include a summary of the items contained in the grant agreement and level of attainment for each and shall also include (i) the number of ~~households, businesses, agriculture operations, and community anchor points~~ households and businesses that have broadband access as a result of the project; (ii) the percentage of end users in the project area who have access to broadband service and actually subscribe to the broadband service; and (iii) the average monthly subscription cost for broadband service in the project area.

(o) The Department of Information Technology shall submit an annual report to the Joint Legislative Oversight Committee for Information Technology and the Fiscal Research Division on or before September 1. The report shall contain at least all of the following:

(1) The number of grant projects applied for and the number of grant agreements entered into.

(2) A time line for each grant agreement and the number of ~~households, businesses, agriculture operations, and community anchor points~~ households and businesses expected to benefit from each agreement.

...."

SECTION 3.14.(b) G.S. 143B-1373(a)(5), as amended by Section 2 of S.L. 2019-230, reads as rewritten:

"(5) Eligible economically distressed county. – A county designated as a development tier one or tier two area, as defined in ~~G.S. 143B-473.08.~~ G.S. 143B-437.08. For the purposes of this section, the tier designation that is in effect as of the beginning of a fiscal year shall be applied for all grants awarded for that fiscal year."

SECTION 3.14.(c) Subsection (b) of this section is effective when it becomes law and applies to applications submitted on or after July 1, 2019.

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.

SECTION 3.14.(e) G.S. 143B-1373(*l*) reads as rewritten:

"(*l*) ~~A~~ The Office may cancel an agreement and the grant recipient shall forfeit the amount of the grant received if it fails to perform, in material respect, the obligations established in the agreement. The Office may also cancel an agreement if the grant recipient reduces or proposes to reduce the scope of the project to the extent that the reduction would result in either a lower score and reduced ranking for funding consideration or the amount of State matching funds the project would receive. Grant recipients that fail to provide the minimum advertised connection speed for which a reduction in matching funds was applied shall forfeit that amount. A grant recipient that forfeits amounts disbursed under this section is liable for the amount disbursed plus interest at the rate established under G.S. 105-241.21, computed from the date of the disbursement. The number of subscribers that subscribe to broadband services offered by the provider in the project area shall not be a measure of performance under the agreement for the purposes of this subsection. Within 60 days of the cancellation of the agreement for failure to perform, the Office may conduct a special application period. The Office may select a new grant recipient, in accordance with this section, to complete a project that is substantially similar in location and scope to the project described in the cancelled agreement. The portions of any new project selected that are identical to the project described in the cancelled agreement shall not be subject to the protest period described in subsection (e) of this section."

SECTION 3.14.(f) Subsection (e) of this section is effective July 1, 2019, and applies to agreements entered into on or after that date.

EXTEND APPLICABILITY PERIOD FOR CERTAIN DMV CREDENTIAL EXTENSIONS

SECTION 3.15.(a) Section 4.7(b) of S.L. 2020-3 reads as rewritten:

"**SECTION 4.7.(b)** Extend Validity of Credentials. – Notwithstanding renewal, duration, or expiration provisions of G.S. 20-7, 20-11, 20-37.6, 20-37.7, 20-37.13, 20-50, 20-66, 20-79, 20-79.02, 20-79.2, 20-183.4B, 20-183.4D, 20-280.3, 20-288, 20-324, and 20-359, or any other provision of law to the contrary, the Division of Motor Vehicles shall extend for a period of five months the validity of any credential that expires on or after March 1, 2020, and before August 1, 2020. The Division shall extend for a period of five months the validity of any credential listed in subdivisions (6), (7), (9), (10), and (18) of subsection (a) of this section that expires on or after March 1, 2020, and before the date 30 days after the date the Governor (i) rescinds Executive Order No. 116 or (ii) issues another executive order lifting restrictions on Division of Motor Vehicles functions. Notwithstanding G.S. 20-37.13(h) and G.S. 20-37.13A(a), the Division of Motor Vehicles is authorized to waive the requirement that commercial drivers license and commercial learner's permit holders have a medical examination and certification, as required by federal law, consistent with any waiver of medical qualifications standards issued by the Federal Motor Carrier Safety Administration. A credential extended under this section shall expire five months from the date it otherwise expires as prescribed by law prior to this section. However, the subsequent expiration of a credential extended under this section shall occur on the date prescribed by law prior to this section without regard to the extension. The Division shall notify individuals affected by an extension granted under this section, including information on new expiration dates and how the extension affects subsequent renewal and expiration dates."

SECTION 3.15.(b) This section is effective retroactively to August 1, 2020, and applies to expirations occurring on or after that date.

CDL EXTENSIONS

SECTION 3.16.(a) Section 4.7(b1) of S.L. 2020-3 reads as rewritten:

"**SECTION 4.7.(b1)** Extension of Intrastate Medical Waivers. – Notwithstanding the limitation on duration of waivers in G.S. 20-37.13A(b), the Division of Motor Vehicles may extend for up to five months the validity of a medical waiver issued by the Division under G.S. 20-37.13A if the waiver expires on or after March 1, 2020, and before ~~August 1, 2020,~~ the date 30 days after the date the Governor (i) rescinds Executive Order No. 116 or (ii) issues another executive order lifting restrictions on Division of Motor Vehicles functions, and the Division's Medical Review Unit determines the extension is appropriate."

SECTION 3.16.(b) This section is effective retroactively to August 1, 2020, and applies to expirations occurring on or after that date.

DMV IMPROVEMENTS REPORT

SECTION 3.17. The Division of Motor Vehicles shall report to the Joint Legislative Transportation Oversight Committee on or before September 15, 2020, detailing any changes the Division is implementing to improve operations and decrease wait times at Division of Motor Vehicles offices. The Division shall report to the Joint Legislative Transportation Oversight Committee on or before November 1, 2020, on the effects of implemented changes.

DOT/TECHNICAL CORRECTION

SECTION 3.18. Section 5.3(c) of S.L. 2020-91 reads as rewritten:

"**SECTION ~~5.3.(c)~~ 5.2.(c)** Subsection (b) of this section expires on January 1, 2021."

REALLOW LICENSED SOIL SCIENTISTS TO EVALUATE, INSPECT, AND APPROVE ON-SITE WASTEWATER SYSTEM PROJECTS DURING THE CORONAVIRUS EMERGENCY

SECTION 3.19.(a) Notwithstanding G.S. 130A-336.2(a), an individual licensed as a soil scientist pursuant to Chapter 89F of the General Statutes may, at the direction of the owner of a proposed on-site wastewater system, prepare signed and sealed soil and site evaluations, specifications, plans, and reports for the site layout, construction, operation, and maintenance of a wastewater system without also obtaining further certification from the North Carolina On-Site Wastewater Contractors and Inspectors Board.

SECTION 3.19.(b) In addition to the authority granted pursuant to subsection (a) of this section, an individual licensed as a soil scientist pursuant to Chapter 89F of the General Statutes and engaged by the owner of a proposed on-site wastewater system may conduct all necessary inspections, certifications, and approvals, including the issuance of the final inspection and report certifying that the system has been installed according to the approved plans and specifications for the construction, installation, and operation of a proposed wastewater system.

SECTION 3.19.(c) Wastewater systems constructed, installed, and operated under authority of this section shall otherwise comply with the requirements of G.S. 130A-336.2 and rules adopted thereunder. The owner of a proposed wastewater system shall notify the local health department that the owner is engaging a licensed soil scientist pursuant to the authority granted in this section.

SECTION 3.19.(d) The Department of Health and Human Services, the Department's authorized agents, and local health departments shall have no liability for wastewater systems developed, constructed, installed, or approved by a licensed soil scientist acting pursuant to the authority granted in this section; however, nothing in this section shall relieve the Department, the Department's authorized agents, and local health departments from any of their other obligations under State law or administrative rule. The licensed soil scientist conducting the evaluation, installation, and construction of a proposed wastewater system pursuant to this section shall maintain an errors and omissions liability insurance policy issued by an insurer licensed under Chapter 58 of the General Statutes in an amount commensurate with the risk.

SECTION 3.19.(e) This section is effective when it becomes law and expires 90 days after Executive Order No. 116 is rescinded. However, the expiration of this section shall not prevent a licensed soil scientist acting under this section's authority from completing a proposed wastewater system begun before this section expires.

REAUTHORIZE STATE AGENCIES TO EXERCISE REGULATORY FLEXIBILITY DURING THE CORONAVIRUS EMERGENCY IN ORDER TO PROTECT THE ECONOMIC WELL-BEING OF THE CITIZENS AND BUSINESSES OF THE STATE

SECTION 3.20.(a) For purposes of this section, the following definitions apply:

(1) "Coronavirus" has the same meaning as defined in Section 506 of the Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020.

(2) "Coronavirus emergency" means the period from August 1, 2020, through the date the Governor signs an executive order rescinding Executive Order No. 116, Declaration of a State of Emergency to Coordinate Response and Protective Actions to Prevent the Spread of COVID-19.

(3) "State agency" means an agency or an officer in the executive branch of the government of this State and includes the Council of State, the Governor's Office, a board, a commission, a department, a division, a council, and any other unit of government in the executive branch. "State agency" does not include the Division of Employment Security of the Department of Commerce, the Department of Health and Human Services, the State Board of Education, the Department of Public Instruction, The University of North Carolina, the State Board of Community Colleges, or the State Board of Elections.

SECTION 3.20.(b) Notwithstanding any other provision of State law, if a State agency determines that, due to the impacts of the coronavirus, it is in the public interest, including the public health, safety, and welfare and the economic well-being of the citizens and businesses of the State, the agency shall:

(1) Delay the collection, or modify the method of collection, of any fees, fines, or late payments assessed by the agency under its statutes, including the accrual of interest associated with any fees, fines, or late payments.

(2) Delay the renewal dates of permits, licenses, and other similar certifications, registrations, and authorizations issued by the agency pursuant to its statutes.

(3) Delay or modify any educational or examination requirements implemented by the agency pursuant to its statutes.

SECTION 3.20.(c) No later than December 1, 2020, each State agency shall make an interim report, and a final report no later than 90 days after this section expires, to the Joint Legislative Administrative Procedure Oversight Committee, the Joint Legislative Commission on Governmental Operations, and the Office of State Budget and Management on its specific efforts to exercise regulatory flexibility under this section.

SECTION 3.20.(d) State agencies shall exercise the authority granted pursuant to this section to the maximum extent practicable in order to protect the economic well-being of the citizens and businesses of the State, while also continuing to protect public health, safety, and welfare.

SECTION 3.20.(e) State agencies may adopt emergency rules for the implementation of this section in accordance with G.S. 150B-21.1A. Notwithstanding G.S. 150B-21.1A(a), an agency shall not commence the adoption of temporary rules pursuant to this section. Notwithstanding G.S. 150B-21.1A(d)(4), an emergency rule adopted pursuant to this section shall expire 30 days after Executive Order No. 116 is rescinded or March 31, 2021, whichever is earlier.

SECTION 3.20.(f) This section is effective retroactively to August 1, 2020. Subsections (a), (b), (d), and (e) of this section expire 30 days after Executive Order No. 116 is rescinded or March 31, 2021, whichever is earlier.

REEXTEND CERTAIN LOCAL GOVERNMENT APPROVALS AFFECTING THE DEVELOPMENT OF REAL PROPERTY WITHIN THE STATE

SECTION 3.21.(a) Definitions. – As used in this section, the following definitions apply:

(1) Development approval. – Any of the following approvals issued by any unit of local government, regardless of the form of the approval, that are for the development of land:

a. Any approval of an erosion and sedimentation control plan granted by a local government under Article 4 of Chapter 113A of the General Statutes.

b. Any building permit issued under Article 9 of Chapter 143 of the General Statutes.

c. Any approval by a county of sketch plans, preliminary plats, plats regarding a subdivision of land, a site-specific development plan or a phased development plan, a development permit, a development agreement, or a building permit under Chapter 160D of the General Statutes.

d. Any approval by a city of sketch plans, preliminary plats, plats regarding a subdivision of land, a site-specific development plan or a phased development plan, a development permit, a development agreement, or a building permit under Chapter 160D of the General Statutes.

e. Any certificate of appropriateness issued by a preservation commission of a city under Chapter 160D of the General Statutes.

(2) Development. – The division of a parcel of land into two or more parcels; the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any building or other structure or facility; or any grading, soil removal or relocation, excavation or landfill, or any use or change in the use of any building or other structure or land or extension of the use of land.

SECTION 3.21.(b) For any development approval that is current and valid at any point during the period beginning September 2, 2020, and ending 30 days after Executive Order No. 116 is rescinded, the expiration date of the period of the development approval and any associated vested right under G.S. 160D-108 or G.S. 160D-108.1 is automatically extended 120 days from the expiration date.

SECTION 3.21.(c) This section shall not be construed or implemented to:

(1) Extend any permit or approval issued by the United States or any of its agencies or instrumentalities.

(2) Extend any permit or approval for which the term or duration of the permit or approval is specified or determined pursuant to federal law.

(3) Shorten the duration that any development approval would have had in the absence of this section.

(4) Prohibit the granting of such additional extensions as are provided by law.

(5) Affect any administrative consent order issued by the Department of Environmental Quality in effect or issued at any time from the effective date of this section to 30 days after Executive Order No. 116 is rescinded.

(6) Affect the ability of a government entity to revoke or modify a development approval or to accept voluntary relinquishment of a development approval by the holder of the development approval pursuant to law.

(7) Modify any requirement of law that is necessary to retain federal delegation by the State of the authority to implement a federal law or program.

(8) Modify any person's obligations or impair the rights of any party under contract, including bond or other similar undertaking.

(9) Authorize the charging of a water or wastewater tap fee that has been previously paid in full for a project subject to a development approval.

SECTION 3.21.(d) The provisions of this section shall be liberally construed to effectuate the purposes of this section.

SECTION 3.21.(e) For any development approval extended by this section, the holder of the development approval shall:

(1) Comply with all applicable laws, regulations, and policies in effect at the time the development approval was originally issued by the governmental entity.

(2) Maintain all performance guarantees that are imposed as a condition of the initial development approval for the duration of the period the development approval is extended or until affirmatively released from that obligation by the issuing governmental entity.

(3) Complete any infrastructure necessary in order to obtain a certificate of occupancy or other final permit approval from the issuing governmental entity.

SECTION 3.21.(f) Failure to comply with any condition in this section may result in termination of the extension of the development approval by the issuing governmental entity. In the event of a termination of the extension of a development approval, the issuing governmental entity shall provide written notice to the last known address of the original holder of the development approval of the termination of the extension of the development approval, including the reason for the termination. Termination of an extension of a development approval shall be subject to appeal to the Board of Adjustment under the requirements set forth in law if the development approval was issued by a unit of local government with planning authority under Chapter 160D of the General Statutes.

SECTION 3.21.(g) This section is effective when it becomes law and expires 30 days after Executive Order No. 116 is rescinded. Any development approval extended in accordance with subsection (b) of this section shall remain in effect until its expiration date in accordance with subsection (b) of this section.

PART IV. MISCELLANEOUS AND EFFECTIVE DATE

STATE BUDGET ACT APPLICABILITY

SECTION 4.1. The provisions of the State Budget Act, Chapter 143C of the General Statutes, are reenacted and shall remain in full force and effect and are incorporated in this act by reference.

EFFECT OF PRIOR CORONAVIRUS RELIEF FUND LEGISLATION

SECTION 4.2. The provisions of any legislation enacted during any session of the 2019 General Assembly expressly appropriating funds from the Coronavirus Relief Fund established in S.L. 2020-4 to an agency, a department, or an institution covered under this act shall remain in effect, except where expressly repealed or amended by this act or any of the following acts of the 2019 General Assembly:

(1) S.L. 2020-4.

(2) S.L. 2020-14.

(3) S.L. 2020-27.

(4) S.L. 2020-32.

(5) S.L. 2020-49.

(6) S.L. 2020-53.

(7) S.L. 2020-64.

(8) S.L. 2020-79.

(9) S.L. 2020-80.

(10) S.L. 2020-88.

(11) S.L. 2020-91.

EFFECT OF PRIOR LEGISLATION APPROPRIATING FUNDS

SECTION 4.3. Except where expressly repealed or amended by this act, the provisions of any other legislation enacted during any session of the 2019 General Assembly expressly appropriating funds to an agency, a department, or an institution covered under this act, shall remain in effect.

EFFECT OF HEADINGS

SECTION 4.4. The headings to the parts, subparts, and sections of this act are a convenience to the reader and are for reference only. The headings do not expand, limit, or define the text of this act, except for effective dates referring to a part or subpart.

SEVERABILITY

SECTION 4.5. If any provision of this act or its application is held invalid, the invalidity does not affect other provisions or applications of this act that can be given effect without the invalid provisions or application, and to this end the provisions of this act are severable.

EFFECTIVE DATE

SECTION 4.6. Except as otherwise provided, this act is effective when it becomes law.

In the General Assembly read three times and ratified this the 3rd day of September, 2020.

s/ Joyce Krawiec

Presiding Officer of the Senate

s/ Tim Moore

Speaker of the House of Representatives

s/ Roy Cooper

Governor

Approved 5:30 p.m. this 4th day of September, 2020

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