



MEETING OF THE BOARD OF GOVERNORS  
Committee on Public Affairs

April 21, 2021 at 11:30 a.m.  
Via Videoconference and PBS North Carolina Live Stream  
University of North Carolina System Office  
Center for School Leadership Development, Room 128  
Chapel Hill, North Carolina

**AGENDA**

- A-1. Approval of the Minutes of February 17, 2021 ..... C. Philip Byers
- A-2. State Government Relations Update ..... Bart Goodson
- A-3. Federal Government Relations Update ..... Elizabeth Morra
- A-4. Military Affairs Update.....Kathie Sidner
- A-5. Adjourn



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## DRAFT MINUTES

February 17, 2021  
University of North Carolina System Office  
Center for School Leadership Development, Board Room  
Chapel Hill, North Carolina

This meeting of the Committee on Public Affairs was presided over by Chair C. Philip Byers. The following committee members, constituting a quorum, were also present in person or by video: N. Leo Daughtry, Steven B. Long, Dwight D. Stone, and Temple Sloan.

*Dwight Stone joined at 2:39 p.m.*

Chancellors participating were Karrie Dixon, Peggy Valentine, and Ron Mitchelson.

Staff members present included Bart Goodson, Elizabeth Morra, and others from the UNC System Office.

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### 1. Call to Order and Approval of OPEN Session Minutes (Item A-1)

Chair Byers called the meeting to order at 2:30 p.m., on Wednesday, February 17, 2021.

Chair Byers called for a motion to approve the open session minutes of January 20, 2021.

**MOTION:** Resolved, that the Committee on Public Affairs approve the open session minutes of January 20, 2021, as distributed.

**Motion:** N. Leo Daughtry

**Motion carried**

Roll Call Vote	
Byers	Yes
Stone	-
Long	Yes
Daughtry	Yes
Sloan	Yes

### 2. State Government Relations Update (Item A-2)

Chair Byers called on Mr. Bart Goodson to present the update on the 2021 Legislative Session. Mr. Goodson highlighted the meetings that have been recently held at the North Carolina General Assembly. The meetings have

been very productive and the legislative members have been very responsive. System Office staff is assisting to draft bills and have identified sponsors for the System's legislative priorities. The relevant bills will be filed in the coming weeks. Mr. Goodson also updated the committee on Governor Cooper's Emergency Budget Supplement and the recent General Fund Revenue Consensus Forecast.

### **3. Federal Government Relations Update (Item A-3)**

Chair Byers called upon Ms. Elizabeth Morra to provide a federal government relations update to the committee. Ms. Morra gave an update on the latest stimulus package and highlighted funding relief included in the legislation for higher education and, more specifically, funds designated for UNC System institutions, as well as the timeline for passage. Ms. Morra also reviewed the UNC System Federal Priorities for the 117th Congress document, which she presented to the committee in January.

**MOTION:** Resolved, that the Committee on Public Affairs approve the UNC System Priorities for the 117<sup>th</sup> Congress, as distributed.

**Motion:** Dwight Stone

**Motion carried**

Roll Call Vote	
Byers	Yes
Stone	Yes
Long	Yes
Daughtry	Yes
Sloan	Yes

Chair Byers noted that Representative Jon Hardister is the new House Education, Universities Chairman and the Board is grateful for his support.

### **4. Adjourn (Item A-4)**

There being no further business and without objection, the meeting adjourned at 3:02 p.m.



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**AGENDA ITEM**

A-2. State Relations Update..... Bart Goodson

**Situation:** The committee will hear a report on the ongoing legislative session. This will include an update on the status of the 2021 UNC System Budget and Legislative Priorities.

**Background:** The North Carolina General Assembly convened on Wednesday, January 13, 2021, for the 2021-22 Biennium. Over 1,500 bills have been introduced this session thus far, staff will highlight bills that are relevant to the UNC System.

**Assessment:** Enclosed is the presentation that will be delivered by staff.

**Action:** This item is for information only.



MEETING OF THE BOARD OF GOVERNORS  
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**AGENDA ITEM**

A-3. Federal Relations Update ..... Elizabeth Morra

**Situation:** The committee will receive an update on federal legislation impacting the UNC System.

**Background:** Ms. Morra will provide an overview of the latest Covid-19 stimulus package related to infrastructure and jobs, the president's FY 2022 budget request, and the FY 2022 appropriations process.

**Assessment:** Enclosed is the presentation that will be delivered by staff.

**Action:** This item is for information only.

**AGENDA ITEM**

A-4. Military Affairs Update ..... Kathie Sidner

- Situation:** Committee members will receive an update on the Patriot Star Scholarship Program.
- Background:** Representative Dean Arp sponsored House Bill 475, and Senator Harry Brown sponsored Senate Bill 376. The bills were rolled into HB 1105, Coronavirus Relief Act 3.0. HB 1105 became law on 9/4/20 and includes a \$1 million state appropriated scholarship program for eligible military children and spouses, known as the Patriot Star Scholarship Program. The funding is being administered through the UNC System to two North Carolina non-profit organizations: The Marine Corps Scholarship Foundation and the Patriot Foundation. All funds must be used by July 1, 2021. Any unused funds will be routed back to the State.
- Assessment:** To date, \$480,000 has been distributed by the Patriot Foundation and \$379,504 has been distributed by the Marine Corps Scholarship Foundation. The majority of recipients are military-affiliated students attending an institution in the UNC System. The Marine Corps Scholarship Foundation anticipates exhausting all funds, and the Patriot Foundation anticipates routing approximately \$100,000 back to the UNC System.
- Action:** This item is for information only.



# **PUBLIC AFFAIRS**

Meeting of the Board of Governors  
April 21, 2020



# STATE RELATIONS UPDATE

Bart Goodson



# ***Update on UNC System Priorities:***

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**Filed: All BOG approved UNC System priorities have been filed except:**

- Exempt finance, business, and auditor officers from most of the NC HR Act
- Report consolidation or eliminations
- In-state tuition requirement for all Veterans
  - A technical change in state statute to comply with new federal law

**HB 429: UNC Law Enforcement Ed. Incentive/SB 390: UNC Law Enforcement Recruitment**

**SB 367: UNC Wilmington Self-Liquidating Capital Project**

**SB 653: UNC/CC Financial Aid Program Consolidation**

# ***Priorities that have passed one chamber:***

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## **HB 142/SB 130: UNC Building Reserves/Certain Projects**

- This bill will appropriate money for FY 2020-21 building reserves for four buildings coming online at ECSU, UNCC, UNCSA, and WCU.

## **HB 243: UNC Legislative Priorities/COVID-19 Impacts**

- This includes our BOG approved “COVID-19” legislative HR agenda items.

# Other bills filed/tracking:

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We are currently tracking over 150 bills this session.

(Senate filing deadline passed. House: May 4, non money bills/May 11, for Approps and Finance)

## **HB 260: Fees for Advanced Courses/UNC**

- This bill passed the House, Universities Committee on 3/11/2021

## **HB 455: UNC BOG/Legislative Members**

## **HB 481: Firearm Disposal/UNC Campus Police**

## **SB 546: UNC BOG/No Lobbyists/Spouses**

## **SB 578: Study on Fixed In-State Tuition Plan for UNC**

We are tracking other bills that have potential impacts to UNC System and will provide updates should those bills begin to move through the process.

## ***Other items:***

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### **Budget and Capital Request Update**

- Meeting/reports with leadership and approps (H&S) members and central staff.
- Presented priorities to H&S Approps and Ed, Approps members.
- President Hans has met with leadership.
- Field questions for membership, leadership, and central staff weekly.

### **Higher Education Emergency Relief Funds (HEERF) Update**

- During the course of the pandemic, our System has been allocated HEERF money through three separate acts of Congress.



# FEDERAL RELATIONS UPDATE

Elizabeth Morra

# **\$1.9 Trillion American Rescue Plan**

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Signed into law March 11th

- ✓ \$350 billion for state and local governments
- ✓ \$60 billion vaccines, testing, tracing
- ✓ \$1,400 direct stimulus checks
- ✓ \$300 weekly unemployment benefits (Sept)
- ✓ \$7.6 billion broadband access
- ✓ **\$40 billion for higher education**

# HEERF III (Higher ED Emergency Relief Fund)

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- \$170 billion for education; \$40 billion for higher education
- Estimated \$700 million new funds for UNC System Institutions (\$500 million regular HEERF + \$191 million HBCUs/MSIs/SIPs for 10 campuses)
- Half for direct student aid; half institutional

# COVID Relief HEERF I-III Totals

	HEERF I	7.5% HBCU/MSI/SIP HEERF I	HEERF II	7.5% HBCU/MSI/SIP HEERF II (APLU Estimate)	HEERF III (APLU Estimate)	7.5 % HBCU/MSI/SIP HEERF III (APLU Estimate)	GRAND TOTAL (including estimates)
ASU	\$15,927,932		\$24,036,104		\$42,493,157		<b>\$82,457,193</b>
ECU	\$19,358,758		\$30,548,181		\$55,602,572		<b>\$105,509,511</b>
ECSU	\$2,130,978	\$2,874,585	\$3,679,189	\$5,097,718	\$6,307,597	\$8,494,717	<b>\$28,584,784</b>
FSU	\$5,084,688	\$7,631,989	\$9,308,810	\$14,575,874	\$16,421,732	\$27,596,858	<b>\$80,619,951</b>
NCA&T	\$14,103,628	\$28,169,161	\$22,848,969	\$30,380,779	\$40,240,959	\$74,006,648	<b>\$209,750,144</b>
NCCU	\$8,932,234	\$18,233,155	\$14,295,567	\$22,027,120	\$25,689,027	\$47,849,698	<b>\$137,026,801</b>
NCSU	\$17,895,882		\$28,156,562		\$49,556,928		<b>\$95,609,372</b>
UNCA	\$3,359,494	\$166,312	\$5,428,515	\$230,835	\$9,624,913	\$381,619	<b>\$19,191,688</b>
UNCCH	\$17,295,178		\$25,474,540		\$45,201,895		<b>\$87,971,613</b>
UNCC	\$24,310,558	\$1,203,731	\$39,537,542	\$1,684,933	\$69,275,353	\$2,752,372	<b>\$138,764,489</b>
UNCG	\$18,567,882	\$913,277	\$30,132,331	\$1,261,567	\$53,734,668	\$2,183,217	<b>\$106,792,942</b>
UNCP	\$6,274,710	\$699,112	\$11,102,045	\$1,117,248	\$19,396,482	\$1,902,462	<b>\$40,492,059</b>
UNCSA	\$868,886		\$1,268,365		\$2,221,385		<b>\$4,358,636</b>
UNCW	\$10,566,054		\$16,948,600		\$30,205,975		<b>\$57,720,629</b>
WCU	\$8,893,408	\$438,976	\$14,719,306	\$619,371	\$25,919,330	\$1,052,512	<b>\$51,642,903</b>
WSSU	\$6,117,980	\$8,903,137	\$10,294,709	\$13,641,226	\$18,034,163	\$25,133,567	<b>\$82,124,782</b>
	<b>\$179,688,250</b>	<b>\$69,233,435</b>	<b>\$287,779,335</b>	<b>\$90,636,671</b>	<b>\$509,926,137</b>	<b>\$191,353,670</b>	<b>\$1,328,617,498</b>



# \$350 Billion State and Local Funds

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## American Rescue Act

\$9 billion for North Carolina (Dec. 31, 2024)

- \$5 billion state; \$3.7 billion local governments (Tax Foundation Estimate)
  - Responding to COVID-19 emergency and addressing its economic impacts
  - Providing government services impacted by revenue reduction
  - Investing in water, sewer and broadband
  - Can't be used to fund pensions or tax cuts

# American Jobs Plan

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## Infrastructure Stimulus – ‘Build Back Better’

Introduced March 31

**Part I: \$2.25 Trillion (over eight years)**

- **\$621 Billion Transportation Infrastructure**
- **\$590 Billion Manufacturing, R&D, Job Training**
  - \$64 billion National Science Foundation (NSF) and National Institute of Standards and Tech (NIST)
  - \$40 billion research infrastructure updates (\$20 b for HBCUs/MSIs)
  - \$15 billion research Incubators for HBCUs/MSIs
  - \$10 billion R&D at HBCUs/MSIs

# American Jobs Plan

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- **\$100 Billion to Expand Broadband Access and Internet Service**
  
- **\$328 Billion Housing and Building Infrastructure**
  - \$50 billion upgrade and build new schools with additional \$50 billion leveraged through bonds (K-12)
  - \$12 billion community colleges facilities and improvements

# American Jobs Plan (cont'd)

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## Part II: Human Infrastructure (Next Month)

- Healthcare
- Higher Education
  - Doubling Pell Grant Program

Goal: July 1 passage

Reconciliation?

Tax increase offsets?

No Bipartisan Support

# President's FY 2022 Budget Request

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- 'Skinny' budget sent to Congress Feb. 9
- Complete budget late spring

## Highlights

- +\$106 billion (16%) in domestic (non-def) spending, \$769 b
- +\$12.3 billion (1.7%) in defense spending, \$753 b
- +40% increase Dept of ED funding
- +\$600 million for HBCUs/MSIs
- \$400 increase in max Pell Grant award; first step toward doubling Pell
- Kicks off annual appropriations; Congress will write bills

# Community Project Funding (Earmarks)

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## Newly-Reformed Process

- Limited to 1% of discretionary funding, \$1.3 billion of \$1.3 trillion budget
- Members limited to 10 CPFs; 10 programmatic and language requests across all approps bills
- Not all spending bills will allow CPFs and limited to certain accounts
- House Republicans voted to allow reformed CPFs
- Big unknown: Will Senate R's participate? Senate needs conference rules change

# QUESTIONS?

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