



**THE UNIVERSITY OF
NORTH CAROLINA SYSTEM**

Legislative Report
University of North Carolina

2020 Short Session
of the
North Carolina General Assembly

October 14, 2020

Dear Members of the Board of Governors,

I am pleased to report that our University remains strong, and this year will deliver on its constitutional mandate to provide “as free as practicable” higher education to more North Carolinians than ever before. This is no small accomplishment in a year like 2020, and is due to the hard work and support of our state’s legislature, Board of Governors, and the Chancellors of our great institutions.

In late April, the University responded to the rapidly progressing COVID-19 epidemic by successfully advocating for vital financial support for our students and institutions. H. 1043 provided this much needed stability and funded nearly all UNC’s request. Additionally, S. 704, included liability protections and regulatory flexibilities needed for our institutions to quickly and responsibly protect public health.

In May and June, the legislature passed nine much-needed funding bills requested by UNC. The bills funded critical needs such as enrollment growth, building reserves, capital improvements, and NC Promise buy-down, as well as the initial funding for the operations of the new NC School of Science and Math Morganton campus. Each of these bills passed despite the rapid revenue loss associated with COVID-19, showing that the General Assembly recognizes the key role our System must play in our State’s response and recovery.

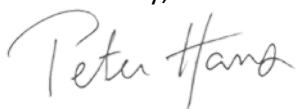
The University also made great policy strides, paving the way for increased effectiveness and efficiency. The five UNC policy bills passed by the legislature included a number of long-term UNC priorities, including the expansion of carryforward authority and flexibility for our chancellors to address small capital projects and certain HR actions. UNC was successful in securing critical liability protections as we sought to safely return to on-campus instruction this fall.

In September, the legislature returned to appropriate the remainder of the federal CARES Act funds, which must be spent prior to December 30th. UNC received an additional \$18 million in funding for PPE, testing/tracing capabilities, and other strategic responses to COVID-19. The University was also granted the authority to designate outside counsel in court cases.

UNC’s efforts to keep higher education attainable for more North Carolinians have been only been successful thanks to the strong support of our Board of Governors. I want to thank you for utilizing your voices to support the University this past year, and I hope you will recognize the impact you have had while reading the report following this letter. My team is ready to assist in any way should you have questions.

We do not yet know what challenges 2021 will bring, but with your ongoing support of the University, we will continue to move this great institution forward. Thank you as always for your commitment and your service to our great state.

Sincerely,

A handwritten signature in dark ink, appearing to read "Peter Hans", written in a cursive style.

Peter Hans
UNC System President

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 - (sets education, economic support, health and state operations policies.)
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UNC System
Preliminary Financial Impact Estimate of COVID-19
Emergency State Budget Request

Category	Estimated Financial Impact to UNC System	Emergency State Funding Request
Student Housing <u>Student Reimbursement</u> - provide prorated housing reimbursement to students who have been required to vacate on-campus housing	(\$76,997,015)	\$0
Student Dining Services <u>Student Reimbursement</u> - provide prorated meal plan reimbursement to students who have been required to leave campus	(\$41,981,629)	
Funding Relief for Costs Already Incurred Costs related to the transition to online instruction, facility sanitation, and other emergency expenses (capped at \$1M per institution)	(\$7,271,841)	\$37,394,600
Funding Relief for Estimated Additional Costs Anticipated costs related to online instruction for the remainder of the semester, facility sanitation prior to reopening, and other emergency needs (capped at \$1M per institution)	(\$9,936,448)	
Assist Receipt-Supported Activities Due to the cancellation of conferences, performances, and closure of campus facilities, receipt-supported activities have lost a significant portion, if not their entire revenue stream. This funding will provide emergency assistance to support employees and other critical functions normally funded through receipts (capped at \$2M per institution).	(\$20,186,311)	
CARES Act - Institutional Funding Estimated federal funding from the CARES Act that can be used to partially offset costs associated with COVID-19.	\$86,821,943	\$0
Digital Learning Enhancements		\$3,096,000 R \$5,000,000 NR
Total State Funding Request		\$45,490,600

Student Housing and Dining Refunds

- UNC Institutions have made the decision to require students to vacate student housing with the exception of a small number that have been granted a waiver. Similarly, dining halls have been transitioned to take-out only and operations significantly reduced.
- In order to maintain a unified approach to refund policies across the System, all students who have vacated on-campus housing will be granted a prorated refund of housing and dining fees for the remainder of the semester. This is consistent with the actions of public universities across the country.
- Although the federal funding will likely not be sufficient to cover the full cost of housing and dining refunds, campuses will use their housing and dining reserves balances to cover the difference.

CARES Act Funding:

Based on estimates of UNC distributions from the APLU, there will be \$174M of federal funding allocated to UNC System institutions. Of this funding, at least \$87M is required to be distributed to students in emergency financial aid grants, and the remainder can be used to partially offset costs associated with COVID-19.

Flexibility:

The UNC System requests flexibility in allocating these funds to institutions. As there is uncertainty around where the virus may be worst, discretion for the President to determine where the need is greatest would allow for efficient distribution.

	UNC System Budget Priorities 2019-20	2020-21	Conference Budget 2019-20	2020-21	Amended UNC System Budget Priorities 2019-20	2020-21
Base Budget (excludes Aid to Private Institutions)	2,911,146,229	2,911,183,451	2,911,146,229	2,911,183,451	2,911,146,229	2,911,183,451
Top Strategic Priorities						
Summer Scholarships for Student Success	10,000,000	12,000,000	-	-	-	-
Faculty Recruitment & Retention	10,000,000	15,000,000	6,000,000	11,433,413	-	2,000,000
Stronger Transfer Pathways with NCCCS	4,450,000 200,000 NR	4,450,000	-	-	-	-
Data Modernization	1,000,000	2,000,000	1,000,000	1,000,000	-	-
	4,000,000 NR	5,000,000 NR	-	-	-	-
Other Targeted Priorities						
Employee Compensation Increase	Equity with State agencies		15,158,961	30,290,217	Equity with State agencies	
NCSSM Western Campus Operations	1,408,632 25,928 NR	3,389,820 795,376 NR	1,408,632 5,150 NR	3,389,820 792,369 NR	-	3,340,591
Doctoral Research Funding for N.C. A&T	1,000,000	1,000,000	3,500,000 4,000,000 NR	7,500,000	-	2,000,000
Rural Residency Program at ECU	1,447,000	2,592,000	-	-	-	-
Manuf. Biopharmaceuticals at NC State	2,000,000 NR	2,000,000 NR	2,000,000 NR	2,000,000 NR	-	4,000,000 NR
College of Health Sciences at UNCP	1,100,000	2,100,000	1,000,000	1,000,000	-	1,000,000
Lab School Operations	500,000	500,000	500,000	500,000	-	1,000,000
Tuition Grant for NCSSM	-	-	1,000,000	1,000,000	-	3,389,820
N.C. A&T Ag. Research & Coop. Extension	-	-	1,640,710	1,640,710	-	1,640,710
	-	-	-	-	-	1,640,710 NR
Enrollment Change Funding						
Enrollment Growth - Regular	-	45,000,000	-	\$75M R enrollment reserve	-	29,392,231
Emergency Reserve	-	-	-	-	-	3,000,000
Enrollment Growth - Summer	43,578,223	43,578,223	-	-	-	-
NC Promise Buy Down*	7,500,000	15,000,000	See footnote about additional funding	15,000,000	-	15,000,000
Building Reserves	5,716,728	23,781,389	-	-	-	14,832,007
Other UNC Items (not requested, but includes employee benefits that were appropriated in H266)	-	-	33,267,465 9,091,512 NR	71,104,755 2,441,512 NR	-	-
Total Recurring Operating Changes	87,700,583	170,391,432	64,475,768	143,858,915	-	76,595,359
Total Nonrecurring Operating Changes	6,225,928	7,795,376	15,096,662	5,233,881	-	10,049,478
Total Recommended UNC Budget Changes	93,926,511	178,186,808	79,572,430	149,092,796	-	86,644,837
Total Recommended UNC Budget	3,005,072,740	3,089,370,259	2,990,718,659	3,060,276,247	2,911,146,229	2,997,828,288
Total Percent Change	3.2%	6.1%	2.7%	5.1%	0.0%	3.0%

Notes: All items are recurring unless specified as nonrecurring and transfers are not included in totals.

*Conference Budget authorizes the use of unspent enrollment funds to increase the buy down for NC Promise institutions.

UNC SYSTEM CAPITAL IMPROVEMENT PROJECT FUNDING 2019-21 SIDE-BY-SIDE BUDGET COMPARISON

UNC SYSTEM CAPITAL PROJECTS			CONFERENCE BUDGET				AMENDED UNC SYSTEM BUDGET PRIORITIES		
Institution	Project Name	Proposed Cost	General Fund (SCIF) 2019-20	General Fund (SCIF) 2020-21	Total for Biennium	Total Project Authorization	General Fund 2019-20	General Fund 2020-21	Total for Biennium
ASU	Wey Hall Renovation	25,200,000			-				-
ECU	Howell Science Renovation-Phases I and II	64,300,000			-				-
ECU	School of Medicine Building	215,000,000	15,000,000	13,000,000	28,000,000	215,000,000			-
ECSU	Library Replacement	32,000,000	3,200,000	8,000,000	11,200,000	32,000,000			-
ECSU	HVAC System	4,000,000	4,000,000		4,000,000	4,000,000		4,000,000	4,000,000
ECSU	Chiller	2,000,000	2,000,000		2,000,000	2,000,000		2,000,000	2,000,000
ECSU	Crime Lab	2,500,000	2,500,000		2,500,000	2,500,000			-
FSU	Rosenthal and Chick Building Renovation	13,700,000	13,700,000		13,700,000	13,700,000			-
FSU	Dormitory Demolition and Removal	2,500,000	2,500,000		2,500,000	2,500,000		2,500,000	2,500,000
N. C. A&T	Carver Hall Renovations	18,500,000	9,250,000	9,250,000	18,500,000	18,500,000			-
NCCU	Lee Biology - Phase 2	8,100,000	810,000	2,025,000	2,835,000	8,100,000			-
NC State	Daniels Hall Renovation	42,000,000			-				-
NC State	Electrical Infrastructure (Phases 2 and 3 of 10)	10,000,000			-				-
NC State	STEM Building	80,000,000	14,000,000	21,000,000	35,000,000	80,000,000			-
NC State	Apiculture Facility (Beekeeping)	2,000,000	2,000,000		2,000,000	2,000,000			-
UNCA	Infrastructure Restoration - Roads	1,600,000			-				-
UNCA	Justice Center Renovation	26,800,000			-				-
UNC-CH	Business Building	75,000,000			-				-
UNC-CH	Carrington Hall Renovation	45,000,000			-				-
UNCC	Cameron and Burson Renovation	45,000,000	4,500,000	11,250,000	15,750,000	45,000,000			-
UNCG	Jackson Library Renovation and Addition	84,000,000	-	10,000,000	10,000,000	84,000,000			-
UNCP	Givens Performing Arts Ctr Comp Renov	31,200,000			-				-
UNCP	Health Sciences Center	91,000,000	6,500,000	20,000,000	26,500,000	91,000,000			-
UNCW	Dobo Hall Renovation (Hurricane Restoration)	8,500,000			-				-
UNCW	Randall Library Renovation and Expansion	56,400,000			-				-
UNCSA	Stevens Center Renovations	42,200,000			-				-
WCU	Steam Plant	16,500,000	16,500,000		16,500,000	16,500,000		16,500,000	16,500,000
WCU	Moore Building Renovation - Phase II	10,900,000			-				-
WSSU	Hauser Building Renovation and Addition	15,100,000			-	15,100,000			-
NCSSM	Various Repairs and Renovations	10,000,000			-				-
UNC-TV	Bryan Center Repair and Renovations	6,000,000			-				-
NC Arb	Infrastructure Restoration - Roads	1,600,000			-				-
System	Energy Efficiency Projects	16,830,000			-				-
System	Demolitions	500,000			-			8,000,000	8,000,000
R&R	System-wide Repairs and Renovations		80,000,000	50,000,000	130,000,000			130,000,000	130,000,000
TOTAL			176,460,000	144,525,000	320,985,000	631,900,000	-	163,000,000	163,000,000

b) H. 1043: Pandemic Response Act, Session Law 2020-4

H. 1043 sets education, economic support, health, and state operations policies. It was rolled out with bipartisan cosponsors and ultimately included \$44.4m for the UNC System, which fully funds the Board of Governors' non-recurring request to reimburse institutions for out of pocket expenses incurred due to the COVID response.

Each chamber added a proposed committee substitute (PCS) to the other chamber's respective bill, then the other chamber concurred to the PCS version of the bill. This was done to speed up the implementation of the COVID-19 related bills.

The following UNC System-related budget items were set forth in H. 1043:

- \$44.4m to UNC System BOG for:
 - cost reimbursement; implementation of digital learning accelerator; facility sanitization; and other eligible expenses to fund operations and cover necessary eligible expenses for students/employees
- \$29m for UNC-Chapel Hill Policy Collaboratory to:
 - Facilitate research and activities at other UNC System institutions designed to develop countermeasures to neutralize antibodies for COVID-19, develop vaccines, and enhance community testing
- \$15m for Brody School of Medicine
- \$15m for new Teaching Hospital Fund (\$3m grant for each qualifying entity)

The bill was signed by the Governor on May 4, 2020 and chaptered Session Law 2020-4.

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/House/PDF/H1043v7.pdf>

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

**SESSION LAW 2020-4
HOUSE BILL 1043**

AN ACT TO PROVIDE AID TO NORTH CAROLINIANS IN RESPONSE TO THE
CORONAVIRUS DISEASE 2019 (COVID-19) CRISIS.

The General Assembly of North Carolina enacts:

PART I. GENERAL PROVISIONS

TITLE OF ACT

SECTION 1.1. This act shall be known as the "2020 COVID-19 Recovery Act."

DEFINITIONS

SECTION 1.2. Except as otherwise provided, the following definitions apply in this act:

- (1) CDC. – The federal Centers for Disease Control and Prevention.
- (2) Coronavirus or COVID-19. – The coronavirus disease 2019.
- (3) COVID-19 emergency. – The period beginning March 10, 2020, and ending on the date the Governor signs an executive order rescinding Executive Order No. 116 (2020), Declaration of a State of Emergency to Coordinate Response and Protective Actions to Prevent the Spread of COVID-19.
- (4) COVID-19 Recovery Legislation. – The following legislation enacted by Congress:
 - a. The Coronavirus Aid, Relief, and Economic Security (CARES) Act, P.L. 116-136.
 - b. The Families First Coronavirus Response Act, P.L. 116-127.
 - c. The Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020, P.L. 116-123.
 - d. Paycheck Protection Program and Health Care Enhancement Act, P.L. 116-139.

FINDINGS AND PURPOSE

SECTION 1.3. The General Assembly finds that State government must serve as a facilitator in assisting local governments, communities, families, workers and other individuals, and businesses in accessing federal relief and recovery funds related to the COVID-19 pandemic. The purpose of this act is to fulfill the General Assembly's constitutional duty to appropriate all funds, including federal funds appropriated or otherwise made available under the COVID-19 Recovery Legislation, and to direct the use of those funds in a manner that is consistent with the authorizing federal legislation and that responsibly provides for the public health and economic well-being of the State.

REQUIREMENT TO MAXIMIZE USE OF FEDERAL FUNDS

SECTION 1.4. The appropriations and allocations made in this act are for maximum amounts necessary to implement this act. State agencies shall maximize the use of federal funds



made available in this act wherever possible within the allowable uses prior to using other State funds.

CONFLICT WITH FEDERAL LAW

SECTION 1.5. If an allocation made under this act is found to be disallowed by federal law, the disallowed allocation is repealed, and the Office of State Budget and Management (OSBM) shall transfer the amount of the disallowed allocation to the Coronavirus Relief Reserve established in Section 2.1 of this act. If the funds have been allocated to a nonprofit corporation, and the use of funds by the nonprofit corporation is disallowed by federal law, the nonprofit corporation shall return the amount of funds allocated to the nonprofit corporation to OSBM to transfer the funds into the Coronavirus Relief Reserve. Amounts transferred into the Coronavirus Relief Reserve pursuant to this section 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.

GENERAL GUIDANCE ON USE OF FUNDS

SECTION 1.6. OSBM shall work with the recipient State agencies to budget receipts awarded pursuant to COVID-19 Recovery Legislation according to the program needs and within the parameters of the respective granting entities and applicable federal laws and regulations. State agencies shall not use funds received pursuant to COVID-19 Recovery Legislation for recurring purposes. Revenue replacement is not a permissible use of funds received pursuant to the CARES Act, P.L. 116-136. Depending on the nature of the award, additional State personnel may be employed on a temporary or time-limited basis.

REQUIRED REPORT ON USE OF FUNDS

SECTION 1.7. In addition to any report required under this act or any other law, OSBM shall provide a report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division by March 1, 2021, detailing the use of funds allocated under Section 3.3 of this act. Additionally, each State agency or department that receives federal grant funds under Section 4.1 of this act shall provide a report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division no later than 90 days from the day the grant period ends detailing the use of funds. The report required from OSBM under this section shall include the amount of funds allocated to each State agency, State department, and nonprofit organization; how the funds were used by each State agency, State department, and nonprofit organization; and the amount of funds allocated to each State agency, State department, and nonprofit organization that remained unspent as of December 30, 2020. The report required from each State agency or department that receives federal grant funds under Section 4.1 of this act shall include the amount of funds granted, the source of the funds, how the funds were used, and the amount of funds that remained unspent at the end of the grant period.

AUDIT REQUIREMENT

SECTION 1.8. The State Auditor shall conduct a preliminary financial audit and a final performance audit of the Coronavirus Relief Fund created by this act no later than March 1, 2021.

PART II. ESTABLISHMENT OF RESERVES AND FUNDS

ESTABLISHMENT OF CORONAVIRUS RELIEF RESERVE

SECTION 2.1. The State Controller shall establish a Coronavirus Relief Reserve (Reserve) in the General Fund to maintain federal funds received from the Coronavirus Relief Fund created under the CARES Act, P.L. 116-136, to mitigate the impact of the COVID-19

outbreak in North Carolina. The State Controller shall transfer funds to the Coronavirus Relief Fund established in Section 2.2 of this act only as needed to meet the appropriations set out in this act and only upon request of the Director of the Budget. 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.

ESTABLISHMENT OF CORONAVIRUS RELIEF FUND

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

ESTABLISHMENT OF LOCAL GOVERNMENT CORONAVIRUS RELIEF RESERVE

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. It is the intent of the General Assembly to appropriate a sum of up to one hundred fifty million dollars (\$150,000,000) if local governments experience a revenue shortfall and the CARES Act, P.L. 116-136, is amended to allow the use of federal funds for that purpose. 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.

PART III. TRANSFER, APPROPRIATIONS, AND ALLOCATIONS

TRANSFER OF FUNDS FROM RESERVES TO RELIEF FUND

SECTION 3.1. Transfer of Funds from Reserves to Relief Fund. – The State Controller shall transfer the sum of one billion two hundred seventy-five million nine hundred eighty-eight thousand twenty-nine dollars (\$1,275,988,029) for the 2019-2020 fiscal year from the Reserve established in Section 2.1 of this act, and the sum of one hundred fifty million dollars (\$150,000,000) 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.

APPROPRIATION OF FUNDS FROM RELIEF FUND TO OSBM

SECTION 3.2. Appropriation of Funds from Relief Fund to OSBM. – There is appropriated from the Fund to OSBM the sum of one billion four hundred twenty-five million nine hundred eighty-eight thousand twenty-nine dollars (\$1,425,988,029) 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 shall remain available to expend until December 30, 2020.

ALLOCATION OF FUNDS APPROPRIATED TO OSBM

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

- digital and nondigital remote learning resources, compensatory services, and Extended School Year Services related to the impacts of COVID-19.
- (18) \$5,000,000 to the Department of Public Instruction for the Extended Learning and Integrated Student Supports Competitive Grant Program (Program) for the 2019-2020 and 2020-2021 fiscal years. Of these funds, the Department of Public Instruction may use up to two hundred thousand dollars (\$200,000) to administer the Program. The purpose of the Program is to fund high-quality, independently validated extended learning and integrated student support service programs for at-risk students whose learning has been negatively affected by COVID-19 impacts. The programs funded shall raise standards for student academic outcomes by focusing on the following:
- a. Use of an evidence-based model with a proven track record of success.
 - b. Inclusion of rigorous, quantitative performance measures to confirm effectiveness of the program.
 - c. Deployment of multiple tiered supports in schools to address student barriers to achievement, such as strategies to improve chronic absenteeism, antisocial behaviors, academic growth, and enhancement of parent and family engagement.
 - d. Alignment with State performance measures, student academic goals, and the North Carolina Standard Course of Study.
 - e. Prioritization in programs to integrate clear academic content, in particular, science, technology, engineering, and mathematics (STEM) learning opportunities or reading development and proficiency instruction.
 - f. Minimization of student class size when providing instruction or instructional supports and interventions.
 - g. Expansion of student access to high-quality learning activities and academic support that strengthen student engagement and leverage community-based resources, which may include organizations that provide mentoring services and private-sector employer involvement.
 - h. Utilization of digital content to expand learning time, when appropriate.

Grants shall be used to award funds for new or existing eligible programs for at-risk students operated by (i) nonprofit corporations and (ii) nonprofit corporations working in collaboration with local school administrative units. Grant participants are eligible to receive grants in an amount of up to five hundred thousand dollars (\$500,000) each year. Programs should focus on serving (i) at-risk students not performing at grade level as demonstrated by statewide assessments or not on-track to meet year-end expectations as of March 16, 2020, as demonstrated by existing indicators, including teacher identification, (ii) students at risk of dropout, and (iii) students at risk of school displacement due to suspension or expulsion as a result of antisocial behaviors. Priority consideration shall be given to applications demonstrating models that focus services and programs in schools that are identified as low-performing, pursuant to G.S. 115C-105.37. A grant participant shall provide certification to the Department of Public Instruction that the grants received under the program shall be matched on the basis of three dollars (\$3.00) in grant funds for every one dollar (\$1.00) in nongrant funds. Matching funds shall not include State funds. The Department shall also give priority consideration to an applicant that is a nonprofit corporation working in partnership with a local school administrative unit resulting in a match

utilizing federal funds under Part A of Title I of the Elementary and Secondary Education Act of 1965, as amended, or Title IV of the Higher Education Act of 1965, as amended, and other federal or local funds. Matching funds may include in-kind contributions for up to fifty percent (50%) of the required match. A nonprofit corporation may act as its own fiscal agent for the purposes of this Program. Grant recipients shall report to the Department of Public Instruction for the year in which grant funds were expended on the progress of the Program, including alignment with State academic standards, data collection for reporting student progress, the source and amount of matching funds, and other measures. Grant recipients shall also submit a final report on key performance data, including statewide test results, attendance rates, graduation rates and promotion rates, and financial sustainability of the program. The Department of Public Instruction shall provide a report on the Program to the Joint Legislative Education Oversight Committee by February 15, 2021. The report shall include the results of the Program and recommendations regarding effective program models, standards, and performance measures based on student performance; leveraging of community-based resources to expand student access to learning activities; academic and behavioral support services; and potential opportunities for the State to invest in proven models for future grants programs.

- (19) \$25,000,000 to the Community Colleges System Office to be used by the System Office and to be allocated to community college campuses for the following purposes to effectively respond to COVID-19 impacts: (i) to enhance online learning capacity and cover increased costs associated with moving to online education for students, (ii) to cover necessary eligible expenses for resources and supports for faculty and staff, (iii) to provide Small Business Center counselors for small business needs, (iv) to cover expenses for expanded demands on information technology, including devices for campuses in rural areas, and (v) to provide facility sanitation and other necessary eligible expenses for services for ongoing campus operations.
- (20) \$44,400,000 to the Board of Governors of The University of North Carolina to be allocated to constituent institutions for the following purposes to effectively respond to COVID-19 impacts: (i) to cover increased costs related to moving coursework and exams online, (ii) to implement a digital learning accelerator, (iii) to provide for facility sanitation prior to reopening campuses and during the operation of campuses and for other necessary eligible expenses for services for ongoing campus operations, and (iv) to cover necessary eligible expenses for assistance to students and employees, including counseling services and information technology support.
- (21) \$20,000,000 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 to OSBM to allocate to the Duke University Human Vaccine Institute (DHVI) of the Duke University School of Medicine to develop a safe and effective COVID-19 vaccine that will be available to the public as soon as possible.
- (23) \$29,000,000 to The University of North Carolina at Chapel Hill to allocate to the North Carolina Policy Collaboratory (Collaboratory) at the University of North Carolina at Chapel Hill. The funds shall be used for (i) the rapid development of a countermeasure of neutralizing antibodies for COVID-19 that can be used as soon as possible to both prevent infection, and for those infected, treat infection, (ii) bringing a safe and effective COVID-19 vaccine to the public as soon as possible, (iii) community testing initiatives, and (iv) other research and activities related to monitoring, assessing, and addressing the public health and economic impacts of COVID-19. The Collaboratory shall facilitate among various entities best practices and strategies to maximize resources and achieve a comprehensive response to COVID-19. The Collaboratory may also assemble an advisory panel of representatives from various entities as necessary to discuss, review, and analyze progress towards meeting those goals and the use of available funds. The Collaboratory shall report on the progress of the development of a countermeasure and vaccine; findings from various community testing initiatives; and other research and activities related to monitoring, assessing, and addressing the public health and economic impacts of COVID-19; and the use of the appropriated funds received pursuant to this subdivision to the Joint Legislative Oversight Committee on Health and Human Services by no later than September 1, 2020. The provisions of Article 3 of Chapter 143 of the General Statutes, G.S. 143-129, and G.S. 116-31.10 shall not apply to the purchase of apparatus, supplies, material, or equipment with any of the funds allocated under this subdivision.
- (24) \$15,000,000 to the Brody School of Medicine at East Carolina University to be used for (i) the rapid development of a countermeasure of neutralizing antibodies for COVID-19 that can be used as soon as possible to both prevent infection, and for those infected, treat infection, (ii) bringing a safe and effective COVID-19 vaccine to the public as soon as possible, (iii) community testing initiatives, and (iv) other research and activities related to COVID-19. By September 1, 2020, the Brody School of Medicine shall submit a report on the progress of the development of a countermeasure and vaccine, findings from their community testing initiatives, and other research and activities related to COVID-19, and the use of the appropriated funds received pursuant to this subdivision to the Joint Legislative Oversight Committee on Health and Human Services.
- (25) \$6,000,000 to OSBM to allocate to the Campbell University School of Osteopathic Medicine for a community- and rural-focused primary care workforce response to COVID-19, including, but not limited to, (i) supporting community testing initiatives, (ii) providing treatment in community-based health care settings, (iii) monitoring rural populations, (iv) educating health professionals on best practices for a pandemic response, and (v) supporting

rural communities through primary care. By September 1, 2020, the Campbell University School of Osteopathic Medicine shall report on the progress of providing a community- and rural-focused primary care workforce response to COVID-19 and the use of the appropriated funds received pursuant to this subdivision to the Joint Legislative Oversight Committee on Health and Human Services.

- (26) \$20,000,000 to OSBM to allocate to Wake Forest University Health Services to be used to expand its COVID-19 study to include syndromic surveillance and representative sample antibody testing to provide policymakers and researchers with near real-time coronavirus prevalence, hospitalization, and fatality data.
- (27) \$20,000,000 to the Department of Health and Human Services to provide flexible funds to support local health departments, rural health providers, the State Laboratory of Public Health, and behavioral health and crisis services. Allowable uses of these funds include, but are not limited to, increasing nursing capacity, increasing the number of community health workers, expanding telehealth services, providing infection control support and training in nursing homes and adult care homes, and diverting behavioral health emergencies from emergency departments.
- (28) \$6,000,000 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.
- (29) \$290,000 to the Department of Health and Human Services, Division of Social Services, to provide funds for the LINKS program, a foster care support program for youth ages 13-21 years. These funds shall be used to support youth in the LINKS program who are not receiving foster care assistance payments and need assistance with housing or transitional costs due to COVID-19 and are allocated as follows:
 - a. \$250,000 for LINKS Transitional Living Services.
 - b. \$40,000 for LINKS Transitional Housing.
- (30) \$25,000,000 to the Department of Health and Human Services, Division of Social Services, for facilities licensed to accept State-County Special Assistance. These funds shall be used to provide a one-time payment to these facilities to offset the increased costs of serving residents during the COVID-19 emergency. Each eligible facility shall receive an amount equal to one thousand three hundred twenty-five dollars (\$1,325) for each resident of the facility who is a recipient of State-County Special Assistance between March 10, 2020, through July 30, 2020. In the case of a recipient who transfers from one facility to another during this time period, only the first eligible facility of residence will receive the payment authorized under this section. Nothing in this section shall be construed as an obligation by the General Assembly to appropriate funds for the purpose of this section, or as an entitlement by any facility, resident of a facility, or other person to receive financial assistance under this section. The following definitions apply in this section:
 - 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.
- (31) \$50,000,000 to the Department of Health and Human Services to provide funds for rural and underserved communities especially hard hit by the COVID-19 pandemic. The emergency flexible funds allocated in this subdivision shall support health provider grants, targeted Medicaid assistance for rural hardship grants to nonhospital providers, enhanced Telehealth services, transportation for critical services, health care security for the uninsured, the Office of Minority Health, and related items.
- (32) \$5,000,000 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. By August 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, and by February 1, 2021, on the use of these funds by recipients.
- (33) \$1,500,000 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) \$5,000,000 to OSBM to allocate to the North Carolina Community Health Centers Association (NCHCA), a nonprofit organization, to be used for distribution to its member health centers to cover the cost of eligible health services provided during the COVID-19 emergency. By August 1, 2020, NCHCA 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, and by February 1, 2021, on the use of these funds by recipients.
- (35) Subject to Section 4.10 of this act, \$25,000,000 to the Department of Health and Human Services to be used to expand public and private initiatives for COVID-19 testing, contact tracing, and trends tracking and analysis through, but not limited to, all of the following ways:
- a. Building capacity for widespread COVID-19 diagnostic testing to enable rapid case-based interventions.
 - b. Building capacity for widespread COVID-19 antibody testing to enable rapid deployment when such testing becomes available.
 - c. Expanding contact tracing workforce and infrastructure to routinely identify potentially exposed persons and take appropriate public health actions.
 - d. Increasing research and data tools and analysis infrastructure to support better predictive models, surveillance, and response strategies.
- (36) \$20,000,000 to the Department of Health and Human Services to provide funds to support behavioral health and crisis services to respond to the COVID-19 pandemic. These funds shall be used for at least all of the following purposes:
- a. To divert individuals experiencing behavioral health emergencies from emergency departments.
 - b. To allocate \$12,600,000 to be distributed as a one-time payment to each local management entity/managed care organization (LME/MCO) for the purposes of providing temporary additional

- funding assistance for Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID) services on a per diem basis.
- c. To allocate \$400,000 in nonrecurring funds to the Department of Health and Human Services, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, for the purchase of units of opioid antagonist, as defined in G.S. 90-12.7, to be distributed free of charge, as provided in Section 4.11 of this act, to opioid treatment programs operating in this State for the purpose of preventing the overburdening of the State's health care system, hospital emergency departments, and intensive care units with patients addicted to opioids or experiencing opioid overdose during the COVID-19 emergency, and to mitigate the loss of life associated with opioid overdose in this State during the COVID-19 emergency.
- (37) \$19,000,000 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 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.
- (38) \$1,800,000 to OSBM to allocate to the Old North State Medical Society, Inc., a nonprofit corporation, to be used to target rural areas and African American communities with outreach, health education, and testing to address the COVID-19 disparities in North Carolina.
- (39) \$65,000,000 to OSBM to establish the COVID-19 Rural Hospitals Relief Fund. OSBM shall allocate the monies in the fund as grants to hospitals designated as critical access hospitals by the Centers for Medicare and Medicaid Services and to hospitals located in (i) a tier 1 county or (ii) a tier 2 county with a population of less than 150,000. These funds shall be used to offset expenses incurred for providing patient care in North Carolina to respond to the COVID-19 pandemic. OSBM shall award grants in an amount equal to at least \$350,000 for each eligible critical access hospital and in an amount equal to at least \$250,000 for each eligible hospital located in a tier 1 or tier 2 county. OSBM shall use any remaining funds to increase the amount of the grants awarded to these hospitals based on a pro rata share of the 2018 hospital operating costs for these hospitals. Grant recipients shall not use these funds for any purpose other than to offset the following costs related to patient care provided in North Carolina as a result of the COVID-19 pandemic:
- a. Up to sixty percent (60%) of lost revenues from foregone elective procedures during the emergency period, net of federal funds received from the CARES Act.

- b. Supplies and equipment purchased in accordance with Centers for Disease Control and Prevention guidelines.
- c. Rapidly ramping up infection control and triage training for health care professionals.
- d. Retrofitting separate areas to screen and treat patients with suspected COVID-19 infections, including isolation areas in or around hospital emergency departments.
- e. Increasing the number of patient care beds to provide surge capacity.
- f. Transporting patients with confirmed or suspected COVID-19 safely to or from rural facilities.
- g. Planning, training, and implementing expanded telehealth capabilities.
- h. Procuring staff or consultants to help mitigate the burden of extensive review of new and incoming federal and State regulatory guidelines.
- i. Salary support for furloughed employees.

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

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

- a. Up to sixty percent (60%) of lost revenues from foregone elective procedures during the COVID-19 emergency, net of federal funds received from the CARES Act.
- b. Supplies and equipment purchased in accordance with Centers for Disease Control and Prevention guidelines.
- c. Rapidly ramping up infection control and triage training for health care professionals.
- d. Retrofitting separate areas to screen and treat patients with suspected COVID-19 infections, including isolation areas in or around hospital emergency departments.
- e. Increasing the number of patient care beds to provide surge capacity.
- f. Transporting patients with confirmed or suspected COVID-19 safely to or from health care facilities.
- g. Planning, training, and implementing expanded telehealth capabilities.

- h. Procuring staff or consultants to help mitigate the burden of extensive review of new and incoming federal and State regulatory guidelines.
- i. Salary support for furloughed employees.

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

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

- a. Up to sixty percent (60%) of lost revenues from foregone elective procedures during the emergency period, net of federal funds received from the CARES Act.
- b. Supplies and equipment purchased in accordance with Centers for Disease Control and Prevention guidelines.
- c. Rapidly ramping up infection control and triage training for health care professionals.
- d. Retrofitting separate areas to screen and treat patients with suspected COVID-19 infections, including isolation areas in or around hospital emergency departments.
- e. Increasing the number of patient care beds to provide surge capacity.
- f. Transporting patients with confirmed or suspected COVID-19 safely to or from health care facilities.
- g. Planning, training, and implementing expanded telehealth capabilities.
- h. Procuring staff or consultants to help mitigate the burden of extensive review of new and incoming federal and State regulatory guidelines.
- i. Salary support for furloughed employees.

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

legislation enacted by Congress during calendar year 2020 to support the national response to COVID-19.

- (42) \$2,250,000 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 for the months of April 2020, through June 2020.
- (43) \$15,000,000 to the Department of Agriculture and Consumer Services to be used for animal depopulation and disposal activities to address possible future supply chain impacts from the closure of animal processing plants due to COVID-19.
- (44) \$5,000,000 to the Department of Commerce for a North Carolina nonprofit corporation with which the Department contracts pursuant to G.S. 143B-431.01(b) as a stimulus investment in Visit North Carolina's marketing budget to be used for the following purposes and in the following amounts:
 - a. \$4,500,000 for developing COVID-19-specific concepts, strategies, and materials tailored to educate people on ways to (i) travel in a safe and socially distant way and (ii) prevent community reintroduction of the pandemic.
 - b. \$500,000 for research tools and analysis necessary to implement the provisions of this subdivision.
- (45) \$125,000,000 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.

PART IV. ADDITIONAL ALLOCATIONS, APPROPRIATIONS, AND OTHER REVISIONS

APPROPRIATION OF COVID-19 FEDERAL GRANT FUNDS AND RECEIPTS

SECTION 4.1.(a) Except for funds subject to subsection (c) of this section or Section 2.1 of this act, funds received from federal grants authorized under the COVID-19 Recovery Legislation are appropriated in the amounts provided in the notification of award from the federal government or any entity acting on behalf of the federal government to administer the federal funds. State agencies may, with approval of the Director of the Budget, spend funds received from federal receipts and federal grants resulting from enactment of the COVID-19 Recovery Legislation that are not otherwise subject to Section 2.1 of this act. Section 2.2(c) of S.L. 2019-192 shall not apply to grant funds received under the COVID-19 Recovery Legislation.

SECTION 4.1.(b) The programs and grant amounts in the schedule set forth in this subsection are estimates of North Carolina's allocations from the COVID-19 Recovery Legislation to be deposited in the State's Treasury and administered by State agencies. This

schedule is meant to be illustrative of federal grants that have been, or will be, received by the State in addition to the approximately three billion five hundred million dollars (\$3,500,000,000) from the Coronavirus Relief Fund created under the CARES Act, P.L. 116-136. These amounts are not inclusive of federal funds distributed or paid directly to individuals, businesses, health care providers, or private postsecondary institutions:

<u>Program</u>	<u>Amount</u>
Governor's Emergency Education Relief Fund	\$95,600,000
Elementary and Secondary School Emergency Relief Fund	\$396,300,000
Higher Education Emergency Relief Fund	\$179,700,000
Child Care and Development Block Grant	\$118,100,000
Community Services Block Grant	\$25,900,000
Low Income Home Energy Assistance Program	\$49,900,000
Child Welfare Services	\$1,600,000
Supportive Services	\$6,200,000
Congregate and Home-Delivered Meals	\$7,400,000
Congregate and Home-Delivered Meals	\$14,800,000
Family Caregivers	\$3,100,000
Protection of Vulnerable Older Americans	\$600,000
Centers for Independent Living	\$2,200,000
Ryan White HIV/AIDS	\$1,100,000
CDC Grant	\$13,800,000
Minimum CDC Grant	\$15,400,000
Homeless Assistance/ESG – State	\$18,400,000
Housing Opportunities for Persons with AIDS	\$1,200,000
Supplemental Nutrition Program for Women, Infants, and Children	\$13,900,000
Community Health Center	\$78,000
Small Rural Hospital Improvement Program	\$2,500,000
Hospital Preparedness Program	\$770,000
Emergency Grant to Address SA	\$2,000,000
Unemployment Insurance Base – Administration	\$22,500,000
Unemployment Insurance Supplemental – Administration	\$22,500,000
Dislocated Worker Grants	\$6,000,000
Emergency Food Assistance Program (TEFAP) Commodities	\$19,700,000
TEFAP Administration	\$8,200,000
Manufacturing Extension	\$1,500,000
CDBG – State	\$28,500,000
National Endowment for the Arts	\$507,000
Institute for Museum and Library Sciences	\$948,000
Justice Assistance Grants – State	\$15,400,000
Emergency Performance Management Grant	\$2,600,000
Family Violence Prevention	\$777,000
Urbanized Area Formula Program	\$38,473,000
Formula Grants for Rural Area Program	\$94,941,000
Airports Grants	\$2,765,000
Total Estimated Funding	\$1,235,859,000

SECTION 4.1.(c) It is the intent of the General Assembly to address the State's additional elections needs resulting from the COVID-19 pandemic in separate legislation. Therefore, and notwithstanding any law to the contrary, no funds appropriated in this act and no funds appropriated in the budget of the State Board of Elections for the 2019-2020 fiscal year shall be expended to meet the matching requirements for additional federal funds awarded to the State after enactment of S.L. 2019-239.

ESTABLISHMENT OF TEMPORARY PANDEMIC RECOVERY OFFICE

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

RELEASE OF CERTAIN GRANT FUNDS

SECTION 4.4. The Office of State Budget and Management shall release the seven hundred thousand dollar (\$700,000) allocation authorized under subdivision (3) of subsection (c) of Section 26.2 of S.L. 2017-57.

PROVIDE MEDICAID COVERAGE FOR COVID-19 TESTING TO UNINSURED INDIVIDUALS IN NORTH CAROLINA DURING THE NATIONWIDE PUBLIC HEALTH EMERGENCY

SECTION 4.5. The Department of Health and Human Services, Division of Health Benefits (DHB), is authorized to provide the Medicaid coverage described in 42 U.S.C.A. § 1396a(a)(10)(A)(ii)(XXIII), which covers COVID-19 testing for certain uninsured individuals during the period in which there is a declared nationwide public health emergency as a result of the 2019 novel coronavirus, and for which the federal medical assistance percentage is one hundred percent (100%). DHB is authorized to provide this medical assistance retroactively to the earliest date allowable.

MEDICAID PROVIDER RATE INCREASES

SECTION 4.6. In addition to the five percent (5%) rate increases already requested by the Department of Health and Human Services (DHHS) in the 1135 Medicaid disaster State Plan amendment (SPA) submitted to the Centers for Medicare and Medicaid Services on April 8, 2020, for certain provider types, DHHS shall increase the fee-for-service Medicaid rates paid directly by the Division of Health Benefits for all remaining provider types by five percent (5%). The rate increases authorized under this section shall be effective March 1, 2020. Any rate increases authorized under this section shall expire on the earlier of the following dates:

- (1) The date the declared nationwide public health emergency as a result of the 2019 novel coronavirus expires.
- (2) The date Executive Order No. 116, Declaration of a State of Emergency to Coordinate Response and Protective Actions to Prevent the Spread of COVID-19 expires or is rescinded.
- (3) March 31, 2021.

IMPLEMENT TEMPORARY PROVIDER ENROLLMENT CHANGES AUTHORIZED UNDER THE MEDICAID 1135 WAIVER

SECTION 4.7. In order for the Department of Health and Human Services, Division of Health Benefits, to implement the temporary provider enrollment changes under the 1135 waiver approved by the Centers for Medicare and Medicaid Services for the North Carolina Medicaid program and NC Health Choice program, the following statutes shall not apply to the North Carolina Medicaid program and the NC Health Choice program from March 1, 2020, through the duration of the declared nationwide public health emergency as a result of the 2019 novel coronavirus:

- (1) G.S. 108C-2.1.

- (2) G.S. 108C-4(a).
- (3) G.S. 108C-9(a) with respect to any required trainings prior to enrollment.
- (4) G.S. 108C-9(c).

DISABLED ADULT CHILD PASSALONG ELIGIBILITY/MEDICAID

SECTION 4.8. Effective no later than June 1, 2020, the eligibility requirements for the Disabled Adult Child Passalong authorized under section 1634 of the Social Security Act for the Medicaid program shall consist of only the following four requirements:

- (1) The adult is currently entitled to and receives federal Retirement, Survivors, and Disability Insurance (RSDI) benefits as a disabled adult child on a parent's record due to the retirement, death, or disability of a parent.
- (2) The adult is blind or has a disability that began before age 22.
- (3) The adult would currently be eligible for Supplemental Security Income (SSI) or State-County Special Assistance if the current RSDI benefit is disregarded.
- (4) For eligibility that is based on former receipt of State-County Special Assistance and not SSI, the adult must currently reside in an adult care home.

USE OF FY 2019-2020 CHILD CARE AND DEVELOPMENT FUND BLOCK GRANT INCREASED AVAILABILITY TO ADDRESS IMMEDIATE CHILD CARE NEEDS

SECTION 4.9. Section 1.1(a) of S.L. 2019-192 reads as rewritten:

"DHHS BLOCK GRANTS

"SECTION 1.1.(a) Except as otherwise provided, appropriations from federal block grant funds are made for each year of the fiscal biennium ending June 30, 2021, according to the following schedule:

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) FUNDS	FY 2019-2020	FY 2020-2021
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...

CHILD CARE AND DEVELOPMENT FUND BLOCK GRANT

Local Program Expenditures

Division of Child Development and Early Education

01. Child Care Services	\$ 232,109,943 \$268,109,943	\$239,499,318
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...

04. Quality and Availability Initiatives (TEACH Program \$3,800,000)	\$ 55,217,124 \$67,217,124	\$55,217,124
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...

TOTAL CHILD CARE AND DEVELOPMENT FUND BLOCK GRANT	\$347,525,572\$395,525,572	\$354,547,850
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...."

FUNDS FOR TESTING, CONTACT TRACING, AND TRENDS TRACKING AND ANALYSIS

SECTION 4.10.(a) OSBM shall not release the funds allocated in subdivision (35) of Section 3.3 of this act to the Department of Health and Human Services until the Department fulfills all of the following requirements:

- (1) The Department shall require each person in charge of a laboratory providing diagnostic service in this State and any other health care provider licensed in this State that provides diagnostic service to report the results of all COVID-19 testing to the Department of Health and Human Services. The Department of Health and Human Services shall post both positive and negative COVID-19 test results on the Department's Internet Web site, as part of its COVID-19 North Carolina Dashboard.
- (2) The Department shall post on its Internet Web site information about any vendor contracted to perform COVID-19 testing, upon the execution of a contract with the vendor. This information posted shall include the cost per test.
- (3) The Department shall collect and report on its Internet Web site COVID-19 recovery rates, as defined by the Department.
- (4) The Department shall report COVID-19-related hospital discharges, along with underlying health conditions, if any, associated with each COVID-19 hospital discharge.
- (5) The Department shall provide comprehensive reporting on COVID-19 deaths, including the percentage of patients diagnosed with severe comorbidities prior to being diagnosed with COVID-19 and whether these deaths are solely classified as deaths due to COVID-19.

SECTION 4.10.(b) Within six months after receiving funds allocated under subdivision (35) of Section 3.3 of this act, the Department of Health and Human Services and any public or private entity that is the recipient of funds allocated under subdivision (35) of Section 3.3 of this act shall report on the use of these funds to the House Appropriations Subcommittee on Health and Human Services, the Senate Appropriations Committee on Health and Human Services, and the Joint Legislative Oversight Committee on Health and Human Services.

FUNDS FOR OVERDOSE MEDICATIONS

SECTION 4.11.(a) It is the intent of the General Assembly to prevent the overburdening of the State's health care system, hospital emergency departments, and intensive care units with patients addicted to opioids or experiencing opioid overdose during the COVID-19 emergency, and to mitigate the loss of life associated with opioid overdose in this State during the COVID-19 emergency. To that end, the Department of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMH/DD/SAS) shall use the funds allocated in sub-subdivision (36)c. of Section 3.3 of this act to purchase units of opioid antagonist, as defined in G.S. 90-12.7. DMH/DD/SAS shall distribute these opioid antagonist units at no charge to opioid treatment programs operating in this State for the purposes specified in subsection (b) of this section. As used in this section, an opioid treatment program means a program or practitioner with a current and valid registration under 21 U.S.C. § 823(g)(1) that is engaged in dispensing opioid antagonist medication for the treatment of individuals with opioid use disorders.

SECTION 4.11.(b) Each opioid treatment program operating in this State shall do all of the following within two weeks after receipt of the opioid antagonist distributed by DMH/DD/SAS pursuant to subsection (a) of this section:

- (1) Provide a prescription for opioid antagonist for each program participant who meets at least one of the following criteria:
 - a. Is a Medicaid recipient.
 - b. Has prescription drug coverage for opioid antagonist.
- (2) To the extent that units are available from those distributed by DMH/DD/SAS pursuant to subsection (a) of this section, provide at least one unit of opioid antagonist to each program participant who meets at least one of the following criteria:
 - a. Is uninsured.
 - b. Lacks prescription drug coverage for opioid antagonist.
 - c. Is receiving opioid use disorder services funded by a grant, a local management entity/managed care organization (LME/MCO), or another source of funding not associated with the federal Centers for Medicare and Medicaid Services or a commercial payor.
- (3) To the extent that units are available from those distributed by DMH/DD/SAS pursuant to subsection (a) of this section, or otherwise available to program participants through the State's Medicaid program or other prescription drug coverage for opioid antagonist, provide each program participant who has take-home medication privileges with the opportunity to obtain prescription refills for opioid antagonist.

SECTION 4.11.(c) Nothing in this section shall be construed as an obligation by the General Assembly to appropriate funds for the purpose of this section, or as an entitlement to any opioid treatment program or any opioid treatment program participant to receive opioid antagonist under this section.

PART V. MISCELLANEOUS

EFFECT OF HEADINGS

SECTION 5.1. 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 5.2. 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 5.3. Except as otherwise provided, this act is effective when it becomes law. If Senate Bill 704, 2019 Regular Session, is vetoed, this act is repealed. If the veto of Senate Bill 704, 2019 Regular Session, is overridden, this act is reenacted.

In the General Assembly read three times and ratified this the 2nd day of May, 2020.

s/ Philip E. Berger
President Pro Tempore of the Senate

s/ Tim Moore
Speaker of the House of Representatives

s/ Roy Cooper
Governor

Approved 11:45 a.m. this 4th day of May, 2020

c) S. 704: COVID-19 Recovery Act (Session Law 2020-3)

S. 704 appropriates \$1.4 B of the state's allotment of the federal CARES Act funds. In the final version of S. 704, COVID-19 Recovery Act, the Senate included many UNC System-related provisions detailed below. The Senate also added an amendment that was approved to provide limited liability protections for the University institutions that have responded to the pandemic by making PPEs in partnership with local health providers and the military.

The following UNC System-related policy items were set forth in S. 704:

- EPP Changes (Section 2.22)
- School Administrator (Section 2.23)
- Transforming Principal Prep or TPP (Section 2.24)
- Licensure Changes for teachers/administrators (Sections 2.25, 2.26)
- Waiver of Interest on Student Charges (Section 2.28)
- Extension of Reporting Dates (Section 2.29)
- Pandemic HC Workforce Study – Area Health Education Center (Section 3D.6)
- Limited Business Immunity for Essential Businesses (Section 4.14)
 - Includes “educational institutions” as “emergency response” and “essential business”
 - Provides broader immunity than originally requested
- Reduce six-month break in service requirement to one month (Section 4.23)

The bill was signed by the Governor on May 4, 2020 and chaptered Session Law 2020-3.

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/Senate/PDF/S704v6.pdf>

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

**SESSION LAW 2020-3
SENATE BILL 704**

AN ACT TO PROVIDE AID TO NORTH CAROLINIANS IN RESPONSE TO THE
CORONAVIRUS DISEASE 2019 (COVID-19) CRISIS.

The General Assembly of North Carolina enacts:

PART I. ECONOMIC SUPPORT

**WAIVE ACCRUAL OF INTEREST ON DEFERRED PAYMENT OF CORPORATE
INCOME AND FRANCHISE TAX AND INDIVIDUAL INCOME TAX AND EXTEND
CERTAIN TAX-RELATED DEADLINES**

SECTION 1.1.(a) Interest Waiver. – As a result of the COVID-19 outbreak, the Secretary of Revenue has extended the franchise, corporate income, and individual income tax payment deadline from April 15, 2020, to July 15, 2020, and pursuant to G.S. 105-249.2, the Secretary will not assess a penalty for failure to file a return or pay a tax due as long as the return is filed and the tax due is paid by July 15, 2020. Notwithstanding G.S. 105-241.21(b), the Secretary of Revenue shall also waive the accrual of interest from April 15, 2020, through July 15, 2020, on an underpayment of tax imposed on a franchise, corporate income, or individual income tax return, including a partnership and estate and trust tax return, due from April 15, 2020, through July 15, 2020. The relief from accrual of interest from April 15, 2020, through July 15, 2020, also includes interest imposed pursuant to G.S. 105-163.15 and G.S. 105-163.41 for payments due on or before July 15, 2020.

SECTION 1.1.(b) Refund Request. – For franchise, corporate income, and individual income tax, the statute of limitations for obtaining a refund is extended to July 15, 2020, for refund claims for which the statute of limitations to seek a refund expires on or after April 15, 2020, and before July 15, 2020.

SECTION 1.1.(c) Time-Sensitive Actions. – Certain actions required to be taken by a taxpayer on or after April 1, 2020, and before July 15, 2020, will be considered timely if the request or petition is filed on or before July 15, 2020. This subsection applies to requests for Departmental review under G.S. 105-241.11, petitions for a contested case hearing at the Office of Administrative Hearings under Article 3 of Chapter 150B of the General Statutes and G.S. 105-241.15, and petitions for judicial review under Article 4 of Chapter 150B of the General Statutes and G.S. 105-241.16.

SECTION 1.1.(d) This section is effective when it becomes law.

**FLEXIBILITY TO ADMINISTER UNEMPLOYMENT COMPENSATION AND SUTA
TAX CREDIT**

SECTION 1.2.(a) Chapter 96 of the General Statutes is amended by adding a new section to read:

**"§ 96-14.15. Emergency unemployment benefits and tax credit to respond to the
coronavirus emergency of 2020.**

**(a) Benefits Payable. – Unemployment benefits are payable in response to the
coronavirus emergency in any of the following circumstances:**



- a. Report to the Authority on the aggregate standardized test performance of eligible students.
- b. Provide standardized test performance data from the 2019-2020 school year to an independent research organization.

OPPORTUNITY SCHOLARSHIP PROGRAM DISBURSEMENT OF FUNDS

SECTION 2.20. Notwithstanding G.S. 115C-562.8, from the funds carried forward at the end of the 2019-2020 fiscal year pursuant to G.S. 115C-562.8 that were unexpended as a result of the closure of nonpublic schools for in-person instruction due to the COVID-19 emergency, the Authority may remit a scholarship grant awarded to a student for the spring semester of the 2019-2020 school year to a nonpublic school on or before October 1, 2020.

EXTENSION OF K-12 SCHOLARSHIP PROGRAM REPORT DATES

SECTION 2.21.(a) Opportunity Scholarship Grant Program. – Notwithstanding G.S. 115C-562.7, the Authority shall submit by November 15, 2020, its annual report due by October 15 each year to the Joint Legislative Education Oversight Committee on the Opportunity Scholarship Grant Program.

SECTION 2.21.(b) Disabilities Grant Program. – Notwithstanding G.S. 115C-112.8, the Authority shall submit by November 15, 2020, its annual report due by October 15 each year to the Joint Legislative Education Oversight Committee on the Special Education Scholarships for Children with Disabilities Program.

EDUCATOR PREPARATION PROGRAMS (EPPs)

SECTION 2.22.(a) Minimum Admission Requirements for EPPs. – Notwithstanding the minimum admission requirements required by G.S. 115C-269.15, for the 2020-2021 academic year only, a recognized EPP shall be permitted to admit students as follows:

- (1) An individual student shall not be required to meet any of the criteria set forth in G.S. 115C-269.15(a).
- (2) An individual student shall not be required to have earned a grade point average of at least 2.7 under G.S. 115C-269.15(c). However, the EPP shall not permit a student to commence with a clinical practice as required by G.S. 115C-269.25(d) until the student has earned a grade point average of at least 2.7.
- (3) The minimum cohort grade point average for the entering cohort to an EPP for the 2020-2021 academic year shall not be required to be at least 3.0 under G.S. 115C-269.15(d).

SECTION 2.22.(b) Clinical Internships. – Notwithstanding G.S. 115C-269.25(d)(1), a student who is enrolled in a recognized EPP pursuant to G.S. 115C-269.5 may have the clinical internship requirement set forth in G.S. 115C-269.25(d)(1) deemed completed for the 2019-2020 academic year under the following conditions:

- (1) The student has completed as much time in a clinical internship as practicable prior to March 10, 2020.
- (2) The student would be unable to complete the EPP by August 15, 2020, unless the clinical internship is deemed completed pursuant to this section.
- (3) The student has been engaged in remote instruction as practicable while the school is closed for the remainder of the 2019-2020 school year.
- (4) The student has otherwise met the descriptors identified on the certification of teacher capacity utilized by the EPP and the elementary or secondary school partner.

SECTION 2.22.(c) Pedagogy Assessments. – Notwithstanding G.S. 115C-269.25(g), for individuals who have their clinical internship deemed completed pursuant to subsection (b) of this section, the following shall apply:

- (1) The State Board shall not require EPPs to require these individuals for the 2019-2020 academic year to complete a nationally normed and valid pedagogy assessment to determine clinical practice performance.
- (2) The State Board shall not require these individuals for the 2019-2020 academic year to complete the pedagogy assessment as a condition of EPP completion.
- (3) These individuals shall attempt the pedagogy assessment by the end of their first year of licensure and shall pass the assessment by the end of their third year of licensure.

SECTION 2.22.(d) Accountability. – Due to the lack of student assessment data and the closure of schools for in-person instruction, notwithstanding the requirements of G.S. 115C-269.35(a), EPPs shall only be required to submit information that is practicably available in the annual report to the State Board required under G.S. 115C-269.35(b) for the 2019-2020 academic year.

SECTION 2.22.(e) Sanctions. – Notwithstanding G.S. 115C-269.45(c), the State Board shall not consider data that was not practicably available related to the 2019-2020 school year when assigning sanctions for an EPP under G.S. 115C-269.45(c).

SECTION 2.22.(f) EPP Report Cards. – Due to limited available information and the waiver of the requirement to submit certain information to the State Board under subsection (c) of this section, notwithstanding G.S. 115C-269.50, the State Board shall create and submit annual report cards for EPPs as required by G.S. 115C-269.50 by December 15, 2020, to the Joint Legislative Education Oversight Committee (Committee) but shall not make the annual report cards created pursuant to this section available to the public through the State Board's Web site for the 2019-2020 academic year. The State Board shall also include in its report to the Committee aggregated information on the following:

- (1) The number and overall percentage of students who were admitted to an EPP with a GPA that was less than 2.7 as permitted by subdivision (2) of subsection (a) of this section.
- (2) The number and overall percentage of students who had their clinical internships deemed completed pursuant to subsection (b) of this section.

SCHOOL ADMINISTRATOR PREPARATION PROGRAMS

SECTION 2.23. Notwithstanding G.S. 115C-284(c2), a school administrator candidate who is enrolled in a school administrator preparation program meeting the approval standards established by the State Board pursuant to G.S. 115C-284 may have certain requirements of G.S. 115C-284(c2) deemed completed for the 2019-2020 academic year as follows:

- (1) The requirement that a candidate shall complete a year-long internship under G.S. 115C-284(c2)(7) shall be deemed completed under the following conditions:
 - a. The candidate has completed as much time in the year-long internship as practicable prior to March 10, 2020.
 - b. The candidate would be unable to complete the program by August 15, 2020, unless the internship is deemed completed pursuant to this section.
 - c. The candidate has been engaged in administrative duties as practicable while the school is closed for the remainder of the 2019-2020 school year.

- d. The candidate has otherwise met the competencies identified in the certification of capacity utilized by the school administrator preparation program.
- (2) The candidate shall complete a portfolio for emerging leaders to demonstrate the application of his or her training to actual school needs and training to the extent practicable prior to completion of the school administrator preparation program.

TRANSFORMING PRINCIPAL PREPARATION GRANT PROGRAM REQUIREMENTS

SECTION 2.24.(a) Notwithstanding G.S. 116-209.72(a)(2)e., a school leader candidate who is enrolled in a school leader preparation program receiving a grant pursuant to Part 4 of Chapter 116 of the General Statutes shall have the clinical practice requirement under G.S. 116-209.72(a)(2)e. deemed completed for the 2019-2020 academic year under the following conditions:

- (1) The candidate has completed as much time in the clinical practice as practicable prior to March 10, 2020.
- (2) The candidate has been engaged in school leader duties as practicable while the school is closed for the remainder of the 2019-2020 school year.

SECTION 2.24.(b) Notwithstanding G.S. 116-209.73(c)(1a)a., the Authority shall not retrieve grant funds for the 2019-2020 fiscal year from a grant recipient based solely on a recipient's failure to require school leader candidates to complete a full-time paid clinical practice of at least five months and 750 hours in duration as required by G.S. 116-209.72(a)(2)e. as part of the program during the 2019-2020 academic year.

TEACHER LICENSURE REQUIREMENTS

SECTION 2.25.(a) Extension for Licensure Requirements. – Notwithstanding G.S. 115C-270.15, G.S. 115C-270.20, and Section 1.2 of S.L. 2019-71, as amended by Section 8(d) of S.L. 2019-212, the State Board shall allow applicants for educator licensure additional time to meet the requirements under G.S. 115C-270.15 and G.S. 115C-270.20 as follows:

- (1) An individual who is in the first year of licensure, including an initial professional license (IPL), lateral entry license, or residency license (RL), as of March 10, 2020, who has not taken the examination required by the State Board may take the examination during the individual's second year of licensure.
- (2) An applicant for a continuing professional license (CPL) whose lateral entry license expires June 30, 2020, including a teacher granted an extension pursuant to Section 1.2 of S.L. 2019-71, as amended by Section 8(d) of S.L. 2019-212, who has not met the examination and coursework requirements established by the State Board as of March 10, 2020, shall be provided an extension until June 30, 2021.
- (3) An applicant for a CPL whose IPL expires June 30, 2020, who has not met the examination requirement established by the State Board as of March 10, 2020, shall be provided an extension until June 30, 2021.
- (4) An applicant for a CPL who is an elementary education (K-6) or special education general curriculum teacher with an IPL or RL who was granted an extension until June 30, 2020, pursuant to Section 1.2 of S.L. 2019-71, as amended by Section 8(d) of S.L. 2019-212, who has not met the examination requirement established by the State Board as of March 10, 2020, shall be provided an extension until June 30, 2021.

SECTION 2.25.(b) Extension for CEU Requirement. – Notwithstanding G.S. 115C-270.30(b), any teacher who is required to have at least eight continuing education credits for continuing licensure by June 30, 2020, shall have until June 30, 2021, to meet the requirements under G.S. 115C-270.30(b).

LICENSURE REQUIREMENTS FOR OTHER SCHOOL PERSONNEL

SECTION 2.26.(a) Extension for Examination Requirement. – Notwithstanding G.S. 115C-284 and G.S. 115C-315(d), the State Board shall allow applicants for licensure additional time to meet the examination requirements as follows:

- (1) Pursuant to G.S. 115C-284, an individual applying for a school administrator license who has not met the examination requirements established by the State Board as of March 10, 2020, shall be permitted to meet the examination requirements in the first year of licensure.
- (2) Pursuant to G.S. 115C-315(d), an individual applying for licensure for a professional position in a public elementary or secondary school who has not met the examination requirements established by the State Board as of March 10, 2020, shall be permitted to meet the examination requirements in the first year of licensure.

SECTION 2.26.(b) Extension for CEU Requirement. – Notwithstanding G.S. 115C-284(c3), a school administrator who is required to meet continuing education credits in high-quality, integrated digital teaching and learning for licensure renewal by June 30, 2020, shall have until June 30, 2021, to meet the requirements under G.S. 115C-284(c3).

COMMUNITY COLLEGE TUITION WAIVER FOR STUDENTS IN APPRENTICESHIP PROGRAMS

SECTION 2.27. Notwithstanding G.S. 115D-5(b)(16), a student who is unable to continue participation in a pre-apprenticeship or apprenticeship program due to the COVID-19 emergency may be eligible for a tuition waiver for community college courses in the student's documented plan of study related to a job-specific occupational or technical skill until December 31, 2020.

WAIVER OF INTEREST CHARGES ON UNC STUDENT DEBT

SECTION 2.28. Notwithstanding G.S. 147-86.23, a constituent institution of The University of North Carolina shall not accrue or charge any interest to a past-due account receivable held by a student between March 13, 2020, and September 15, 2020.

EXTENSION OF UNC REPORT DATES

SECTION 2.29.(a) Notwithstanding G.S. 116-11(12d), 116-74.21, and 143-613(b1), the Board of Governors of The University of North Carolina shall have an additional 60 days to submit the following reports to the Joint Legislative Education Oversight Committee:

- (1) The annual report due by April 15 each year on teacher education efforts at The University of North Carolina.
- (2) The annual report due by April 15 each year on the supply and demand of school administrators to determine the number of school administrators to be trained in school administrator training programs within the constituent institutions of The University of North Carolina in each year of the fiscal biennium.
- (3) The biennial report due by May 15 every two years on the goals for State-operated health professional schools that offer training programs for licensure or certification of physician assistants, nurse practitioners, and nurse

midwives for increasing the percentage of the graduates of those programs who enter clinical programs and careers in primary care.

SECTION 2.29.(b) Notwithstanding Section 9.7(c) of S.L. 2008-107, as amended by Section 9.3(c) of S.L. 2010-31, the Board of Governors of The University of North Carolina shall submit by June 15, 2020, its annual report on the UNC-NCCCS 2+2 E-Learning Initiative due by April 15 each year to the Joint Legislative Education Oversight Committee, the State Board of Education, the Office of State Budget and Management, and the Fiscal Research Division.

SECTION 2.29.(c) Notwithstanding Section 9.3(c) of S.L. 2005-276, as amended by Section 9.3(d) of S.L. 2010-31, The University of North Carolina System Office shall submit by June 15, 2020, its annual report on the UNC-NCCCS Joint Initiative for Teacher Education and Recruitment due by April 15 each year to the State Board of Education, the Board of Governors of The University of North Carolina, the State Board of Community Colleges, the Education Cabinet, the Joint Legislative Education Oversight Committee, and the Office of State Budget and Management.

PART III. HEALTH CARE

SUBPART IIIA. DEFINITIONS

SECTION 3A.1.(a) Unless the context clearly indicates otherwise, the following definitions apply in this Part:

- (1) CDC. – The federal Centers for Disease Control and Prevention.
- (2) COVID-19. – Coronavirus disease 2019.
- (3) COVID-19 diagnostic test. – A test the federal Food and Drug Administration has authorized for emergency use or approved to detect the presence of the severe acute respiratory syndrome coronavirus 2.
- (4) COVID-19 emergency. – The period beginning March 10, 2020, and ending on 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.
- (5) COVID-19 antibody test. – A serological blood test the federal Food and Drug Administration has authorized for emergency use or approved to measure the amount of antibodies or proteins present in the blood when the body is responding to an infection caused by the severe acute respiratory syndrome coronavirus 2.

SECTION 3A.1.(b) This section is effective when it becomes law.

SUBPART IIIB. AFFIRMATIONS OF ACTIONS TAKEN IN RESPONSE TO COVID-19

SECTION 3B.1.(a) The North Carolina General Assembly supports the various actions taken by the North Carolina Medical Board, the North Carolina Board of Nursing, other health care provider licensing boards, and the State's teaching institutions for health care providers and their efforts to address the workforce supply challenges presented by the COVID-19 emergency. Further, the General Assembly supports each of the following initiatives, including, but not limited to:

- (1) As COVID-19 antibody tests become available in the State, encouraging all persons authorized under State law to administer such tests to give priority to front-line care providers, including emergency medical services personnel, firefighters, rescue squad workers, law enforcement officers, licensed health care providers, long-term care providers, child care providers, and other persons essential to the provision of medical care, dental care, long-term care, or child care.

dispensation of a prescription by the visual inspection of any form of government-issued photo identification. If the individual seeking dispensation is a known customer, the pharmacist may confirm the individual's identity by referencing existing records, including the controlled substances reporting system. Nothing in this section shall be construed to relieve a pharmacist of the obligation to review information in the controlled substances reporting system in accordance with G.S. 90-113.74D.

SECTION 3D.4.(b) This section is effective when it becomes law and expires 60 days after Executive Order No. 116 is rescinded, or December 31, 2020, whichever is earlier.

TEMPORARY FLEXIBILITY FOR QUALITY IMPROVEMENT PLANS

SECTION 3D.5.(a) For purposes of this section, the following definitions apply:

- (1) Quality improvement plan rules. – The rules regulating the quality improvement process for physician assistants and nurse practitioners found in 21 NCAC 32S .0213, 21 NCAC 32M .0110, and 21 NCAC 36 .0810.
- (2) Application fee rules. – The portions of rules found in 21 NCAC 32S .0204, 21 NCAC 32M .0115, and 21 NCAC 36 .0813 that require the payment of an application fee.
- (3) Annual review rules. – The portions of rules requiring the annual review or renewal of a practice arrangement between a physician and a physician assistant or nurse practitioner found in 21 NCAC 32S .0201, 21 NCAC 32M .0110, and 21 NCAC 36 .0806.

SECTION 3D.5.(b) Notwithstanding any other provision of law to the contrary, neither the North Carolina Medical Board nor the North Carolina Board of Nursing shall enforce any provision of the quality improvement plan rules to the extent they require any of the following:

- (1) Quality improvement process meetings between a physician and a physician assistant or nurse practitioner, provided that the physician assistant or nurse practitioner was practicing within the scope of his or her license prior to February 1, 2020, and continues to practice within the scope of his or her license while this section is effective.
- (2) Monthly quality improvement process meetings between a physician and a physician assistant or nurse practitioner during the first six months of the practice arrangement between the physician and the physician assistant or nurse practitioner.

SECTION 3D.5.(c) Notwithstanding any other provision of law to the contrary, neither the North Carolina Medical Board nor the North Carolina Board of Nursing shall enforce any provision of the quality improvement plan rules or the application fee rules to the extent they require any individual to fill out an application or pay a fee, provided that individual is providing volunteer health care services within the scope of his or her license in response to the COVID-19 pandemic state of emergency declared by the Governor of North Carolina on March 10, 2020.

SECTION 3D.5.(d) Notwithstanding any other provision of law to the contrary, neither the North Carolina Medical Board nor the North Carolina Board of Nursing shall enforce any provision of the annual review rules.

SECTION 3D.5.(e) This section is effective when it becomes law and expires December 31, 2021.

PANDEMIC HEALTH CARE WORKFORCE STUDY

SECTION 3D.6.(a) The mission of the North Carolina Area Health Education Center (NC AHEC) is to meet the State's health and health workforce needs and to provide education programs and services that bridge academic institutions and communities to improve the health of the people of North Carolina, with a focus on underserved populations. Consistent

with that mission, the North Carolina General Assembly directs the NC AHEC program to conduct a study of the issues that impact health care delivery and the health care workforce during a pandemic. The study shall focus on the impact of the COVID-19 pandemic, issues that need to be addressed in the aftermath of this pandemic, and plans that should be implemented in the event of a future health crisis.

SECTION 3D.6.(b) The study shall include input from universities, colleges, and community colleges that educate health care providers; health care provider licensing boards; the Department of Health and Human Services; the Department of Public Safety; and geographically disbursed rural and urban hospitals, ambulatory surgical centers, primary care practices, specialty care practices, correctional facilities, group homes, home care agencies, nursing homes, adult care homes, and other residential care facilities.

SECTION 3D.6.(c) The study shall include, but is not limited to, examination of, and reporting on, the issues outlined below:

- (1) Adequacy of the health care workforce supply to respond to a pandemic in the following settings: acute care, ambulatory, primary care, nursing homes, adult care homes, other residential care facilities, correctional facilities, and in-home care.
- (2) Adequacy of the health care workforce supply to address the COVID-19 surge; the ability to redirect the existing workforce supply to meet staffing demands, including the identification of any barriers; and recommendations to eliminate barriers and readily deploy staffing in a future health crisis.
- (3) Adequacy of the health care workforce training, by setting, and the need for additional training or cross-training of health care providers.
- (4) Impact of the COVID-19 pandemic on communities with preexisting workforce shortages.
- (5) Impact of personal protective equipment (PPE) availability on the health care workforce, by setting.
- (6) Sufficiency of support mechanisms for the health care workforce, including the availability of child care, transportation, mental health and resilience support services, and other support items.
- (7) Impact of postponing or eliminating nonessential services and procedures on the health care workforce.
- (8) Impact of postponing or eliminating nonessential services and procedures on hospitals, particularly rural hospitals.
- (9) Interruptions in the delivery of routine health care during the COVID-19 pandemic and the impact to citizens, primary and specialty care practices, and the health care workforce employed in these practices.
- (10) Impact of the COVID-19 pandemic on the delivery of behavioral health services.
- (11) Ability of telehealth options to deliver routine and emergent health and behavioral health services to patients.
- (12) Impact of telehealth on hospitals during the COVID-19 pandemic.
- (13) Support necessary to resume health care delivery to pre-pandemic levels.
- (14) Ability of the health care workforce and health care delivery structure to respond to the needs of minority populations, individuals with health disparities, and individuals and communities with increased health risks, during a pandemic.
- (15) Impact of the COVID-19 pandemic, including concerns surrounding PPE availability, on current health sciences students and implications for future students contemplating a career in health sciences.

SECTION 3D.6.(d) The NC AHEC shall report findings and recommendations to the House Select Committee on COVID-19, Health Care Working Group, on or before November 15, 2020. The report shall include a summary section to provide a high-level debriefing to the State's leaders, health care providers, and others, on successes and priority items to address as the State moves forward.

SECTION 3D.6.(e) Due to the evolving nature of the COVID-19 pandemic, the NC AHEC has authority to report subsequent study findings and recommendations, as appropriate, to the House Appropriations Subcommittee on Health and Human Services, the Senate Appropriations Committee on Health and Human Services, and the Joint Legislative Oversight Committee on Health and Human Services.

SECTION 3D.6.(f) This section is effective when it becomes law.

HEALTH CARE LIABILITY PROTECTION FOR EMERGENCY OR DISASTER TREATMENT

SECTION 3D.7.(a) Chapter 90 of the General Statutes is amended by adding a new Article to read:

"Article 1L.

"Emergency or Disaster Treatment Protection Act.

"§ 90-21.130. Short title.

This Article shall be known and may be cited as the Emergency or Disaster Treatment Protection Act.

"§ 90-21.131. Purpose.

It is the purpose of this Article to promote the public health, safety, and welfare of all citizens by broadly protecting the health care facilities and health care providers in this State from liability that may result from treatment of individuals during the COVID-19 public health emergency under conditions resulting from circumstances associated with the COVID-19 public health emergency. A public health emergency that occurs on a statewide basis requires an enormous response from State, federal, and local governments working in concert with private and public health care providers in the community. The rendering of treatment to patients during such a public health emergency is a matter of vital State concern affecting the public health, safety, and welfare of all citizens.

"§ 90-21.132. Definitions.

The following definitions apply in this Article:

- (1) COVID-19. – Coronavirus disease 2019.
- (2) COVID-19 emergency declaration. – Executive Order No. 116 issued March 10, 2020, by Governor Roy A. Cooper, including any amendments issued by executive order, subject to extensions under Chapter 166A of the General Statutes.
- (3) COVID-19 emergency rule. – Any executive order, declaration, directive, request, or other State or federal authorization, policy statement, rule making, or regulation that waives, suspends, or modifies applicable State or federal law regarding scope of practice, including modifications authorizing health care providers licensed in another state to practice in this State, or the delivery of care, including those regarding the facility space in which care is delivered and which equipment is used during the COVID-19 emergency declaration.
- (4) Damages. – Economic or noneconomic losses for harm to an individual.
- (5) Harm. – Physical and nonphysical contact that results in injury to or death of an individual.
- (6) Health care facility. – Any entity licensed pursuant to Chapter 122C, 131D, or 131E of the General Statutes or Article 64 of Chapter 58 of the General Statutes, and any clinical laboratory certified under the federal Clinical

statement, the register of deeds shall issue the license, provided all other requirements are met, and retain the statement with the register's copy of the license. The register of deeds shall not issue a marriage license unless all of the requirements of this section have been met.

(b) Notwithstanding subsection (a) of this section, throughout the duration of any declaration of emergency issued under G.S. 166A-19.20, any register of deeds may issue a license for marriage via remote audio-video communication provided the register of deeds can positively identify each applicant before the register of deeds."

SECTION 4.13.(b) G.S. 51-16 reads as rewritten:

"§ 51-16. Form of license.

License shall be in the following or some equivalent form:

To any ordained minister of any religious denomination, minister authorized by a church, any magistrate, or any other person authorized to solemnize a marriage under the laws of this State: A.B. having applied to me for a license for the marriage of C.D. (the name of the man to be written in full) of (here state his residence), aged ____ years (race, as the case may be), the son of (here state the father and mother, if known; state whether they are living or dead, and their residence, if known; if any of these facts are not known, so state), and E.F. (write the name of the woman in full) of (here state her residence), aged ____ years (race, as the case may be), the daughter of (here state names and residences of the parents, if known, as is required above with respect to the man). (If either of the parties is under 18 years of age, the license shall here contain the following:) And the written consent of G.H., father (or mother, etc., as the case may be) to the proposed marriage having been filed with me, and there being no legal impediment to such marriage known to me, you are hereby authorized, at any time within ~~60~~120 days from the date hereof, to celebrate the proposed marriage at any place within the State. You are required within 10 days after you shall have celebrated such marriage, to return this license to me at my office with your signature subscribed to the certificate under this license, and with the blanks therein filled according to the facts, under penalty of forfeiting two hundred dollars (\$200.00) to the use of any person who shall sue for the same.

Issued this ____ day of ____, ____
____ L.M.

Register of Deeds of ____ County

Every register of deeds shall, at the request of an applicant, designate in a marriage license issued the race of the persons proposing to marry by inserting in the blank after the word "race" the words "white," "black," "African-American," "American Indian," "Alaska Native," "Asian Indian," "Chinese," "Filipino," "Japanese," "Korean," "Vietnamese," "Other Asian," "Native Hawaiian," "Guamarian," "Chamorro," "Samoan," "Other Pacific Islander," "Mexican," "Mexican-American," "Chicano," "Puerto Rican," "Cuban," "Other Spanish/Hispanic/Latino," or "other," as the case may be. The certificate shall be filled out and signed by the minister, officer, or other authorized individual celebrating the marriage, and also be signed by two witnesses present at the marriage, who shall add to their names their place of residence, as follows:

I, N.O., an ordained or authorized minister or other authorized individual of (here state to what religious denomination, or magistrate, as the case may be), united in matrimony (here name the parties), the parties licensed above, on the ____ day of ____, ____, at the house of P.R., in (here name the town, if any, the township and county), according to law.

____ N.O.

Witness present at the marriage:
S.T., of (here give residence)."

SECTION 4.13.(c) This section is effective when it becomes law, applies to any marriage license issued on or after February 1, 2020, and expires August 1, 2020, and any marriage license issued on or before that date shall be valid for 120 days.

LIMITED BUSINESS IMMUNITY FOR ESSENTIAL BUSINESSES

SECTION 4.14.(a) Chapter 66 of the General Statutes is amended by adding a new Article to read:

"Article 48.

"Limited Business Immunity.

"§ 66-460. Essential businesses; emergency response entities; liability limitation.

(a) Notwithstanding any other provision of law and subject to G.S. 66-461, the following entities shall have immunity from civil liability:

- (1) An essential business that provides goods or services in this State with respect to claims from any customer or employee for any injuries or death alleged to have been caused as a result of the customer or employee contracting COVID-19 while doing business with or while employed by the essential business.
- (2) An emergency response entity with respect to claims from any customer, user, or consumer for any injuries or death alleged to have been caused as a result of the COVID-19 pandemic or while doing business with the emergency response entity.

(b) The immunity from civil liability provided in this section shall not apply if the injuries or death were caused by an act or omission of the essential business or emergency response entity constituting gross negligence, reckless misconduct, or intentional infliction of harm. This section does not preclude an employee of an essential business or emergency response entity from seeking an appropriate remedy under Chapter 97 of the General Statutes for any injuries or death alleged to have been caused as a result of the employee contracting COVID-19 while employed by the essential business or emergency response entity.

"§ 66-461. Applicability.

This Article applies to acts or omissions occurring on or after the issuance of the COVID-19 essential business executive order and expires when the COVID-19 emergency declaration is rescinded or expires.

"§ 66-462. Definitions.

The following definitions apply in this Article:

- (1) COVID-19. – The coronavirus disease 2019.
- (2) COVID-19 emergency declaration. – Executive Order No. 116 issued March 10, 2020, by Governor Roy A. Cooper, including any amendments issued by executive order, subject to extensions under Chapter 166A of the General Statutes.
- (3) COVID-19 essential business executive order. – Executive Order No. 121 issued March 27, 2020, by Governor Roy A. Cooper, including any amendments issued by executive order, subject to extensions under Chapter 166A of the General Statutes.
- (4) Emergency response entity. – Businesses, not-for-profit organizations, educational institutions, and governmental entities that manufacture, produce, or distribute personal protective equipment, testing equipment, or ventilators, or process COVID-19 testing results.
- (5) Essential business. – Businesses, not-for-profit organizations, educational institutions, and governmental entities identified in the COVID-19 essential business executive order. The term also applies to any business that the Department of Revenue determines is essential.

"§ 66-463. Severability.

This Article shall be liberally construed to effectuate the public purpose of ensuring that essential businesses can provide goods and services to the public during the COVID-19 pandemic. The provisions of this Article are severable. If any part of this Article is declared to

be invalid by a court, the invalidity does not affect other parts of this Article that can be given effect without the invalid provision."

SECTION 4.14.(b) This section is effective when it becomes law and applies to claims filed on or after March 27, 2020.

EXPAND THE DEFINITION OF SECURITY GUARD AND PATROL PROFESSION TO INCLUDE SECURITY SERVICES PROVIDERS AT STATE PRISONS

SECTION 4.15.(a) G.S. 74C-3(a) reads as rewritten:

"(a) As used in this Chapter, the term "private protective services profession" means and includes the following:

...

- (6) Security guard and patrol profession. – Any person, firm, association, or corporation that provides a security guard on a contractual basis for another person, firm, association, or corporation for a fee or other valuable consideration and performs one or more of the following functions:

...

- e. Security services related to entry and exit, direction and movement of individuals at entry and exit, security working towers, and perimeter security patrols at State prison facilities.

...."

SECTION 4.15.(b) Article 1 of Chapter 148 of the General Statutes is amended by adding a new section to read:

"§ 148-5.5. Training and authority of security guards.

Any security guard and patrol professional that is licensed pursuant to Chapter 74C of the General Statutes and is employed to provide security services related to entry and exit, direction and movement of individuals at entry and exit, security working towers, or perimeter security patrols at a State prison facility, shall receive training on State prison policies, including policies on the use of force, prior to providing any security services at a State prison. Security guard and patrol professionals trained pursuant to this section shall have the authority to detain and use necessary force pursuant to State prison policies to prevent contraband entry or inmate escape."

SECTION 4.15.(c) This section is effective when it becomes law and expires August 1, 2020.

NEW ATTORNEYS' OATH

SECTION 4.16.(a) Notwithstanding G.S. 84-1, in response to the coronavirus emergency, a justice or judge of the General Court of Justice may administer the required oath prescribed for attorneys by G.S. 11-11 to an attorney remotely using a form of live video conferencing technology, provided the individual taking the oath is personally known to the justice or judge or provides satisfactory evidence of identity to the justice or judge.

SECTION 4.16.(b) This section is effective when it becomes law and expires December 1, 2020.

COMMUNICABLE DISEASE INFORMATION TO LAW ENFORCEMENT

SECTION 4.17.(a) G.S. 130A-143 reads as rewritten:

"§ 130A-143. Confidentiality of records.

All information and records, whether publicly or privately maintained, that identify a person ~~who has AIDS virus infection or~~ who has or may have a disease or condition required to be reported pursuant to the provisions of this Article shall be strictly confidential. This information shall not be released or made public except under the following circumstances:

- (1) Release is made of specific medical or epidemiological information for statistical purposes in a way that no person can be ~~identified~~identified.

member or beneficiary is not eligible for disability benefits, then any payment to that member or beneficiary shall cease and the determination shall be applied prospectively only so that the final determination will not require any refund by the member or beneficiary to the applicable retirement system or benefit plan for payments or benefits received during the interim period before the final determination is made.

SECTION 4.22.(d) This section is effective when it becomes law. Subsection (b) of this section expires August 1, 2020. Any interim determinations or interim certifications made, as allowed under subsection (b) of this section, will remain valid until a final determination is made, in accordance with subsection (c) of this section.

TEMPORARILY REMOVE BARRIERS TO ALLOW RETIREES OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM AND THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM TO RETURN TO WORK ON A PART-TIME, TEMPORARY, OR INTERIM BASIS DURING STATE OF EMERGENCY RELATED TO COVID-19

SECTION 4.23.(a) For individuals who retired under the Teachers' and State Employees' Retirement System (TSERS) on or after October 1, 2019, but before April 1, 2020, the six-month separation from service from an employer that is required under G.S. 135-1(20) in order for a retirement to become effective shall not apply and instead a one-month separation shall be required, provided that the position to which the individual returns is needed due to the COVID-19 pandemic, as certified to the Retirement Systems Division of the Department of State Treasurer by the employing agency. Upon the expiration of this section, all of the following shall apply:

- (1) The six-month separation from an employer required under G.S. 135-1(20) shall again be applicable to individuals who retired under TSERS on or after October 1, 2019, but before April 1, 2020.
- (2) In order for a member's retirement under TSERS on or after October 1, 2019, but before April 1, 2020, to become effective in any month, the member must perform no work for an employer, including part-time, temporary, substitute, or contractor work, at any time between the expiration of this section and the end of the six months immediately following the effective date of retirement, provided the expiration of the six-month period of separation did not occur while this section was in effect.
- (3) For individuals who retired under TSERS on or after October 1, 2019, but before April 1, 2020, any time worked between March 10, 2020, and the time this section expires shall not be considered work for the purposes of the six-month separation required under G.S. 135-1(20).

SECTION 4.23.(b) For individuals who retired prior to April 1, 2020, any earnings received between March 10, 2020, and the time that this section expires shall not be treated as earned by a TSERS beneficiary under the provisions of G.S. 135-3(8)c., provided those earnings are related to a position needed due to the COVID-19 pandemic, as certified to the Retirement Systems Division of the Department of State Treasurer by the employing agency.

SECTION 4.23.(c) For individuals who retired prior to April 1, 2020, any earnings received between March 10, 2020, and the time that this section expires shall not be treated as earned by a beneficiary of the Local Governmental Employees Retirement System (LGERS) under the provisions of G.S. 128-24(5)c., provided those earnings are related to a position needed due to the COVID-19 pandemic, as certified to the Retirement Systems Division of the Department of State Treasurer by the employing unit.

SECTION 4.23.(d) Any benefits received by or paid to a law enforcement officer or retired law enforcement officer under Article 12D of Chapter 143 of the General Statutes shall not be impacted by any work performed between March 10, 2020, and the time that this section

expires, provided that work performed is needed due to the COVID-19 pandemic, as documented by the employing unit or agency.

SECTION 4.23.(e) This section is effective when it becomes law and expires August 1, 2020.

FLEXIBILITY TO WAIVE INTEREST ON PROCUREMENT

SECTION 4.24.(a) Notwithstanding G.S. 147-86.23, a State agency, as defined in G.S. 147-86.20(5), may waive any interest due on a past-due account receivable. This section does not apply to money owed to the University of North Carolina Health Care System or to East Carolina University's Division of Health Sciences for health care services, to the North Carolina Turnpike Authority for money owed to the Authority for tolls, or to the North Carolina State Health Plan for past-due account receivables related to premiums and claims payments.

SECTION 4.24.(b) This section is effective when it becomes law and expires August 1, 2020.

PROVIDE FOR THE RESCHEDULING OF PUBLIC HEARINGS DURING TEMPORARY RULE MAKING

SECTION 4.25.(a) G.S. 150B-21.1 reads as rewritten:

"§ 150B-21.1. Procedure for adopting a temporary rule.

- ...
- (a3) Unless otherwise provided by law, the agency shall:
- (1) At least 30 business days prior to adopting a temporary rule, submit the rule and a notice of public hearing to the Codifier of Rules, and the Codifier of Rules shall publish the proposed temporary rule and the notice of public hearing on the Internet to be posted within five business days.
 - (2) At least 30 business days prior to adopting a temporary rule, notify persons on the mailing list maintained pursuant to G.S. 150B-21.2(d) and any other interested parties of its intent to adopt a temporary rule and of the public hearing.
 - (3) Accept written comments on the proposed temporary rule for at least 15 business days prior to adoption of the temporary rule.
 - (4) Hold at least one public hearing on the proposed temporary rule no less than five days after the rule and notice have been published. If notice of a public hearing has been published and that public hearing has been cancelled, the agency shall publish notice at least five days prior to the date of any rescheduled hearing.

...."

SECTION 4.25.(b) This section is effective retroactively to March 10, 2020.

AUTHORIZE THE CHIEF ADMINISTRATIVE LAW JUDGE TO EXTEND THE TIME PERIOD FOR THE FILING OF CONTESTED CASES DURING CATASTROPHIC CONDITIONS

SECTION 4.26.(a) G.S. 150B-23 reads as rewritten:

"§ 150B-23. Commencement; assignment of administrative law judge; hearing required; notice; intervention.

- ...
- (f) Unless another statute or a federal statute or regulation sets a time limitation for the filing of a petition in contested cases against a specified agency, the general limitation for the filing of a petition in a contested case is 60 days. The time limitation, whether established by another statute, federal statute, or federal regulation, or this section, shall commence when notice is given of the agency decision to all persons aggrieved who are known to the agency by personal

(a) Except as provided in subsection (b) of this section, this Article applies to any contract, agreement, memorandum of understanding, and any other transaction having the force and effect of a contract (other than agreements made in connection with the issuance of revenue bonds, special obligation bonds issued pursuant to ~~Chapter 159I of the General Statutes, Article 7A of this Chapter,~~ or of general obligation bonds additionally secured by a pledge of revenues) made or entered into by a unit of local government (as defined by G.S. 159-7(b) or, in the case of a special obligation bond, as ~~defined in Chapter 159I of the General Statutes,~~ authorized in G.S. 159-146, relating to the lease, acquisition, or construction of capital assets, which contract does all of the following:

...
(b) This Article shall not apply to:

...
(3) ~~Loan agreements entered into by a unit of local government pursuant to the North Carolina Solid Waste Management Loan Program, Chapter 159I of the General Statutes."~~

SECTION 4.30.(h) G.S. 159-165(a) reads as rewritten:

"(a) Bond anticipation notes of a municipality, including special obligation bond anticipation notes issued pursuant to ~~Chapter 159I of the General Statutes, Article 7A of this Chapter,~~ shall be sold by the Commission at public or private sale according to such procedures as the Commission may prescribe. Bond anticipation notes of the State shall be sold by the State Treasurer at public or private sale, upon such terms and conditions, and according to such procedures as the State Treasurer may prescribe."

SECTION 4.30.(i) G.S. 130A-291(c)(2) reads as rewritten:

"(2) If the unit of local government incurs debt after September 1, 2017, and the issuance of the debt will be conditioned upon the unit of local government requiring that all waste collected within the county be disposed of within the landfill, for expansion of a landfill or construction of a new landfill after all necessary approvals for issuance of the debt have been obtained from the Local Government Commission in compliance with Chapter 159 of the General Statutes, including the demonstration of need and cost required by ~~G.S. 159-211, G.S. 159-216,~~ the unit of local government may adopt and enforce such an ordinance until the date the debt associated with expansion of the landfill, or construction of the new landfill, has matured."

SECTION 4.30.(j) This section is effective retroactively to July 1, 2019.

PUBLIC BODIES/REMOTE MEETINGS DURING DECLARED EMERGENCIES

SECTION 4.31.(a) Article 1A of Chapter 166A of the General Statutes is amended by adding a new section to read:

"§ 166A-19.24. Remote meetings during certain declarations of emergency.

(a) Remote Meetings. – Notwithstanding any other provision of law, upon issuance of a declaration of emergency under G.S. 166A-19.20, any public body within the emergency area may conduct remote meetings in accordance with this section and Article 33C of Chapter 143 of the General Statutes throughout the duration of that declaration of emergency.

(b) Requirements. – The public body shall comply with all of the following with respect to remote meetings conducted under this section:

(1) The public body shall give proper notice under G.S. 143-318.12 and under any other requirement for notice applicable to the public body. The notice shall also specify the means by which the public can access the remote meeting as that remote meeting occurs.

- (2) Any member of the public body participating by a method of simultaneous communication in which that member cannot be physically seen by the public body must identify himself or herself in each of the following situations:
 - a. When the roll is taken or the remote meeting is commenced.
 - b. Prior to participating in the deliberations, including making motions, proposing amendments, and raising points of order.
 - c. Prior to voting.
- (3) All documents to be considered during the remote meeting shall be provided to each member of the public body.
- (4) The method of simultaneous communication shall allow for any member of the public body to do all of the following:
 - a. Hear what is said by the other members of the public body.
 - b. Hear what is said by any individual addressing the public body.
 - c. To be heard by the other members of the public body when speaking to the public body.
- (5) All votes shall be roll call; no vote by secret or written ballots, whether by paper or electronic means or in accordance with G.S. 143-318.13(b), may be taken during the remote meeting.
- (6) The public body shall comply with G.S. 143-318.13(c).
- (7) The minutes of the remote meeting shall reflect that the meeting was conducted by use of simultaneous communication, which members were participating by simultaneous communication, and when such members joined or left the remote meeting.
- (8) All chats, instant messages, texts, or other written communications between members of the public body regarding the transaction of the public business during the remote meeting are deemed a public record.
- (9) The remote meeting shall be simultaneously streamed live online so that simultaneous live audio, and video, if any, of such meeting is available to the public. If the remote meeting is conducted by conference call, the public body may comply with this subdivision by providing the public with an opportunity to dial in or stream the audio live and listen to the remote meeting.

(c) Quorum. – A member of the public body participating by simultaneous communication under this section shall be counted as present for quorum purposes only during the period while simultaneous communication is maintained for that member. The provisions of G.S. 153A-44 and G.S. 160A-75 shall apply to all votes of each member of a county or municipal governing board taken during a remote meeting.

(d) Voting by Members of the Public Body. – Votes of each member of a public body made during a remote meeting under this section shall be counted as if the member were physically present only during the period while simultaneous communication is maintained for that member.

(e) Public Hearings. – A public body may conduct any public hearing required or authorized by law during a remote meeting, and take action thereon, provided the public body allows for written comments on the subject of the public hearing to be submitted between publication of any required notice and 24 hours after the public hearing.

(f) Quasi-Judicial Hearings. – A public body may conduct a quasi-judicial proceeding as a remote meeting only when all of the following apply:

- (1) The right of an individual to a hearing and decision occur during the emergency.
- (2) All persons subject to the quasi-judicial proceeding who have standing to participate in the quasi-judicial hearing have been given notice of the quasi-judicial hearing and consent to the remote meeting.

(3) All due process rights of the parties affected are protected.

(g) Closed Sessions. – The public body may conduct a closed session as authorized in G.S. 143-318.11. While in closed session, the public body is not required to provide access to the remote meeting to the public.

(h) Not Exclusive. – This section applies only during emergency declarations and does not supersede any authority for electronic meetings under Article 33C of Chapter 143 of the General Statutes.

(i) For purposes of this section, the following definitions apply:

(1) Official meeting. – As defined in G.S. 143-318.10(d).

(2) Public body. – As defined in G.S. 143-318.10(b) and (c).

(3) Remote meeting. – An official meeting, or any part thereof, with between one and all of the members of the public body participating by simultaneous communication.

(4) Simultaneous communication. – Any communication by conference telephone, conference video, or other electronic means."

SECTION 4.31.(b) G.S. 143-318.10(a) reads as rewritten:

"(a) Except as provided in G.S. 143-318.11, 143-318.14A, and 143-318.18, each official meeting of a public body shall be open to the public, and any person is entitled to attend such a meeting. Remote meetings conducted in accordance with G.S. 166A-19.24 shall comply with this subsection even if all members of the public body are participating remotely."

SECTION 4.31.(c) G.S. 143-318.13 is amended by adding a new subsection to read:

"(d) Except as provided in G.S. 166A-19.24(b)(6), this section shall not apply to remote meetings conducted in accordance with this section even if all members of the public body are participating remotely."

SECTION 4.31.(d) G.S. 143-318.14A(e) reads as rewritten:

"(e) The following sections shall apply to meetings of commissions, committees, and standing subcommittees of the General Assembly: G.S. 143-318.10(e) and G.S. 143-318.11, G.S. 143-318.13 and G.S. 143-318.14, G.S. 143-318.16 through G.S. 143-318.17, G.S. 143-318.17, and G.S. 166A-19.24."

SECTION 4.31.(e) G.S. 153A-43 reads as rewritten:

"§ 153A-43. Quorum.

(a) A majority of the membership of the board of commissioners constitutes a quorum. The number required for a quorum is not affected by vacancies. If a member has withdrawn from a meeting without being excused by majority vote of the remaining members present, he shall be counted as present for the purposes of determining whether a quorum is present. The board may compel the attendance of an absent member by ordering the sheriff to take the member into custody.

(b) Any member present by means of simultaneous communication in accordance with G.S. 166A-19.24 shall be counted as present for the purposes of whether a quorum is present only during the period while simultaneous communication is maintained for that member."

SECTION 4.31.(f) G.S. 160A-74 reads as rewritten:

"§ 160A-74. Quorum.

(a) A majority of the actual membership of the council plus the mayor, excluding vacant seats, shall constitute a quorum. A member who has withdrawn from a meeting without being excused by majority vote of the remaining members present shall be counted as present for purposes of determining whether or not a quorum is present.

(b) Any member present by means of simultaneous communication in accordance with G.S. 166A-19.24 shall be counted as present for the purposes of whether a quorum is present only during the period while simultaneous communication is maintained for that member."

SECTION 4.31.(g) G.S. 160A-75, effective until January 1, 2021, reads as rewritten:

"§ 160A-75. (Effective until January 1, 2021) Voting.

(a) No member shall be excused from voting except upon matters involving the consideration of the member's own financial interest or official conduct or on matters on which the member is prohibited from voting under G.S. 14-234, 160A-381(d), or 160A-388(e)(2). In all other cases except votes taken under G.S. 160A-385, a failure to vote by a member who is physically present in the council chamber, or who has withdrawn without being excused by a majority vote of the remaining members present, shall be recorded as an affirmative vote. The question of the compensation and allowances of members of the council is not a matter involving a member's own financial interest or official conduct.

(b) Notwithstanding subsection (a) of this section, a vote or failure to vote by any member present by means of simultaneous communication in accordance with G.S. 166A-19.24 shall be treated as if the member were physically present only during the period while simultaneous communication is maintained for that member.

(c) An affirmative vote equal to a majority of all the members of the council not excused from voting on the question in issue, including the mayor's vote in case of an equal division, shall be required to adopt an ordinance, take any action having the effect of an ordinance, authorize or commit the expenditure of public funds, or make, ratify, or authorize any contract on behalf of the city. In addition, no ordinance nor any action having the effect of any ordinance may be finally adopted on the date on which it is introduced except by an affirmative vote equal to or greater than two thirds of all the actual membership of the council, excluding vacant seats and not including the mayor unless the mayor has the right to vote on all questions before the council. For purposes of this section, an ordinance shall be deemed to have been introduced on the date the subject matter is first voted on by the council."

SECTION 4.31.(h) G.S. 160A-75, effective January 1, 2021, reads as rewritten:

"§ 160A-75. (Effective January 1, 2021) Voting.

(a) No member shall be excused from voting except upon matters involving the consideration of the member's own financial interest or official conduct or on matters on which the member is prohibited from voting under G.S. 14-234 or G.S. 160D-109. In all other cases except votes taken under G.S. 160D-601, a failure to vote by a member who is physically present in the council chamber, or who has withdrawn without being excused by a majority vote of the remaining members present, shall be recorded as an affirmative vote. The question of the compensation and allowances of members of the council is not a matter involving a member's own financial interest or official conduct.

(b) Notwithstanding subsection (a) of this section, a vote or failure to vote by any member present by means of simultaneous communication in accordance with G.S. 166A-19.24 shall be treated as if the member were physically present only during the period while simultaneous communication is maintained for that member.

(c) An affirmative vote equal to a majority of all the members of the council not excused from voting on the question in issue, including the mayor's vote in case of an equal division, shall be required to adopt an ordinance, take any action having the effect of an ordinance, authorize or commit the expenditure of public funds, or make, ratify, or authorize any contract on behalf of the city. In addition, no ordinance nor any action having the effect of any ordinance, except an ordinance on which a public hearing must be held pursuant to G.S. 160D-601 before the ordinance may be adopted, may be finally adopted on the date on which it is introduced except by an affirmative vote equal to or greater than two thirds of all the actual membership of the council, excluding vacant seats and not including the mayor unless the mayor has the right to vote on all questions before the council. For purposes of this section, an ordinance shall be deemed to have been introduced on the date the subject matter is first voted on by the council."

SECTION 4.31.(i) This section does not affect the validity of S.L. 2008-111.

SECTION 4.31.(j) This section is effective when it becomes law and applies throughout the duration of any declaration of emergency issued under G.S. 166A-19.20 in effect on or after that date. The actions of any public body in an open meeting conducted via

simultaneous communication between March 10, 2020, and the effective date of this section are not deemed invalid due to the use of simultaneous communication to conduct that open meeting.

EXTEND THE NORTH CAROLINA CHILD WELL-BEING TRANSFORMATION COUNCIL

SECTION 4.32.(a) Section 24.1(i) of S.L. 2018-5 reads as rewritten:

"**SECTION 24.1.(i)** Reporting; Termination. – By June 30, 2019, the Children's Council shall submit an interim report to the chairs of the Senate Appropriations Committee on Health and Human Services, the chairs of the House of Representatives Appropriations Committee on Health and Human Services, the Joint Legislative Oversight Committee on Health and Human Services, and the Fiscal Research Division. The report shall include a summary of the Council's work for the previous year, any findings and recommendations for change, and a work plan for the upcoming year. By ~~June 30, 2020~~, August 1, 2020, the Children's Council shall submit a final report and shall terminate on that date."

SECTION 4.32.(b) This section is effective when it becomes law.

EXTEND EFFECTIVE DATE OF CHAPTER 160D OF THE GENERAL STATUTES

SECTION 4.33.(a) Section 3.2 of S.L. 2019-111 reads as rewritten:

"**SECTION 3.2.** Part II of this act becomes effective ~~January 1, 2021~~, August 1, 2021, and applies to local government development regulation decisions made on or after that date. Part II of this act clarifies and restates the intent of existing law and applies to ordinances adopted before, on, and after the effective date."

SECTION 4.33.(b) This section is effective when it becomes law.

FLOODPLAIN MAPS BY INCORPORATION INTO LOCAL ORDINANCES

SECTION 4.34.(a) Land use development ordinances adopted by a county or city may reference or incorporate by reference flood insurance rate maps, watershed boundary maps, or other maps officially adopted or promulgated by State and federal agencies. For these maps, a land use development ordinance or zoning map may reference a specific officially adopted map or may incorporate by reference the most recent officially adopted version of such maps. When zoning district boundaries are based on these maps, the land use development ordinance may provide that the zoning district boundaries are automatically amended to remain consistent with changes in the officially promulgated State or federal maps, provided a copy of the currently effective version of any incorporated map shall be maintained for public inspection by the county or city.

SECTION 4.34.(b) This section is effective when it becomes law and expires August 1, 2021.

EXTEND GSC ORDINANCE REPORT

SECTION 4.35.(a) Section 6 of S.L. 2019-198 reads as rewritten:

"**SECTION 6.** The General Statutes Commission shall study the reports received pursuant to S.L. 2018-69, as amended by Section 3 and Section 4 of this act, and make recommendations regarding whether any conduct currently criminalized either (i) by an ordinance of a county, city, town, or metropolitan sewerage district or (ii) in the North Carolina Administrative Code by an agency, board, or commission, should have criminal penalties provided by a generally applicable State law. The Commission shall report to the ~~2020 Regular Session of the 2019 General Assembly~~ 2021 General Assembly and to the Joint Oversight Committee on General Government on or before ~~May 1, 2020~~ March 1, 2021."

SECTION 4.35.(b) This section is effective when it becomes law.

TRANSPORTATION NETWORK COMPANY SIGNAGE REQUIREMENTS

SECTION 4.36.(a) Section 2(b) of S.L. 2019-194 reads as rewritten:

"**SECTION 2.(b)** G.S. 20-280.5(e) and (f), as enacted by this section, become effective ~~July 1, 2020~~ September 1, 2020. The remainder of this section becomes effective October 1, 2019."

SECTION 4.36.(b) This section is effective when it becomes law.

EXTEND THE JOINT LEGISLATIVE STUDY COMMITTEE ON SMALL BUSINESS RETIREMENT OPTIONS

SECTION 4.37.(a) Section 5 of S.L. 2019-205 reads as rewritten:

"**SECTION 5.** The Committee shall report its interim findings and recommendations, including any recommended legislation, to the Speaker of the House of Representatives, the President Pro Tempore of the Senate, and the Fiscal Research Division no later than March 31, 2020. The Committee shall report its final findings and recommendations, including any recommended legislation, to the Speaker of the House of Representatives, the President Pro Tempore of the Senate, and the Fiscal Research Division no later than December 1, 2020. The Committee shall terminate upon submission of the final report or ~~March 31, 2020~~, August 1, 2020, whichever occurs first."

SECTION 4.37.(b) This section is effective retroactively to March 31, 2020.

AUTHORIZE 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 4.38.(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 March 10, 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 4.38.(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 4.38.(c) No later than October 1, 2020, each State agency shall report to the Joint Legislative Administrative Procedure Oversight Committee, the Joint Legislative

Article 18 of Chapter 153A of the General Statutes or Article 19 of Chapter 160A of the General Statutes.

SECTION 4.40.(g) This section is effective when it becomes law and expires September 28, 2020.

AUTHORIZE MODIFICATION OF CRIMINAL JUDGMENTS REQUIRING INTERMITTENT ACTIVE TIME

SECTION 4.41.(a) Any criminal judgment requiring a defendant to serve periods of confinement or imprisonment in a local confinement facility may be modified by the chief district court judge of the judicial district in which the order was issued if the chief district court judge finds that all of the following requirements are met:

- (1) The defendant is unable to serve one or more ordered periods of confinement or imprisonment due to the local confinement facility's restrictions on inmates during the COVID-19 state of emergency.
- (2) Without modification, the defendant will be in violation of the criminal judgment.
- (3) The District Attorney consents to modification of the criminal judgment.

Any modification made pursuant to this authorization shall be as minimal as possible to allow the defendant to comply with the requirements of the criminal judgment.

SECTION 4.41.(b) This section is effective when it becomes law and expires August 1, 2020.

USE OF REGIONAL COUNCIL OF GOVERNMENTS IN ADMINISTRATION OF FEMA PUBLIC ASSISTANCE AND INDIVIDUAL ASSISTANCE FUNDS

SECTION 4.42.(a) In administering Federal Emergency Management Agency public assistance and individual assistance funds, the North Carolina Department of Emergency Management may utilize the North Carolina Regional Councils of Government established in accordance with Article 19 of Chapter 153A of the General Statutes and Part 2 of Article 20 of Chapter 160A of the General Statutes to provide assistance with training, grant applications, and any other requested service by qualifying units of local government. A regional council of government may be designated by a unit or units of local government to administer any Federal Emergency Management Agency public assistance funds on its behalf.

SECTION 4.42.(b) This section is effective when it becomes law.

JOINT LEGISLATIVE OVERSIGHT COMMITTEES/EXTEND REPORTING DEADLINES

SECTION 4.43. Notwithstanding any other provision of law, any report required by law to be submitted to a joint legislative oversight committee of the General Assembly after March 10, 2020, but before July 15, 2020, shall be held in abeyance until July 15, 2020. Thereafter, the report shall be submitted to the appropriate oversight committee and shall contain the information required by law. Any report required by law to be submitted to a joint legislative oversight committee on or after July 15, 2020, shall be submitted as provided by law.

PART V. SEVERABILITY

SECTION 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.

PART VI. EFFECTIVE DATE

SECTION 6. Except as otherwise provided, this act is effective when it becomes law. If House Bill 1043, 2019 Regular Session, is vetoed, this act is repealed. If the veto of House Bill 1043, 2019 Regular Session, is overridden, this act is reenacted.

In the General Assembly read three times and ratified this the 2nd day of May, 2020.

s/ Philip E. Berger
President Pro Tempore of the Senate

s/ Tim Moore
Speaker of the House of Representatives

s/ Roy Cooper
Governor

Approved 11:45 a.m. this 4th day of May, 2020

d) H. 1041: Appointments Bill 2020 (Session Law 2020-2)

H. 1041 appoints the following people to various Board of Trustees at four of our institutions.

SECTION 1.10. Scott M.W. Shook of Pitt County is appointed to the East Carolina University Board of Trustees for a term expiring on June 30, 2023, to fill the unexpired term of Robert B. Moore, Jr.

SECTION 2.2. The Honorable Ronnie Sutton of Robeson County is appointed to the University of North Carolina-Pembroke Board of Trustees for a term expiring on June 30, 2021.

SECTION 2.3. Rebecca "Becky" R. Brown of Wake County is appointed to the Western Carolina University Board of Trustees for a term expiring on June 30, 2023.

SECTION 2.4. J. Doug English of Cumberland County is appointed to the Fayetteville State University Board of Trustee

The bill was signed by the Governor on May 4, 2020 and chaptered Session Law 2020-3.

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/House/PDF/H1041v3.pdf>

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

**SESSION LAW 2020-2
HOUSE BILL 1041**

AN ACT TO APPOINT PERSONS TO VARIOUS PUBLIC OFFICES UPON THE
RECOMMENDATION OF THE SPEAKER OF THE HOUSE OF REPRESENTATIVES
AND PRESIDENT PRO TEMPORE OF THE SENATE.

Whereas, G.S. 120-121 authorizes the General Assembly to make certain appointments to public offices upon the recommendation of the Speaker of the House of Representatives and President Pro Tempore of the Senate; and

Whereas, the Speaker of the House of Representatives and the President Pro Tempore of the Senate have made recommendations; Now, therefore,

The General Assembly of North Carolina enacts:

PART I. SPEAKER'S RECOMMENDATIONS

SECTION 1.1. Melanie A. Neal of Guilford County is appointed to the 911 Board for a term expiring on December 31, 2022, to fill the unexpired term of Michael Reitz.

SECTION 1.2. Todd B. Bennett of Cabarrus County is appointed to the North Carolina Brain Injury Advisory Council for a term expiring on September 30, 2020, to fill the unexpired term of Dr. Mary Collier.

SECTION 1.3. Hilda A. Parlér of Franklin County is appointed to the Charter School Advisory Committee for a term expiring on June 30, 2021, to fill the unexpired term of Lindalyn Kakadelis.

SECTION 1.4. Paul J. Cozza of New Hanover County is appointed to the Ferry Transportation Authority for a term expiring on June 30, 2021, to fill the unexpired term of Bradford T. Smith.

SECTION 1.5. The Honorable Darrell McCormick of Yadkin County is appointed to the North Carolina Board of Funeral Service for a term expiring on December 30, 2020, to fill the unexpired term of the Honorable Michael Stone.

SECTION 1.6. Lorenzo "Larry" J. Mares, Jr., of Craven County is appointed to the North Carolina Board of Locksmith Licensing for a term expiring on December 31, 2022, to fill the unexpired term of Michael Todd Going, II.

SECTION 1.7. Jack H. McDonald of Dare County is appointed to the North Carolina Marine Industrial Park for a term expiring on June 30, 2021, to fill the unexpired term of the Honorable Richard T. Schulze.

SECTION 1.8. Kristopher T. Loretz of Union County is appointed to the State Board of Proprietary Schools for a term expiring on December 31, 2023, to fill the unexpired term of Scott Aaron.

SECTION 1.9. Zack L. Phillips of Madison County is appointed to the North Carolina Respiratory Care Board for a term expiring on August 31, 2021, to fill the unexpired term of Michael D. Nay.

SECTION 1.10. Scott M.W. Shook of Pitt County is appointed to the East Carolina University Board of Trustees for a term expiring on June 30, 2023, to fill the unexpired term of Robert B. Moore, Jr.



PART II. PRESIDENT PRO TEMPORE'S RECOMMENDATIONS

SECTION 2.1. Effective July 1, 2020, Julie L. Hart of Henderson County is appointed to the North Carolina Center for the Advancement of Teaching Board of Trustees for a term expiring on June 30, 2024.

SECTION 2.2. The Honorable Ronnie Sutton of Robeson County is appointed to the University of North Carolina-Pembroke Board of Trustees for a term expiring on June 30, 2021.

SECTION 2.3. Rebecca "Becky" R. Brown of Wake County is appointed to the Western Carolina University Board of Trustees for a term expiring on June 30, 2023.

SECTION 2.4. J. Doug English of Cumberland County is appointed to the Fayetteville State University Board of Trustees for a term expiring on June 30, 2023, to fill the unexpired term of Dr. Harvey H. Allen, Jr.

SECTION 2.5. Effective July 1, 2020, Wilton Russell "Rusty" Duke of Pitt County is appointed to the Board of Trustees of the State Health Plan for Teachers and State Employees for a term expiring on June 30, 2022.

SECTION 2.6. Effective July 1, 2020, Dr. Sarah L. Neal of Forsyth County is appointed to the North Carolina Boxing Commission Board for a term expiring on June 30, 2023.

SECTION 2.7. Theodore Hicks of Wake County is appointed to the North Carolina Capital Facilities Finance Agency Board of Directors for a term expiring on February 28, 2024.

SECTION 2.8. Effective July 1, 2020, Caroline H. Brown of Iredell County is appointed to the Alarm Systems Licensing Board for a term expiring on June 30, 2023.

SECTION 2.9. Effective July 1, 2020, Chief Daniel L. House of New Hanover County is appointed to the North Carolina Industrial Hemp Commission for a term to expire June 30, 2024.

SECTION 2.10. Effective July 1, 2020, James J. Cook of Forsyth County is appointed to the North Carolina State Ports Authority for a term expiring on June 30, 2022.

PART III. EFFECTIVE DATE

SECTION 3.1. Unless otherwise provided, appointments shall begin upon the effective date of this act.

SECTION 3.2. This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 2nd day of May, 2020.

s/ Philip E. Berger
President Pro Tempore of the Senate

s/ Tim Moore
Speaker of the House of Representatives

Section Two 2020 Short Session, May 18 – July 11, 2020

- a) Budget Bills impacting the UNC System, now session law**
 - a) Short Session Side by Side Comparison
 - b) H. 472 (PCS): NCSU Match and N.C. A&T Match, Session Law 2020-26
 - c) H. 1023: Coronavirus Relief Fund/Additions & Revisions, Session Law 2020-80
 - d) H. 1136 (PCS): Funds for NCSSM - Morganton Campus, Session Law 2020-31
 - e) S. 733: UNC Capital Projects, Session Law 2020-66
 - f) S. 750 (PCS): Capital Projects - ECSU, Session Law 2020-57
 - g) S. 806: Capital Appropriation - Western Carolina Univ., Session Law 2020-33
 - h) S. 813: UNC Building Reserve/Certain Project/FY 20-21, Session Law 2020-76
 - i) S. 814: NC Promise Tuition Plan Funds, Session Law 2020-43
 - j) S. 817: Funds for UNC Enrollment Growth/FY 2020-2021, Session Law 2020-67
 - k) S 212: Capital Appropriations/R&R/DIT/Cybersecurity, Session Law 2020-78

	Amended UNC System Budget Priorities 2020-21	Enacted Budget Summary of Funding Bills 2020-21
Base Budget (excludes Aid to Private Institutions)	2,911,183,451	2,911,183,451
Top Strategic Priorities		
Faculty Recruitment and Retention	2,000,000	-
Employee Compensation Increase	<i>Equity with State Agencies</i>	-
NCSSM Western Campus Operations	3,340,591	3,340,591
Doctoral Research Funding for N.C. A&T	2,000,000	-
Manufacturing Biopharmaceuticals at NC State	4,000,000 NR	2,000,000 NR
College of Health Sciences at UNCP	1,000,000	2,000,000 NR
Lab School Operations	1,000,000	<i>\$200k Transfer from Future Teachers</i>
Tuition Grant for NCSSM	3,389,820	-
N.C. A&T Ag. Research & Coop. Extension	1,640,710 1,640,710 NR	3,000,000 NR
Enrollment Change Funding		
Enrollment Growth - Regular	29,392,231	29,392,231 NR
Emergency Reserve	3,000,000	-
NC Promise Buy Down	15,000,000	15,000,000 NR
Building Reserves	14,832,007 4,408,768 NR	12,609,867 NR
Other UNC Items (not requested)		
Western School of Medicine (MAHEC)	-	4,800,000 NR
Advanced Analytics at UNCP	-	3,000,000 NR
Total Recurring Operating Changes	76,595,359	3,340,591
Total Nonrecurring Operating Changes	10,049,478	71,802,098
Total Recommended UNC Budget Changes	86,644,837	75,142,689
Total Recommended UNC Budget	2,997,828,288	2,986,326,140
Total Percent Change	3.0%	2.6%

Notes: Items are recurring unless specified as nonrecurring.

Does not include the emergency appropriation from the COVID-19 Recovery Act (H 1043) that has already been allocated by the Board of Governors.

2020-21 Capital Budget Comparison

Capital Projects			Amended UNC System Budget Priorities	Enacted Budget Summary of Capital Funding Bills	
Institution	Project Name	Proposed Cost	2020-21	2020-21	Total Project Funding Authorization
ECSU	HVAC System	4,000,000	4,000,000	4,000,000	4,000,000
ECSU	Chiller	2,000,000	2,000,000	2,000,000	2,000,000
FSU	Dormitory Demolition and Removal	2,500,000	2,500,000	2,500,000	2,500,000
WCU	Steam Plant - Phase II	16,500,000	16,500,000	16,500,000	16,500,000
System	Demolitions	500,000	8,000,000	-	-
NC State	STEM Building*	80,000,000	-	14,000,000	80,000,000
UNC-CH	Business School*	75,000,000	-	14,000,000	75,000,000
UNC-CH	Nursing School*	45,000,000	-	5,000,000	45,000,000
UNCA	Woods Residence Hall Reimbursement		-	750,000	750,000
R&R	System-wide Repairs and Renovations*		130,000,000	39,100,000	39,100,000
TOTAL			163,000,000	97,850,000	264,850,000

*Partial funding for the starred items, including \$7M for the STEM building at NC State, \$7M for the business school and \$2.5M for the nursing school at UNC-CH, and \$6M of the repair and renovations funding, is contingent on unexpended Coronavirus Relief Funds being deposited into the General Fund.

(b) H. 472 (PCS): NCSU Match and N.C. A&T Match (Session Law 2020-26)

This bill will provide a needed state appropriation to match federal grants provided to the two institutions. The bill also provides an exemption to the Umstead Act that allows N.C. A&T State University to sell ice cream and other dairy products, similar to an exemption NC State received several years ago. The bill passed the House on 6/4/2020 and the Senate on 6/9/2020.

The bill was signed by the Governor on June 19, 2020 and chaptered Session Law 2020-26.

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/House/PDF/H472v4.pdf>

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

SESSION LAW 2020-26
HOUSE BILL 472

AN ACT TO APPROPRIATE ADDITIONAL FUNDS TO NORTH CAROLINA STATE UNIVERSITY TO PROVIDE A MATCH FOR FEDERAL FUNDS TO SUPPORT THE DEVELOPMENT OF INNOVATIVE MANUFACTURING PROCESSES FOR BIOPHARMACEUTICAL PRODUCTS; TO APPROPRIATE ADDITIONAL FUNDS TO NORTH CAROLINA AGRICULTURAL AND TECHNICAL STATE UNIVERSITY TO PROVIDE A MATCH FOR FEDERAL FUNDS TO SUPPORT AGRICULTURAL RESEARCH AND COOPERATIVE EXTENSION PROGRAM ACTIVITIES; AND TO PERMIT NORTH CAROLINA AGRICULTURAL AND TECHNICAL STATE UNIVERSITY TO SELL DAIRY PRODUCTS AT UNIVERSITY-OWNED FACILITIES TO SUPPORT THE AGRICULTURAL RESEARCH PROGRAM AT THE UNIVERSITY.

The General Assembly of North Carolina enacts:

SECTION 1.(a) Transfer for NC State University Funds. – By August 15, 2020, the Department of Public Instruction shall transfer the sum of two million dollars (\$2,000,000) in nonrecurring funds from the cash balance in the School Bus Replacement Fund (Budget Code: 73510; Fund Code: 7200) to NC State University – Academic Affairs (Budget Code: 16030).

SECTION 1.(b) Appropriation for the NC State University Match. – 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 to North Carolina State University (NC State University) to be used for NC State University's participation in a collaborative effort to accelerate the development of innovative manufacturing processes for biopharmaceutical products. These funds shall support the Biomanufacturing Training and Education Center at NC State University and shall serve as matching funds for a federal grant from the National Institute of Standards and Technology.

SECTION 2.(a) Transfer for NC A&T State University Funds. – By August 15, 2020, the Department of Public Instruction shall transfer the sum of three million dollars (\$3,000,000) in nonrecurring funds from the cash balance in the School Bus Replacement Fund (Budget Code: 73510; Fund Code: 7200) to NC A&T University (Budget Code: 16070).

SECTION 2.(b) Appropriation for the NC A&T State University Match. – 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 to North Carolina Agricultural and Technical State University (NC A&T State University) to be used to support its agricultural research and cooperative extension activities by matching federal funds awarded to NC A&T State University as a land-grant university pursuant to the National Agricultural Research, Extension, and Teaching Policy Act of 1977, as amended, 7 U.S.C. § 3221, et seq.

SECTION 3. Exemption for Sale of NC A&T Dairy Products. – G.S. 66-58(c) reads as rewritten:

- "(c) The provisions of subsection (a) shall not prohibit:
 - (1) The sale of products of experiment stations or test farms.
 - (1a) The sale of products raised or produced incident to the operation of a community college or college viticulture/enology program as authorized by



G.S. 18B-1114.4 or the operation of a community college or college brewing, distillation, or fermentation program as authorized by G.S. 18B-1114.6.

(1b) The sale by North Carolina State University at University-owned facilities of dairy products, including ice cream, cheeses, milk-based beverages, and the by-products of heavy cream, produced by the Dairy and Process Applications Laboratory, so long as any profits are used to support the Department of Food Science and College of Agriculture and Life Sciences at North Carolina State University.

(1c) The sale by North Carolina Agricultural and Technical State University (NC A&T State University) at University-owned facilities of dairy products, including ice cream, cheeses, milk-based beverages, and the by-products of heavy cream, produced by the University Farm at NC A&T State University, so long as any profits are used to support the Agricultural Research Program and the College of Agriculture and Environmental Sciences at NC A&T State University.

...."

SECTION 4. State Budget Act Applies. – 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.

SECTION 5. Additional Limitations and Directions. – Except where expressly repealed or amended by this act, the provisions of any other legislation enacted during the 2019 Regular Session of the General Assembly expressly appropriating funds to an agency, a department, or an institution covered under this act shall remain in effect.

SECTION 6. Effective Date. – This act becomes effective July 1, 2020.

In the General Assembly read three times and ratified this the 11th day of June, 2020.

s/ Philip E. Berger
President Pro Tempore of the Senate

s/ Tim Moore
Speaker of the House of Representatives

s/ Roy Cooper
Governor

Approved 2:23 p.m. this 19th day of June, 2020

(c) H. 1023: Coronavirus Relief Fund/Additions & Revisions (Session Law 2020-80)

This bill transfers funds from the reserve to the Relief Fund to Office of State Budget and Management (OSBM). It directs OSMB to appropriate from the Fund to OSBM the following items below:

Included in the Senate PCS are:

Page 4, # (50): \$4,800,000 to the University of North Carolina at Chapel Hill to be used for the UNC School of Medicine's Asheville Campus, a joint program between the UNC School of Medicine, other UNC System universities, and the Mountain Area Health Education Center for COVID-19 related response activities, including outreach and education

Page 6, # (65): \$3,000,000 to the University of North Carolina at Pembroke for an advanced analytics project focusing on providing a better understanding of the nature and impact of the COVID-19 pandemic, particularly in rural and at-risk communities.

Page 6, # (66): \$2,000,000 to the University of North Carolina at Pembroke for the Department of Nursing in the College of Health Sciences for assistance with specialized medical and patient safety training to address the unique settings and procedures necessary when caring for COVID-19 patients in a variety of facility settings.

This bill passed the House on October 30, 19. A PCS passed Senate Base Budget/Approps on June 23, 2020. It passed the Senate on June 24, 2020 and then passed the House on June 25, 2020, which voted 114-0 to concur with the additions from the Senate.

The bill was signed by the Governor on July 1, 2020 and chaptered Session Law 2020-80.

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/House/PDF/H1023v7.pdf>

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

**SESSION LAW 2020-80
HOUSE BILL 1023**

AN ACT TO PROVIDE ADDITIONAL AND REVISED USES FOR FEDERAL CORONAVIRUS RELIEF FUNDS; TO PROVIDE ADDITIONAL FUNDING FOR SCHOOL NUTRITIONAL NEEDS; TO EXTEND THE ABILITY OF CERTAIN GOVERNMENTAL RETIREES TO ENGAGE IN PART-TIME EMPLOYMENT WITHOUT AFFECTING RETIREMENT; TO PROVIDE FUNDING FOR THE IMPLEMENTATION OF THE SCHOOL BUSINESS SYSTEM MODERNIZATION PLAN; TO WAIVE MATCH REQUIREMENTS FOR A CERTAIN COMPETITIVE GRANT PROCESS FOR NONPROFITS; AND TO MAKE OTHER CHANGES.

The General Assembly of North Carolina enacts:

PART I. REVISIONS TO S.L. 2020-4

SECTION 1.1.(a) Section 2.3 of S.L. 2020-4 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. ~~It is the intent of the General Assembly to appropriate a sum of up to one hundred fifty million dollars (\$150,000,000) if local governments experience a revenue shortfall and the CARES Act, P.L. 116-136, is amended to allow the use of federal funds for that purpose.~~ 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."

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

"**SECTION 3.1.** Transfer of Funds from Reserves to Relief Fund. – The State Controller shall transfer the sum of ~~one billion five hundred seventy-five million nine hundred eighty-eight thousand twenty-nine dollars (\$1,575,988,029)~~ one billion seven hundred ninety-five million nine hundred eighty-eight thousand twenty-nine dollars (\$1,795,988,029) for the 2019-2020 fiscal year from the Reserve established in Section 2.1 of this act, and the sum of ~~one-three hundred fifty-million dollars (\$150,000,000)-(\$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."

SECTION 1.1.(c) Section 3.2 of S.L. 2020-4, as amended by Section 2 of S.L. 2020-32, 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 ~~one billion seven hundred twenty-five million nine hundred eighty-eight thousand twenty-nine dollars (\$1,725,988,029)~~ two billion ninety-five million nine hundred eighty-eight thousand twenty-nine dollars (\$2,095,988,029) 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 shall remain available to expend until December 30, 2020."



- (44) ~~\$5,000,000~~ \$15,000,000 to the Department of Commerce for a North Carolina nonprofit corporation with which the Department contracts pursuant to G.S. 143B-431.01(b) as a stimulus investment in Visit North Carolina's marketing budget to be used for the following purposes and in the following amounts:
- a. ~~\$4,500,000~~ \$14,500,000 for developing COVID-19-specific concepts, strategies, and materials tailored to educate people on ways to (i) travel in a safe and socially distant way and (ii) prevent community reintroduction of the pandemic.
 - b. \$500,000 for research tools and analysis necessary to implement the provisions of this subdivision.
- ...
- (47) \$10,000,000 to the Department of Agriculture and Consumer Services to be used in accordance with Section 4.2A of this act.
- (48) \$2,000,000 to the General Assembly to be used to cover allowable costs incurred as a result of the COVID-19 pandemic.
- (49) \$750,000 to the Department of Information Technology, Government Data Analytics Center (GDAC), to develop a COVID-19 economic analytics and reporting tool to provide insight into how State and federal assistance is impacting North Carolina businesses. The GDAC shall consult with the Office of State Budget and Management and the Golden LEAF Foundation on development of the tool and leverage its existing public-private partnerships to develop the platform.
- (50) \$4,800,000 to the University of North Carolina at Chapel Hill to be used for the UNC School of Medicine's Asheville Campus, a joint program between the UNC School of Medicine, other UNC System universities, and the Mountain Area Health Education Center for COVID-19 related response activities, including outreach and education.
- (51) \$15,000,000 to the Department of Commerce for grants awarded by the Economic Investment Committee pursuant to Section 4.2B of this act.
- (52) \$120,000,000 to the Department of Public Safety, Division of Emergency Management to be used as the State match for any Federal Emergency Management Agency public assistance funds provided in response to the COVID-19 pandemic.
- (53) \$2,600,000 to OSBM to provide additional funding for the statewide health information exchange network known as NC HealthConnex, in order to implement the following COVID-19 related operations and improvements for NC HealthConnex:
- a. Building bidirectional data exchanges and patient matching services between NC HealthConnex and the State's electronic disease surveillance systems, NC Electronic Disease Surveillance System and NC Disease Event Tracking and Epidemiologic Collection Tool (NC DETECT), to better monitor the ongoing impact of COVID-19 in North Carolina.
 - b. Developing public health dashboards to enable health care providers to identify emerging trends and at-risk populations to support operations and point of care decisions.
 - c. Providing COVID-19 test results delivery services to NC HealthConnex participants to support care coordination and help ensure the safety of frontline providers.

most dependent on the travel and tourism economy to promote North Carolina tourism as the State begins to reopen. The nonprofit corporation shall consult with the North Carolina Travel Industry Association, Inc., a nonprofit corporation, to disburse the grants described in this subdivision.

- (61) \$500,000 to the Department of Commerce to allocate to the North Carolina Biotechnology Center to provide grants and educational job placement services to connect workers displaced or unemployed due to COVID-19 with essential job openings at life science companies that are currently working on treatment, therapy, vaccines, and equipment in response to COVID-19.
- (62) \$2,500,000 to the Department of Commerce to be used in accordance with Section 4.2D of this act.
- (63) \$7,000,000 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.
- (64) \$5,000,000 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.
- (65) \$3,000,000 to the University of North Carolina at Pembroke for an advanced analytics project focusing on providing a better understanding of the nature and impact of the COVID-19 pandemic, particularly in rural and at-risk communities.
- (66) \$2,000,000 to the University of North Carolina at Pembroke for the Department of Nursing in the College of Health Sciences for assistance with specialized medical and patient safety training to address the unique settings and procedures necessary when caring for COVID-19 patients in a variety of facility settings.
- (67) \$5,000,000 to the Department of Health and Human Services, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, to be allocated to group homes for individuals with intellectual or developmental disabilities, or both, to support the implementation of recommended Centers for Disease Control and Prevention guidance for preventive measures to address the introduction and spread of COVID-19 among residents and staff of these facilities. As used in this subdivision, "group home" means any facility that (i) is licensed under Chapter 122C of the General Statutes, (ii) meets one of the definitions of a supervised living facility under 10A NCAC 27G .5601(c)(1) through 10A NCAC 27G .5601(c)(3), and 10A NCAC 27G .5601(c)(6), and (iii) serves minors or adults whose primary diagnosis is mental illness or a developmental disability but may also have other diagnoses.
- (68) \$7,000,000 to OSBM to be allocated as grants in equal amounts to the following hospitals: (i) Good Hope Hospital, Inc., (ii) Lake Norman Regional Medical Center, (iii) Cape Fear Valley Health Hoke Hospital, (iv) Catawba Valley Medical Center, (v) Davis Regional Medical Center, (vi) Carolinas Healthcare System Blue Ridge, and (vii) AdventHealth Hendersonville. These funds shall be used to offset expenses incurred for providing patient care in North Carolina to respond to the COVID-19 pandemic. Grant recipients shall not use these funds for any purpose other than to offset the following costs

- (2) S.L. 2020-14.
- (3) Senate Bill 805 of the 2019 Regular Session.
- (4) Senate Bill 808 of the 2019 Regular Session.
- (5) Senate Bill 816 of the 2019 Regular Session.
- (6) Senate Bill 836 of the 2019 Regular Session.
- (7) House Bill 1071 of the 2019 Regular Session.
- (8) House Bill 1087 of the 2019 Regular Session.
- (9) House Bill 1229 of the 2019 Regular Session.

UNEXPENDED CORONAVIRUS RELIEF FUNDS

SECTION 3.2. If federal law or guidance is amended to allow the use of funds from the Coronavirus Relief Fund for revenue replacement, the Office of State Budget and Management shall deposit any remaining funds in the Coronavirus Relief Reserve in the General Fund as nontax revenue in fiscal year 2020-2021. The funds shall remain unappropriated unless the General Assembly appropriates the funds in a subsequent act of the General Assembly.

USE OF CORONAVIRUS RELIEF FUNDS TO CREATE OFFSETS

SECTION 3.3. If Senate Bill 805, 2019 Regular Session, or substantially similar legislation becomes law, and federal law or guidance is amended to allow the use of funds from the Coronavirus Relief Fund for revenue replacement, then the Office of State Budget and Management may use the six hundred forty-five million dollars (\$645,000,000) appropriated from the Coronavirus Relief Fund in that act for revenue replacement and the requirement in that act to establish the Statewide Reserve for Appropriations and reduce its negative appropriation balance is repealed.

EFFECT OF HEADINGS

SECTION 3.4. 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 3.5. 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 3.6. Except as otherwise provided, this act is effective when it becomes law.

In the General Assembly read three times and ratified this the 25th day of June, 2020.

s/ Philip E. Berger
President Pro Tempore of the Senate

s/ David R. Lewis
Presiding Officer of the House of Representatives

s/ Roy Cooper
Governor

Approved 5:35 p.m. this 1st day of July, 2020

(d) H. 1136 (PCS): Funds for NCSSM - Morganton Campus (Session Law 2020-31)

This bill will provide the operating fund to allow planning and staffing of the NCSSM Morganton campus.

Section 4 of the bill will appropriate the following additional funds for any financial obligations incurred to open and operate the Morganton campus of NCSSM:

- (1) For the 2021-2022 fiscal year: \$2,608,160 in recurring funds and \$1,334,264 in nonrecurring funds.
- (2) For the 2022-2023 fiscal year: \$3,822,474 in recurring funds and \$347,412 in nonrecurring funds.
- (3) For the 2023-2024 fiscal year: \$1,638,794 in recurring funds and \$33,336 in nonrecurring funds.

H. 1136 passed the House on June 4, 2020 by 120-0 and the Senate on June 10, 2020 by 49-0.

The bill was signed by the Governor on June 19, 2020 and chaptered Session Law 2020-31.

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/House/PDF/H1136v4.pdf>

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

**SESSION LAW 2020-31
HOUSE BILL 1136**

AN ACT TO APPROPRIATE FUNDS TO ESTABLISH AND OPERATE THE
MORGANTON CAMPUS OF THE NORTH CAROLINA SCHOOL OF SCIENCE AND
MATHEMATICS.

The General Assembly of North Carolina enacts:

SECTION 1. Article 29 of Chapter 116 of the General Statutes is amended by adding a new section to read:

"§ 116-235.5. Morganton campus authorized of the North Carolina School of Science and Mathematics.

The Board of Trustees of the North Carolina School of Science and Mathematics is hereby authorized to establish a western campus of the school to be located in Morganton, North Carolina."

SECTION 2.(a) Section 3.15(c) of S.L. 2019-209 reads as rewritten:

"**SECTION 3.15.(c)** Effective July 1, 2020, the State's employer contribution rates budgeted for retirement and related benefits as a percentage of covered salaries for the 2020-2021 fiscal year for teachers and State employees, State law enforcement officers (LEOs), the University and Community Colleges Optional Retirement Programs (ORPs), the Consolidated Judicial Retirement System (CJRS), and the Legislative Retirement System (LRS) are as set forth below:

	Teachers and State Employees	State LEOs	ORPs	CJRS	LRS
Retirement	14.36%	14.36%	6.84%	36.00%	29.00%
Disability	0.10%	0.10%	0.10%	0.00%	0.00%
Death	0.16% 0.13%	0.16% 0.13%	0.00%	0.00%	0.00%
Retiree Health	6.82%	6.82%	6.82%	6.82%	6.82%
NC 401(k)	0.00%	5.00%	0.00%	0.00%	0.00%

Total Contribution

Rate ~~21.44%~~21.41%~~26.44%~~26.41%13.76% 42.82% 35.82%"

SECTION 2.(b) No later than August 15, 2020, the Office of State Budget and Management shall adjust the appropriations for State retirement contributions of all applicable agencies, departments, or institutions to reflect the changes implemented in subsection (a) of this section, representing a decrease in General Fund net appropriations totaling three million three hundred forty thousand five hundred ninety-one dollars (\$3,340,591) in recurring funds for the 2020-2021 fiscal year.

SECTION 3. From the funds made available pursuant to Section 2 of this act, there is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of three million three hundred forty thousand five hundred ninety-one dollars (\$3,340,591) in recurring funds for the 2020-2021 fiscal year to be allocated to the North Carolina School of Science and Mathematics (NCSSM) for operating funds, purchase of equipment and



supplies, and to establish 46 new positions at the Morganton campus of NCSSM established pursuant to G.S. 116-235.5.

SECTION 4. It is the intent of the General Assembly to appropriate from the General Fund to the Board of Governors of The University of North Carolina the following additional funds for any financial obligations incurred to open and operate the Morganton campus of NCSSM:

- (1) For the 2021-2022 fiscal year, the sum of two million six hundred eight thousand one hundred sixty dollars (\$2,608,160) in recurring funds and the sum of one million three hundred thirty-four thousand two hundred sixty-four dollars (\$1,334,264) in nonrecurring funds.
- (2) For the 2022-2023 fiscal year, the sum of three million eight hundred twenty-two thousand four hundred seventy-four dollars (\$3,822,474) in recurring funds and the sum of three hundred forty-seven thousand four hundred twelve dollars (\$347,412) in nonrecurring funds.
- (3) For the 2023-2024 fiscal year, the sum of one million six hundred thirty-eight thousand seven hundred ninety-four dollars (\$1,638,794) in recurring funds and the sum of thirty-three thousand three hundred thirty-six dollars (\$33,336) in nonrecurring funds.

SECTION 5. 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.

SECTION 6. Except where expressly repealed or amended by this act, the provisions of any other legislation enacted during the 2019 Regular Session of the General Assembly expressly appropriating funds to an agency, a department, or an institution covered under this act shall remain in effect.

SECTION 7. This act becomes effective July 1, 2020.

In the General Assembly read three times and ratified this the 11th day of June, 2020.

s/ Philip E. Berger
President Pro Tempore of the Senate

s/ Tim Moore
Speaker of the House of Representatives

s/ Roy Cooper
Governor

Approved 2:27 p.m. this 19th day of June, 2020

(h) S. 813: UNC Building Reserve/Certain Project/FY 20-21 (Session Law 2020-76)

This bill will appropriate money to the Board of Governors for the 2020-2021 fiscal year for the Building Reserve shall be allocated for the operation and maintenance of building projects as follows:

- (1) NC State University
 - Utility Infrastructure (Fitts-Woolard and Plant Sciences) \$585,615
 - Fitts-Woolard Hall \$4,802,945
- (2) UNC at Asheville
 - Carmichael Hall Renovation \$162,859
 - Owen Hall Renovation \$232,134
- (3) UNC at Greensboro
 - Nursing & Instructional Building \$1,715,960
 - South Chiller Plant \$228,158
- (4) UNC at Pembroke
 - West Hall Renovation \$325,544
- (5) UNC at Wilmington
 - Allied Health (Veteran's Hall) \$2,756,109
- (6) UNC School of the Arts
 - Old Library Renovation \$420,541
- 7) Winston-Salem State University
 - Science and General Office Building \$1,261,713
 - 1602 Lowery Street Renovations \$118,289

SECTION 1.(a) transfers \$8,500,000 in nonrecurring funds from the cash balance of the E-commerce Reserve Fund and \$3,991,578 in nonrecurring funds from the cash balance of revenue to be allocated for operations and maintenance of seven detailed projects.

SECTION 1.(b) appropriates from the General Fund to the Board of Governors \$118,289 in nonrecurring funds for the 2020-2021 fiscal year for the Building Reserve Fund to be allocated in accordance with the seven detailed projects.

We believe S 813 will fund just those buildings scheduled to open through January 2021, due to lack of revenue availability. This means we will have to come back either later this year, should there be a federal relief package with flexibility on uses of funds, or early in 2021 to seek building reserves for those projects that open before the end of the fiscal year.

This bill passed the Senate on June 16, 2020 by 48-0. It passed the House on June 25, 2020 by 110-0.

The bill was signed by the Governor on July 1, 2020 and chaptered Session Law 2020-76.

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/Senate/PDF/S813v4.pdf>

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

SESSION LAW 2020-76
SENATE BILL 813

**AN ACT TO APPROPRIATE FUNDS FOR THE UNIVERSITY OF NORTH CAROLINA
BUILDING RESERVE FOR CERTAIN BUILDING PROJECTS.**

The General Assembly of North Carolina enacts:

SECTION 1.(a) By August 15, 2020, notwithstanding any provision of law to the contrary, (i) the Department of Administration shall transfer the sum of eight million five hundred thousand dollars (\$8,500,000) in nonrecurring funds for the 2020-2021 fiscal year from the cash balance of the E-Commerce Reserve Fund (Budget Code: 24100; Fund Code: 2514) and (ii) the Department of Revenue shall transfer the sum of three million nine hundred ninety-one thousand five hundred seventy-eight dollars (\$3,991,578) in nonrecurring funds for the 2020-2021 fiscal year from the cash balance of Revenue: Project Collect Tax (Budget Code: 24704; Fund Code: 2474) to the Board of Governors of The University of North Carolina (Budget Code: 16011). The funds transferred in this section are hereby appropriated to the Board of Governors of The University of North Carolina for the 2020-2021 fiscal year to be used for the Building Reserve to be allocated in accordance with subsection (c) of this section.

SECTION 1.(b) There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of one hundred eighteen thousand two hundred eighty-nine dollars (\$118,289) in nonrecurring funds for the 2020-2021 fiscal year for the Building Reserve to be allocated in accordance with subsection (c) of this section.

SECTION 1.(c) The funds appropriated by this act to the Board of Governors of The University of North Carolina for the 2020-2021 fiscal year for the Building Reserve shall be allocated for the operation and maintenance of building projects as follows:

(1)	NC State University	
	Utility Infrastructure (Fitts-Woolard and Plant Sciences)	\$585,615
	Fitts-Woolard Hall	\$4,802,945
(2)	UNC at Asheville	
	Carmichael Hall Renovation	\$162,859
	Owen Hall Renovation	\$232,134
(3)	UNC at Greensboro	
	Nursing & Instructional Building	\$1,715,960
	South Chiller Plant	\$228,158
(4)	UNC at Pembroke	
	West Hall Renovation	\$325,544
(5)	UNC at Wilmington	
	Allied Health (Veteran's Hall)	\$2,756,109
(6)	UNC School of the Arts	
	Old Library Renovation	\$420,541
(7)	Winston-Salem State University	
	Science and General Office Building	\$1,261,713
	1602 Lowery Street Renovations	\$118,289



SECTION 2. 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.

SECTION 3. Except where expressly repealed or amended by this act, the provisions of any other legislation enacted during the 2019 Regular Session of the General Assembly expressly appropriating funds to an agency, a department, or an institution covered under this act shall remain in effect.

SECTION 4. This act becomes effective July 1, 2020.

In the General Assembly read three times and ratified this the 25th day of June, 2020.

s/ Philip E. Berger
President Pro Tempore of the Senate

s/ Tim Moore
Speaker of the House of Representatives

s/ Roy Cooper
Governor

Approved 5:31 p.m. this 1st day of July, 2020

(e) S. 733: UNC System Capital Projects (Session Law 2020-66)

This bill also had a companion bill in the House, H. 1081: UNC Capital Projects. The House version included the same language, but this version never made it past House Appropriations Committee.

This bill is our self-liquidating projects bill. This year, the bill features the three projects below:

- (1) University of North Carolina at Chapel Hill
Morehead Chemistry Laboratory HVAC Upgrades, \$22,000,000
- (2) University of North Carolina at Chapel Hill
Campus-Wide Life Safety Upgrades – Phase 1 \$6,500,000
- (3) Western Carolina University
Lower Campus Residence Halls – Phase 2 \$20,000,000

This bill passed the Senate on May 27, 2020. It was heard in the House Finance Committee on June 17, 2020 and a non-germane amendment was added and some members objected to hearing the bill. It passed House Finance June 22, 2020, where the non-germane amendment was stripped. It passed second reading in the House on June 22, 2020 by 117-1. It passed third reading in the House by 111-2 on June 23, 2020. It passed Senate on June 24, 2020.

The bill was signed by Governor on July 1, 2020 and chaptered Session Law 2020-66.

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/Senate/PDF/S733v5.pdf>

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

**SESSION LAW 2020-66
SENATE BILL 733**

AN ACT TO AUTHORIZE THE ACQUISITION OR CONSTRUCTION AND THE FINANCING, WITHOUT APPROPRIATIONS FROM THE GENERAL FUND, OF CERTAIN CAPITAL IMPROVEMENT PROJECTS OF THE CONSTITUENT INSTITUTIONS OF THE UNIVERSITY OF NORTH CAROLINA.

The General Assembly of North Carolina enacts:

SECTION 1. The purpose of this act is to authorize (i) the acquisition or construction of the capital improvement projects listed in this act for the respective institutions of The University of North Carolina and (ii) the financing of these projects with funds available to the institutions from gifts, grants, receipts, self-liquidating indebtedness, Medicare reimbursements for education costs, hospital receipts from patient care, or other funds, or any combination of these funds, but not including funds received for tuition or appropriated from the General Fund of the State unless previously authorized by General Statute.

SECTION 2. The capital improvement projects, and their respective costs, authorized by this act to be acquired or constructed and financed as provided in Section 1 of this act, including by revenue bonds, by special obligation bonds as authorized in Section 4 of this act, or by both, are as follows:

University of North Carolina at Chapel Hill Morehead Chemistry Laboratory HVAC Upgrades	\$22,000,000
University of North Carolina at Chapel Hill Campus-Wide Life Safety Upgrades – Phase 1	\$6,500,000
Western Carolina University Lower Campus Residence Halls – Phase 2	\$20,000,000

SECTION 3. At the request of the Board of Governors of The University of North Carolina and upon determining that it is in the best interest of the State to do so, the Director of the Budget may authorize an increase or decrease in the cost of, or a change in the method of, funding the projects authorized by this act. In determining whether to authorize a change in cost or funding, the Director of the Budget may consult with the Joint Legislative Commission on Governmental Operations.

SECTION 4. Pursuant to G.S. 116D-26, the Board of Governors may issue, subject to the approval of the Director of the Budget, at one time or from time to time, special obligation bonds of the Board of Governors for the purpose of paying all or any part of the cost of acquiring, constructing, or providing for the projects authorized by Section 2 of this act. The maximum principal amount of bonds to be issued shall not exceed the specified project costs in Section 2 of this act plus five percent (5%) of such amount to pay issuance expenses, fund reserve funds, pay capitalized interest, and pay other related additional costs plus any increase in the specific project costs authorized by the Director of the Budget pursuant to Section 3 of this act.



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

In the General Assembly read three times and ratified this the 25th day of June, 2020.

s/ Daniel J. Forest
President of the Senate

s/ Tim Moore
Speaker of the House of Representatives

s/ Roy Cooper
Governor

Approved 5:23 p.m. this 1st day of July, 2020

(f) S. 750 (PCS): Capital Projects – ECSU (Session Law 2020-57)

This bill will appropriate the much needed \$6,000,000 in nonrecurring funds from the SCIF for the 2020-2021 fiscal year to be allocated for HVAC and Chiller improvement projects at Elizabeth City State University. The House added an amendment to fund Hatteras/Ocracoke walk-up ferry.

- (1) \$2,000,000 for a chiller.
- (2) \$4,000,000 for an HVAC System.

This bill passed the Senate on June 11, 2020. It passed the House after an amendment was added on June 18, 2020. The Senate concurred with House changes on June 24, 2020 by 44-0.

The bill was signed by the Governor on June 30, 2020 and chaptered Session Law 2020-57.

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/Senate/PDF/S750v6.pdf>

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

SESSION LAW 2020-57
SENATE BILL 750

**AN ACT TO PROVIDE FUNDING FOR CAPITAL PROJECTS AT ELIZABETH CITY
STATE UNIVERSITY AND FOR THE HATTERAS AND OCRACOCKE FERRY.**

The General Assembly of North Carolina enacts:

SECTION 1.(a) There is transferred from the General Fund to the State Capital and Infrastructure Fund the sum of six million dollars (\$6,000,000) in nonrecurring funds for the 2020-2021 fiscal year.

SECTION 1.(b) There is appropriated from the State Capital and Infrastructure Fund to the Office of State Budget and Management the sum of six million dollars (\$6,000,000) in nonrecurring funds for the 2020-2021 fiscal year to be allocated for the following capital improvement projects at Elizabeth City State University:

- (1) \$2,000,000 for a chiller.
- (2) \$4,000,000 for an HVAC system.

SECTION 2.(a) 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.

SECTION 2.(b) Except where expressly repealed or amended by this act, the provisions of any other legislation enacted during the 2019 Regular Session of the General Assembly expressly appropriating funds to an agency, a department, or an institution covered under this act, shall remain in effect.

SECTION 2.5. Notwithstanding the provisions of Article 8 of Chapter 143 of the General Statutes, G.S. 136-28.1, and any other provision of law to the contrary, and pending completion of a successful route verification, the Department of Transportation, Ferry Division, shall lease a passenger ferry vessel for operation between Hatteras and Ocracoke. The term of the lease shall end no later than September 10, 2020. Of the funds appropriated to the Department of Transportation Contingency Fund in S.L. 2019-231 for the 2019-2020 fiscal year, the sum of up to one million one hundred forty-six thousand one hundred seventy-nine dollars (\$1,146,179) shall be used by the Division to lease and operate the ferry.



SECTION 3. Sections 1 and 2 of this act become effective July 1, 2020. The remainder of this act is effective when it becomes law.

In the General Assembly read three times and ratified this the 25th day of June, 2020.

s/ Daniel J. Forest
President of the Senate

s/ Tim Moore
Speaker of the House of Representatives

s/ Roy Cooper
Governor

Approved 12:21 p.m. this 30th day of June, 2020

(g) S. 806: Capital Appropriation - Western Carolina University (Session Law 2020-33)

This bill appropriates funds for the 2020-2021 fiscal year and shall be used for the steam plant project at Western Carolina University. Specifically, it directs the State Controller to transfer the following nonrecurring sums to Western Carolina University:

- (1) \$11,585,462 from the cash balance in the Repairs and Renovations Reserve established pursuant to G.S. 143C-4-3.
- (2) \$4,914,538 from the cash balance in the Federal Insurance Contributions Act (FICA) Fund

This bill passed the Senate on June 2, 2020 by 48-1 and the House on June 1, 2020 by 118-0.

The bill was signed by the Governor on June 19, 2020 and chaptered Session Law 2020-33.

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/Senate/PDF/S806v4.pdf>

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

**SESSION LAW 2020-33
SENATE BILL 806**

**AN ACT TO FUND CERTAIN CAPITAL IMPROVEMENTS AT WESTERN CAROLINA
UNIVERSITY.**

The General Assembly of North Carolina enacts:

SECTION 1. By August 15, 2020, the State Controller shall transfer the following nonrecurring sums to Western Carolina University (Budget Code: 16075):

- (1) \$11,585,462 from the cash balance in the Repairs and Renovations Reserve established pursuant to G.S. 143C-4-3.
- (2) \$4,914,538 from the cash balance in the Federal Insurance Contributions Act (FICA) Fund (Budget Code: 24160; Fund Code: 2000).

SECTION 2. The funds transferred in Section 1 of this act are appropriated for the 2020-2021 fiscal year and shall be used for the steam plant project at Western Carolina University.

SECTION 3. 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.

SECTION 4. Except where expressly repealed or amended by this act, the provisions of any other legislation enacted during the 2019 Regular Session of the General Assembly expressly appropriating funds to an agency, a department, or an institution covered under this act shall remain in effect.

SECTION 5. This act becomes effective July 1, 2020.

In the General Assembly read three times and ratified this the 11th day of June, 2020.

s/ Philip E. Berger
President Pro Tempore of the Senate

s/ Tim Moore
Speaker of the House of Representatives

s/ Roy Cooper
Governor

Approved 2:28 p.m. this 19th day of June, 2020



(i) S. 814: NC Promise Tuition Plan Funds (Session Law 2020-43)

This bill will provide the necessary state appropriation for the tuition “buy down” to make NC Promise institutions whole. It directs the Office of State Budget and Management to transfer \$10,000,000 in nonrecurring funds from the cash balance in the Education Lottery Reserve Fund and the Department of Public Instruction to transfer \$5,000,000 in nonrecurring funds from the cash balance in the School Bus Replacement Fund to UNC Board of Governors – Institutional Programs.

S. 814 passed the Senate on June 8, 2020 by 47-0 and the House on June 11, 2020 by 118-1.

The bill was signed by the Governor on June 20, 2020 and chaptered Session Law 2020-43.

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/Senate/PDF/S814v4.pdf>

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

SESSION LAW 2020-43
SENATE BILL 814

AN ACT TO APPROPRIATE FUNDS FOR THE NC PROMISE TUITION PLAN.

The General Assembly of North Carolina enacts:

SECTION 1.(a) Notwithstanding G.S. 18C-164, by August 15, 2020, the Office of State Budget and Management shall transfer the sum of ten million dollars (\$10,000,000) in nonrecurring funds from the cash balance in the Education Lottery Reserve Fund (Budget Code: 23004; Fund Code: 2C01) to UNC Board of Governors – Institutional Programs (Budget Code: 16011).

SECTION 1.(b) By August 15, 2020, the Department of Public Instruction shall transfer the sum of five million dollars (\$5,000,000) in nonrecurring funds from the cash balance in the School Bus Replacement Fund (Budget Code: 73510; Fund Code: 7200) to UNC Board of Governors – Institutional Programs (Budget Code: 16011).

SECTION 2.(a) The funds transferred in this act are appropriated to the Board of Governors of The University of North Carolina for the 2020-2021 fiscal year to be used for the NC Promise Tuition Plan established under G.S. 116-143.11, which sets tuition at five hundred dollars (\$500.00) per semester for North Carolina residents and two thousand five hundred dollars (\$2,500) per semester for nonresidents at Elizabeth City State University, the University of North Carolina at Pembroke, and Western Carolina University.

SECTION 2.(b) Departmental receipts, as defined in G.S. 143C-1-1, are appropriated for the 2020-2021 fiscal year up to the amounts needed to implement the provisions in this act for the 2020-2021 fiscal year.

SECTION 3. It is the intent of the General Assembly to appropriate from the General Fund to the Board of Governors of The University of North Carolina the following additional funds for the purpose of the "buy down" of any financial obligations incurred by Elizabeth City State University, the University of North Carolina at Pembroke, and Western Carolina University for the NC Promise Tuition Plan:

- (1) For the 2021-2022 fiscal year, the sum of twenty million dollars (\$20,000,000) in recurring funds.
- (2) For the 2022-2023 fiscal year, the sum of four million dollars (\$4,000,000) in recurring funds.
- (3) For the 2023-2024 fiscal year, the sum of three million four hundred thousand dollars (\$3,400,000) in recurring funds.
- (4) For the 2024-2025 fiscal year, the sum of three million dollars (\$3,000,000) in recurring funds.

For the 2024-2025 fiscal year and subsequent fiscal years, it is the intent of the General Assembly that the net appropriation for the "buy down" of any financial obligations incurred by Elizabeth City State University, the University of North Carolina at Pembroke, and Western Carolina University for the NC Promise Tuition Plan shall not exceed the sum of eighty-one million four hundred thousand dollars (\$81,400,000) in recurring funds.



SECTION 4. 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.

SECTION 5. Except where expressly repealed or amended by this act, the provisions of any other legislation enacted during the 2019 Regular Session of the General Assembly expressly appropriating funds to an agency, a department, or an institution covered under this act shall remain in effect.

SECTION 6. This act becomes effective July 1, 2020.

In the General Assembly read three times and ratified this the 15th day of June, 2020.

s/ Ralph E. Hise, Jr.
Presiding Officer of the Senate

s/ Tim Moore
Speaker of the House of Representatives

s/ Roy Cooper
Governor

Approved 9:54 a.m. this 26th day of June, 2020

(j) S. 817: Funds for UNC Enrollment Growth/FY 2020-2021 (Session Law 2020-67)

This bill will transfer \$12,718,578 in nonrecurring funds for the 20-21 FY from the Job Development Investment Grant Special Revenue Fund and will appropriate from the General Fund \$16,673,653 in nonrecurring funds for the 20-21 FY to be used to fund enrollment growth.

With these funds being non-recurring, this means at some point we will have to come back seeking recurring funds for two fiscal years, which will be challenging for the foreseeable future. DPI's and NCCCS' enrollment funding were also both non-recurring. NCCCS enrollment growth funding came out of COVID funding.

This bill passed the Senate on June 16, 2020 by 48-0 and the House on June 24, 2020 by 115-0.

The bill was signed by the Governor on July 1, 2020 and chaptered Session Law 2020-67.

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/Senate/PDF/S817v4.pdf>

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

SESSION LAW 2020-67
SENATE BILL 817

AN ACT TO FULLY FUND ENROLLMENT GROWTH AT THE UNIVERSITY OF NORTH CAROLINA.

The General Assembly of North Carolina enacts:

SECTION 1.(a) By August 15, 2020, the Department of Commerce shall transfer the sum of twelve million seven hundred eighteen thousand five hundred seventy-eight dollars (\$12,718,578) in nonrecurring funds for the 2020-2021 fiscal year from the Job Development Investment Grant Special Revenue Fund (Budget Code: 24609; Fund Code: 2565) to the Board of Governors of The University of North Carolina (Budget Code: 16011). The funds transferred pursuant to this section are hereby appropriated to the Board of Governors of The University of North Carolina for the 2020-2021 fiscal year to be used to fund enrollment growth at The University of North Carolina.

SECTION 1.(b) There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of sixteen million six hundred seventy-three thousand six hundred fifty-three dollars (\$16,673,653) in nonrecurring funds for the 2020-2021 fiscal year to be used to fund enrollment growth at The University of North Carolina.

SECTION 1.(c) Departmental receipts, as defined in G.S. 143C-1-1, are appropriated for the 2020-2021 fiscal year up to the amounts needed to implement the provisions in this act for the 2020-2021 fiscal year.

SECTION 2. 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.

SECTION 3. Except where expressly repealed or amended by this act, the provisions of any other legislation enacted during the 2019 Regular Session of the General Assembly expressly appropriating funds to an agency, a department, or an institution covered under this act shall remain in effect.



SECTION 4. This act becomes effective July 1, 2020.

In the General Assembly read three times and ratified this the 25th day of June, 2020.

s/ Daniel J. Forest
President of the Senate

s/ Tim Moore
Speaker of the House of Representatives

s/ Roy Cooper
Governor

Approved 5:24 p.m. this 1st day of July, 2020

(k) S 212: Capital Appropriations/R&R/DIT/Cybersecurity (Session Law 2020-78)

This bill appropriates \$39,100,000 million for UNC System-wide R&R.

SECTION 1.(c) : \$104 million from the SCIF to OSBM:

SCIF	Total Project Authority	20-21 FY
OSBM	\$1,500,000	\$1,500,000
R&R	-	\$85,250,000 (our 40% is \$34,100,000)
UNC-Chapel Hill, Business School	\$150,000,000 (\$75,000,000 commitment)	\$7,000,000
UNC-Chapel Hill, Nursing School Renovation	\$45,000,000	\$2,500,000
NC State, STEM Building	\$160,000,000 (\$80,000,000 commitment)	\$7,000,000
UNCA Woods Residence Hall	\$750,000	\$750,000

Section 2 – State controller transfers \$31,500,000 million in nonrecurring funds for 20-21 FY from the General Fund to SCIF for:

- (1) \$7,000,000 for UNC-Chapel Hill Business School.
- (2) \$2,500,000 for UNC-Chapel Hill Nursing School Renovation.
- (3) \$7,000,000 for NC State STEM Building.
- (4) \$15,000,000 for R&R.

Section 3.(a) From R&R: \$2,500,000 for FSU Dormitory Demolition and Removal

Section 3.(b)

- 40 percent of amount appropriated for R&R in the state will be allocated for R&R at UNC System Institutions, to be determined by the Board of Governors. 15m-2.5m= \$12,500,000 million (40 percent of this number is \$5 million).

SECTION 4.(a): Repair and Renovations

- Small capital projects up to \$600,000 may be approved by the chancellors

SECTION 4.(h) Reversions

- Increases carryforward authority from 2.5 to 5 percent; limits flexibility on existing uses to Repair & Renovation solely; states the institutions will provide half of any carryforward funds above 2.5 percent to the System Office to be distributed by the Board of Governors.

This bill originally passed both the House and Senate in 2019. It was completely gutted in the House and passed by concurrence vote on June 26, 2020 in both the House by 101-4 and the Senate by 42-0.

The bill was signed by the Governor on July 1, 2020 and chaptered Session Law 2020-81. During the September 2-3, 2020, session, H. 1105, now S.L. 2020-81, repealed Section 2 of this bill.

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/Senate/PDF/S212v8.pdf>

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

**SESSION LAW 2020-81
SENATE BILL 212**

AN ACT TO FUND VARIOUS CAPITAL AND REPAIRS AND RENOVATIONS PROJECTS FOR STATE AGENCIES AND THE UNIVERSITY OF NORTH CAROLINA; TO ENACT VARIOUS STATUTORY CHANGES RELATING TO FUNDING, COMMENCING, AND ADMINISTERING CAPITAL PROJECTS FROM THE STATE CAPITAL AND INFRASTRUCTURE FUND; TO ESTABLISH PILOT PROGRAMS AND A SATELLITE-BASED BROADBAND GRANT PROGRAM WITHIN THE DEPARTMENT OF INFORMATION TECHNOLOGY; TO STREAMLINE LEASES AND LEASE RENEWALS FOR BROADBAND INFRASTRUCTURE; TO MAKE APPROPRIATIONS TO THE DEPARTMENT OF INFORMATION TECHNOLOGY; AND TO CREATE A STATUTORY DEFINITION FOR "YEAR-ROUND SCHOOL."

The General Assembly of North Carolina enacts:

SECTION 1.(a) There is transferred from the General Fund to the State Capital and Infrastructure Fund the sum of one hundred four million dollars (\$104,000,000) in nonrecurring funds for the 2020-2021 fiscal year.

SECTION 1.(b) The following agency capital improvement projects have been assigned a project code for reference to allocations in this act and for intended project support by the General Assembly for future fiscal years:

Agency Capital Improvement Project	Project Code
Office of State Budget and Management– Freedom Park Project Repairs and Renovations	OSBM20-1 R&R20-1
The University of North Carolina University of North Carolina at Chapel Hill– Business School Nursing School Renovation	UNC/CH20-1 UNC/CH20-2
North Carolina State University– STEM Building	UNC/NCS20-1
Fayetteville State University– Dormitory Demolition and Removal	UNC/FSU20-1
University of North Carolina at Asheville– Woods Residence Hall Occupancy Requirements	UNC/AVL20-1

SECTION 1.(c) There is appropriated from the State Capital and Infrastructure Fund to the Office of State Budget and Management the sum of one hundred four million dollars



(\$104,000,000) in nonrecurring funds for the 2020-2021 fiscal year to be allocated for the following project codes, as defined in subsection (b) of this section:

Capital Improvements–

State Capital and

Infrastructure Fund

	Total	
	Project Authorization	2020-2021 FY
OSBM20-1	\$1,500,000	\$1,500,000
R&R20-1	—	\$85,250,000
UNC/CH20-1	\$150,000,000	\$7,000,000
UNC/CH20-2	\$45,000,000	\$2,500,000
UNC/NCS20-1	\$160,000,000	\$7,000,000
UNC/AVL20-1	\$750,000	\$750,000

SECTION 1.(d) For project code OSBM20-1, the Office of State Budget and Management shall provide a grant to the North Carolina Freedom Park, a nonprofit corporation, to build a public sculpture park on land located between the Legislative Building and the Governor's Mansion in downtown Raleigh to commemorate historic and ongoing struggles for freedom in North Carolina and especially the enduring roles of African-Americans in the struggle for freedom in this State. The North Carolina Historical Commission shall review and approve any monuments or sculptures, in accordance with G.S. 100-2, prior to placing them on State property. These funds shall not be expended unless the North Carolina Freedom Park raises the sum of one million seven hundred thousand dollars (\$1,700,000) in non-State funds to match the funds allocated under this section.

SECTION 1.(e) For project code UNC/CH20-1, the University of North Carolina at Chapel Hill is authorized to spend up to one hundred fifty million dollars (\$150,000,000) on the project, but shall commit to providing funding of at least seventy-five million dollars (\$75,000,000) from non-State sources on or before June 30, 2022, as a match for the intended State allocations totaling seventy-five million dollars (\$75,000,000) for the project.

SECTION 1.(f) For project code UNC/NCS20-1, North Carolina State University is authorized to spend up to one hundred sixty million dollars (\$160,000,000) on the project, but shall commit to providing funding of at least eighty million dollars (\$80,000,000) from non-State sources on or before June 30, 2022, as a match for the intended State allocations totaling eighty million dollars (\$80,000,000) for the project.

SECTION 1.(g) For project code UNC/AVL20-1, notwithstanding any provision of law to the contrary, the funds allocated for the project shall be used to cover the expenses incurred by UNC-Asheville related to meeting the building requirements imposed by the Department of Insurance upon UNC-Asheville to allow students to occupy the university's newly constructed Woods Residence Hall.

SECTION 2. If funds are deposited pursuant to Section 3.2 of House Bill 1023, 2019 Regular Session, the State Controller shall transfer the sum of thirty-one million five hundred thousand dollars (\$31,500,000) in nonrecurring funds for the 2020-2021 fiscal year from the General Fund to the State Capital and Infrastructure Fund. The funds transferred to the State Capital and Infrastructure Fund are hereby appropriated as nonrecurring funds for the 2020-2021 fiscal year and shall be allocated by the Office of State Budget and Management for the following project codes, as defined in Section 1(b) of this act:

- (1) \$7,000,000 for project code UNC/CH20-1.
- (2) \$2,500,000 for project code UNC/CH20-2.
- (3) \$7,000,000 for project code UNC/NCS20-1.
- (4) \$15,000,000 for project code R&R20-1.

SECTION 3.(a) Of the funds appropriated in this act for project code R&R20-1, the Office of State Budget and Management shall allocate the sum of two million five hundred thousand dollars (\$2,500,000) for project code UNC/FSU20-1.

SECTION 3.(b) Of the funds appropriated in Section 1 of this act, for project code R&R20-1, after the allocation in subsection (a) of this section, the Office of State Budget and Management shall make the following allocations to the following agencies for repairs and renovations pursuant to G.S. 143C-8-13:

- (1) Forty percent (40%) of the amount appropriated in this act from the State Capital and Infrastructure Fund shall be allocated for repairs and renovations at the constituent institutions of The University of North Carolina, as determined by the Board of Governors.
- (2) Sixty percent (60%) of the amount appropriated in this act from the State Capital and Infrastructure Fund shall be allocated for repairs and renovations for State agencies, excluding The University of North Carolina.

The Office of State Budget and Management shall consult with or report to the Joint Legislative Commission on Governmental Operations, as appropriate, in accordance with G.S. 143C-8-13(b). The Board of Governors shall report to the Joint Legislative Commission on Governmental Operations in accordance with G.S. 143C-8-13(b).

SECTION 3.(c) Funds allocated under this section that may be expended on projects where the recipient intends or expects to receive insurance proceeds or State or federal aid or assistance shall be used only to the extent that funds received from the settlement of a claim for loss or damage covered under the recipient's applicable insurance policy, or other aid or assistance, are insufficient to cover all damages sustained as a result of Hurricane Florence.

SECTION 4.(a) G.S. 143C-8-13 reads as rewritten:

"§ 143C-8-13. Repairs and Renovations.

(a) Use of Funds. – ~~Funds Except as otherwise provided for in this section, funds for repairs and renovations shall be available for expenditure only upon an act of appropriation by the General Assembly. Funds appropriated for repairs and renovations shall be used only for State facilities and related infrastructure that are supported from the General Fund or the State Capital and Infrastructure Fund and for Department of Information Technology facilities and related infrastructure. Funds appropriated for repairs and renovations projects shall not be used for new construction or the expansion of the building area (sq. ft.) of an existing facility unless required in order to comply with federal or State codes or standards. Allowable projects include any of the following:~~

...

(c) In making campus allocations of funds allocated to the Board of Governors of The University of North Carolina for the purposes described in subsection (a) of this section, the Board of Governors shall negatively weight the availability of non-State resources and carryforward funds available for repairs and renovations and shall include information about the manner in which this subsection was complied with in any report submitted pursuant to this section.

(d) Notwithstanding any provision of G.S. 143C-8-7 to the contrary, the chancellor of a constituent institution of The University of North Carolina may pay for projects for repairs and renovations with funds available to the constituent institution according to the following:

- (1) The project meets all of the following requirements:
 - a. The total project costs do not exceed six hundred thousand dollars (\$600,000).
 - b. The project is one of the types set forth in subdivisions (1) through (13) of subsection (a) of this section, regardless of whether the relevant facilities and related infrastructure are supported from the General Fund or the State Capital and Infrastructure Fund.
- (2) The constituent institution reports on projects undertaken pursuant to this subsection to the Board of Governors of The University of North Carolina and

the Fiscal Research Division on a quarterly basis. The report shall include all of the following information for each project:

- a. The facility at which the project is being undertaken.
- b. The nature and scope of the project.
- c. The source of funds for the project.
- d. The category of projects set forth in subsection (a) of this section that the project falls within.

- (3) Any funds from a General Fund appropriation that are contractually obligated for a project pursuant to this subsection shall not revert at the end of the fiscal year but shall remain available to fund the completion of the project."

SECTION 4.(b) G.S. 143C-8-7 reads as rewritten:

"§ 143C-8-7. When a State agency may begin a capital improvement project.

(a) No State agency may expend funds for the construction or renovation of any capital improvement project except as needed to comply with this Article or otherwise authorized by the General Assembly. Funds that become available by gifts, excess patient receipts above those budgeted at the University of North Carolina Hospitals at Chapel Hill, federal or private grants, receipts becoming a part of special funds by act of the General Assembly, or any other funds available to a State agency or institution may be utilized for advanced planning through the working drawing phase of capital improvement projects, upon approval of the Director of the Budget.

(b) Notwithstanding any other provision of law to the contrary, the Department of Agriculture and Consumer Services is authorized to utilize the types of funds described in subsection (a) of this section to build equipment structures that meet the description contained in G.S. 143-138(b4)(1)c. on an as-needed basis, provided that the total project cost does not exceed one hundred twenty-five thousand dollars (\$125,000)."

SECTION 4.(c) Article 8 of Chapter 143C of the General Statutes is amended by adding a new section to read:

"§ 143C-8-7.1. Procedures for disbursement of capital funds.

(a) Appropriations made by an act of the General Assembly for capital improvements are for constructing, repairing, or renovating State buildings, utilities, and other capital facilities; for acquiring sites for them where necessary; for acquiring buildings and land for State government purposes and other purposes as set forth in G.S. 143C-4-3.1; and shall be disbursed for the purposes provided by that act. Expenditure of funds shall not be made by any State department, institution, or agency until an allotment has been issued by the Governor as Director of the Budget, which shall not be unreasonably withheld. The allotment shall be issued upon compliance with the provisions of this Chapter. Prior to the award of construction contracts for projects to be financed in whole or in part with self-liquidating appropriations, the Director of the Budget shall approve the elements of the method of financing of those projects, including the source of funds, interest rate, and liquidation period. Provided, however, that if the Director of the Budget approves the method of financing a project, the Director shall report that action to the Joint Legislative Commission on Governmental Operations at its next meeting.

(b) Where direct capital improvement appropriations include the purpose of furnishing fixed and movable equipment for any project, those funds for equipment shall not be subject to transfer into construction accounts except as authorized by the Director of the Budget. The expenditure of funds for fixed and movable equipment and furnishings shall be reviewed and approved by the Director of the Budget prior to commitment of funds.

(c) Capital improvement projects authorized by an act of the General Assembly shall be completed, including fixed and movable equipment and furnishings, within the limits of the amounts of the direct or self-liquidating appropriations provided, except as otherwise provided in that act. Capital improvement projects authorized by an act of the General Assembly for the design phase only shall be designed within the scope of the project as defined by the approved

cost estimate filed with the Director of the Budget, including costs associated with site preparation, demolition, and movable and fixed equipment. Amounts contracted for projects authorized by the General Assembly cannot exceed the total project cost authorization.

(d) Disbursement of funds from the State Capital and Infrastructure Fund for projects authorized by an act of the General Assembly shall be made as needed to initiate or advance a capital project. Funds authorized for any particular project shall remain in the State Capital and Infrastructure Fund until such time as disbursement is necessary to satisfy a financial obligation for that project."

SECTION 4.(d) G.S. 143C-8-12(a) reads as rewritten:

"(a) University Projects. – Notwithstanding any other provision of this Chapter, the Board of Governors of The University of North Carolina may approve any of the following:

- (1) Expenditures to plan a capital improvement project of The University of North Carolina, the planning for which is to be funded entirely with non-General Fund money.
- (2) Expenditures for a capital improvement project of The University of North Carolina that is to be funded and operated entirely with non-General Fund money.
- (3) A change in the scope of any previously approved capital improvement project of The University of North Carolina provided that both the project and change in scope are funded entirely with non-General Fund money.

Nothing in this subsection shall be construed to prohibit expenditures for planning for a project that has been authorized by an act of the General Assembly and funded with an allocation from the State Capital and Infrastructure Fund."

SECTION 4.(e) G.S. 143C-3-3(b) reads as rewritten:

"(b) University of North Carolina System Request. – Notwithstanding the requirement in G.S. 116-11 that the Board of Governors prepare a unified budget request for all of the constituent institutions of The University of North Carolina, budget requests of the University shall be subject to all of the following:

- (1) Repairs and renovations requests, capital fund requests, and information technology requests shall comply with subsections (c), (d), and (e) of this section.
- (2) The University of North Carolina shall not make a capital funds request proposing to construct a new facility, expand the building area (square feet) of an existing facility, or rehabilitate an existing facility to accommodate new or expanded uses unless the University has completed advanced planning through schematic design of the project with funds other than General Fund appropriations. For purposes of this subdivision, "funds other than General Fund appropriations" includes funds carried forward from one fiscal year to another pursuant to G.S. 116-30.3 and G.S. 116-30.3B.

Nothing in this subsection shall be construed to prohibit expenditures for planning for a project that has been authorized by an act of the General Assembly and funded with an allocation from the State Capital and Infrastructure Fund."

SECTION 4.(f) G.S. 143C-4-3.1 reads as rewritten:

"§ 143C-4-3.1. State Capital and Infrastructure Fund.

...

(b) Creation and Source of Funds. – There is established in the General Fund the State Capital and Infrastructure Fund, hereinafter referred to as the "Fund." The Fund shall be maintained as a special fund and administered by the Office of State Budget and Management to carry out the provisions of this section. With the exception of debt service obligations, appropriations from the Fund may be administered by other State agencies as deemed necessary

by the Office of State Budget and Management. Interest accruing from the monies in the Fund shall be credited to the Fund. The Fund shall consist of the following sources of funding:

- (1) One-fourth of any unreserved fund balance, as determined on a cash basis, remaining in the General Fund at the end of each fiscal year.
- (2) Four percent (4%) of the net State tax revenues that are deposited in the General Fund during the fiscal year.
- (3) All monies appropriated by the General Assembly for the purposes of General Fund capital improvements, as defined in G.S. 143C-1-1(d).
- (4) All interest and investment earnings received on monies in the Fund.
- (5) Any other funds, as directed by the General Assembly.

...

(e) Use of Funds. – Monies in the Fund shall first be used to meet the debt service obligations ~~of the State, supported by the General Fund.~~ In addition to meeting the ~~State's debt service obligations,~~ obligations supported by the General Fund, monies in the Fund may be used for the following purposes:

- (1) New State and The University of North Carolina capital projects governed pursuant to Article 8 of Chapter 143C of the General Statutes.
- (2) Repair and renovation of existing capital assets, as provided in G.S. 143C-8-13.
- (3) Broadband infrastructure projects funded through appropriations to the Growing Rural Economies with Access to Technology Fund established in G.S. 143B-1373(b).
- (4) Projects and grants identified in the Current Operations Appropriations Act or that have been authorized and funded by an act of the General Assembly.

(f) Funds Available Only Upon Appropriation. – Funds reserved to the Fund shall be available for expenditure only upon an act of appropriation by the General Assembly.

(g) Unexpended Funds. – Funds appropriated for a project that are unspent and unencumbered upon completion of the project shall revert to the Fund.

(h) In each fiscal year, the Office of State Budget and Management may reallocate appropriations from the State Capital and Infrastructure Fund between projects to meet cash flow requirements for a project, provided that the following criteria are met:

- (1) If the project for which funds have been appropriated is for one of the constituent institutions of The University of North Carolina, then unencumbered funds may be allocated from another project for a constituent institution of The University of North Carolina for which funds have been appropriated.
- (2) If the project for which funds have been appropriated is for a State agency that is not The University of North Carolina, then unencumbered funds may be allocated from another project for a State agency for which funds have been appropriated.
- (3) The amount disbursed will not exceed amounts appropriated from the State Capital and Infrastructure Fund.
- (4) The amount disbursed on any project cannot exceed the amount authorized for that project.
- (5) The amount reallocated cannot be used to expand the scope of the project.
- (6) A project shall not begin until the fiscal year authorized by the General Assembly."

SECTION 4.(g) G.S. 143-341(3)b1. reads as rewritten:

"b1. To certify that a statement of needs pursuant to G.S. 143C-3-3, other than for a project of The University of North Carolina for which advance planning has not been completed, is feasible. For purposes of

this sub-subdivision, "feasible" means that the proposed project is sufficiently defined in overall scope; building program; site development; detailed design, construction, and equipment budgets; and comprehensive project scheduling so as to reasonably ensure that it may be completed with the amount of funds requested. At the discretion of the General Assembly, advanced planning funds may be appropriated in support of this certification. This sub-subdivision shall not apply to requests for appropriations ~~of less than one hundred thousand dollars (\$100,000)~~ below the formal project limit, as set by the State Building Commission."

SECTION 4.(h) G.S. 116-30.3 reads as rewritten:

"§ 116-30.3. Reversions.

(a) Of the General Fund current operations appropriations credit balance remaining at the end of each fiscal year in each of the budget codes listed in this subsection, any amount of the General Fund appropriation for that budget code for that fiscal year (i) may be carried forward to the next fiscal year in that budget code, (ii) is appropriated in that budget code, and (iii) may be used for ~~any of the purposes~~ purpose set out in subsection (f) of this section. However, the amount carried forward in each budget code under this subsection shall not exceed ~~two and one-half~~ five percent (2.5%) ~~(5.0%)~~ of the General Fund appropriation in that budget code. The Director of the Budget, under the authority set forth in G.S. 143C-6-2, shall establish the General Fund current operations credit balance remaining in each budget code.

The budget codes that may carry forward a General Fund current operations appropriations credit balance remaining at the end of each fiscal year pursuant to this section are the budget codes for each of the following:

- (1) Each special responsibility constituent institution.
- (2) The Area Health Education Centers of the University of North Carolina at Chapel Hill.
- (3) University of North Carolina System Office Budget Code 16010.

Each budget code in subdivisions (1) through (3) of this subsection may retain a carryforward amount of up to two and one-half percent (2.5%). One-half of any amounts carried forward exceeding two and one-half percent (2.5%) shall be distributed to The University of North Carolina System Office, to be disbursed to the constituent institutions at the discretion of the Board of Governors, with the remaining amount being retained in that budget code.

...

(f) Funds carried forward pursuant to subsection (a) of this section ~~may~~ shall be used for ~~one-time expenditures, provided, however, that the expenditures~~ projects that are eligible to receive funds under G.S. 143C-8-13(a). Expenditures authorized by this subsection shall not impose additional financial obligations on the State and shall not be used to support positions."

SECTION 5. The Information Technology Innovation Center, established pursuant to G.S. 143B-1350(j), shall create a cybersecurity pilot program to establish and utilize public-private partnerships to provide cybersecurity support services from participating vendors to eligible counties. The Center shall receive proposals from vendors that demonstrate the capability to provide comprehensive cybersecurity support services to counties designated as development tier one or tier two areas, pursuant to G.S. 143B-437.08. The Center shall establish agreements with participating vendors that describe the funds or professional services to be offered in the cybersecurity pilot program described by this section. Participating vendors selected by the Center shall meet all of the following requirements:

- (1) Demonstrated compliance with the security guidelines outlined in the National Institute of Standards and Technology Special Publication 800-171.
- (2) Services offered must be complete and include all hardware, software, licenses, support, maintenance, training, and labor, as applicable.

- (3) Services must account for evolving technology and security threats.
- (4) Adequate ability for review and oversight of services by the Department of Information Technology.
- (5) Services must be as integrated as possible and must identify accountability and responsibility measures for incident response.
- (6) Projects and services shall be integrated with existing State cybersecurity infrastructure and shall share all resulting data with the State.

The Center shall develop criteria for eligible counties to demonstrate need and capacity to participate in the cybersecurity pilot program by March 31, 2021, and annually thereafter, the Center shall submit a report to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division on the cybersecurity pilot program, including the terms of partnerships initiated, eligible counties participating, and any results from partnerships.

SECTION 6.(a) The Department of Information Technology (Department) shall establish a program and project management improvement pilot program that incorporates the provisions contained in this section. The State Chief Information Officer shall do all of the following:

- (1) Adopt mandatory agency-wide standards, policies, and guidelines for program and project management.
- (2) Oversee program and project management for the standards, policies, and guidelines established pursuant to subdivision (1) of this subsection.
- (3) Issue regulations and establish mandatory standards and policies for the Department, in accordance with nationally accredited standards for program and project management planning and execution.
- (4) Collaborate and engage with private and nonprofit entities in furtherance of the standards, policies, and guidelines established pursuant to this subsection.
- (5) Conduct periodic reviews of the Department to identify and address programs and projects identified as high-risk.
- (6) Conduct annual reviews of Department programs and projects in coordination with the Department's Project Management Improvement Director designated pursuant to this section.
- (7) Establish and periodically update a five-year strategic plan for program and project management for the Department.

SECTION 6.(b) The Deputy Chief Information Officer shall designate a Program Management Improvement Director who shall report directly to the Deputy CIO. The Program Management Improvement Director shall be responsible for all of the following:

- (1) Implementation of mandatory program management policies established by the Department pursuant to this section.
- (2) Development of a written strategy for enhancing the role of program managers within the Department which shall include all of the following:
 - a. Enhanced training and educational opportunities for program managers.
 - b. Mentoring of current and future program managers by experienced agency personnel within the Department.
 - c. Establishing improved career paths and career opportunities for program managers.
 - d. Providing incentives for the recruitment and retention of highly qualified individuals to serve as program managers.
 - e. Developing resources and support, including establishing relevant competencies encompassed with program and project management within the private sector for program managers.

- f. Developing means of collecting and disseminating best practices and lessons learned to enhance program management throughout the Department.
- g. Create common templates and tools to support improved data gathering and analysis for program management and oversight purposes.

SECTION 6.(c) No later than 270 days after the effective date of this act, the Deputy Chief Information Officer shall issue regulations in accordance with this section. The regulations shall contain at least all of the following:

- (1) Identification of key skills and competencies needed for a program and project manager in the Department.
- (2) Establishment of a new job series for program and project management within the Department.
- (3) Establishment of a new career path for program and project managers within the Department.
- (4) Requirements for certification of program and project managers within the Department by domestic third-party certification bodies specializing in certifications for project managers, program managers, and portfolio managers.

SECTION 6.(d) On or before July 1, 2021, the Department of Information Technology shall submit a report to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division on the pilot program outlined in this section. At a minimum, the report shall contain the following:

- (1) A list of the policies, guidelines, and regulations issued under the pilot program.
- (2) The contents of the five-year strategic plan for program and project management.
- (3) A summary of the written strategy for project managers in the Department.
- (4) Evidence of any improvement in project management in the Department, including a summary of personnel training and certifications, resulting from the pilot program.
- (5) Any programmatic or legislative recommendations.

SECTION 7.(a) Part 6 of Article 15 of Chapter 143B of the General Statutes is amended by adding a new section to read:

"§ 143B-1374. Satellite-Based Broadband Grant Program.

(a) The following definitions apply in this section:

- (1) Broadband service. – Internet access service, regardless of the technology or medium used to provide the service, with transmission speeds that are equal to or greater than the requirements for the minimum performance tier and with latency equal to or lesser than the requirements for low latency, as both metrics are provided by the Federal Communications Commission in Paragraph 39 of the report and order adopted January 30, 2020, and released February 7, 2020.**
- (2) Grantee. – A satellite-based provider that has been awarded a grant pursuant to this section.**
- (3) Office. – The Broadband Infrastructure Office in the Department of Information Technology.**
- (4) Project area. – An area identified by a grantee and defined in a grant agreement entered into pursuant to this section that contains unserved households. A project area may also cover areas that have broadband service.**
- (5) Satellite-based provider. – A broadband service provider that provides Internet access directly to consumers via satellite technology.**

- (6) Unserved household. – A household located in this State that does not have access to broadband service from a wireline or wireless service provider. A household that is included in an area where a grant from the Growing Rural Economies with Access to Technology (GREAT) program pursuant to G.S. 143B-1373 has been awarded is not eligible for a grant under this section.

(b) The Satellite-Based Broadband Grant Fund is created as a special revenue fund in the Department of Information Technology. Monies in the Fund do not revert but remain available to the Department for the purposes provided in this section. State funds appropriated to this Fund shall be considered an information technology project within the meaning of G.S. 143C-1-2.

(c) Applications for grants will be submitted at times designated by and on forms prescribed by the Secretary. Notwithstanding any other provision of law, if the Secretary deems some of the information in an application to contain proprietary information, the Secretary may provide that such information is not a public record, as that term is defined in G.S. 132-1, subject to public records or other laws requiring the disclosure of such information and have that portion of the application redacted. An application shall include, at a minimum, the following information:

- (1) The identity of the applicant.
- (2) An illustration or description of the project area to be served and the estimated number of unserved households in that area that will gain access to broadband service at the conclusion of deployment.
- (3) The proposed construction and deployment time line.
- (4) A description of the services to be provided, including the proposed upstream and downstream broadband speeds to be delivered, latency metrics, and any applicable data caps. Any applicant proposing a data cap below 150 Gigabytes of usage per month shall also provide justification to the satisfaction of the Office that the proposed cap is in the public interest and consistent with industry standards.
- (5) A plan to mitigate barriers to adoption by households.
- (6) The proposed advertised speed to be marketed to end users in the project area.
- (7) The proposed cost to be charged to an unserved household in the project area for subscribing to the broadband service.
- (8) Any other information or supplementary documentation requested by the Office.

(d) The Office shall determine eligibility for a grant pursuant to this section based upon the information provided in the application of a satellite-based provider, and any other information or supplementary documentation requested by the Office, and shall award grants to applicants that will provide access to the greatest number of unserved households. Applications of satellite-based providers that propose the provision of broadband service to the greatest number of unserved households situated in census tracts that have been identified as significantly unserved by the Office shall be given priority. The maximum aggregate amount of total liability for all grants awarded under this section is four million dollars (\$4,000,000). The maximum amount of total annual liability for grants awarded in any single calendar year under this section is two million five hundred thousand dollars (\$2,500,000). No agreement may be entered into that, when considered together with other existing agreements governing grants awarded during a single calendar year, could cause the State's potential total annual liability for grants awarded in a single calendar year to exceed the applicable amount. The amount of award per household for each grant year shall be equal to the product of two hundred fifty dollars (\$250.00) multiplied by a fraction, the numerator of which is the total number of full months all unserved households subscribed to and received broadband service from the grantee in the grant year and the denominator of which is 12. No broadband service to an unserved household beyond 24 months of service may be included in the calculation of an award.

Eligibility for a grant award is dependent upon the household maintaining broadband service with the grantee for at least eighty-three percent (83%) of the year in which the grantee seeks an award. No single subscription or full-year equivalent subscription may be used to calculate a grant award for more than the three-year term identified in the agreement. The total grant award for a single unserved household under this section shall not exceed five hundred dollars (\$500.00). A grantee shall submit documentation to the Office annually that will provide information sufficient for the Office to verify eligibility of subscriptions, including that the household was unserved. Payment of grant funds is subject to documentation showing eligibility of subscriptions.

(e) The Office shall require a grantee to enter into an agreement. The agreement shall contain at least all of the following:

- (1) A detailed description of the anticipated area where the grantee will deploy broadband service.
- (2) The current number of unserved households situated within the anticipated area.
- (3) The total number of unserved households the grantee anticipates subscribing to its broadband service.
- (4) A method for the grantee to report annually to the Office the number of households subscribing to broadband service offered by the grantee and for documenting that those households were previously unserved households.
- (5) A plan for the grantee to address barriers to adoption by households situated within the project area.
- (6) A provision that requires the grantee to maintain its service for the area, or another area approved by the Office, for at least five years.
- (7) A provision establishing the conditions under which the grant agreement may be terminated and under which grant funds may be recaptured by the Office.
- (8) A provision stating that unless the agreement is terminated pursuant to its terms, the agreement is binding and constitutes a continuing contractual obligation of the State and the grantee.
- (9) A provision that establishes any allowed variation in the terms of the agreement that will not subject the grantee to grant reduction, amendment, or termination of the agreement.
- (10) A provision describing the manner in which the amount of the grant will be measured and administered to ensure compliance with the agreement and this section.
- (11) A provision stating that any recapture of a grant and any reduction in the amount of the grant or the term of the agreement must, at a minimum, be proportional to the failure to comply measured relative to the condition or criterion with respect to which the failure occurred.
- (12) A provision describing the methodology the Office will use to verify subscriptions and the types of information required to be submitted by the grantee.
- (13) A provision prohibiting a grantee from receiving a payment or other benefit under the agreement at any time when the grantee has received a notice of an overdue tax debt, as defined in G.S. 105-243.1, and the overdue tax debt has not been satisfied or otherwise resolved.
- (14) A provision stating that any disputes over interpretation of the agreement shall be submitted to binding arbitration.
- (15) A provision encouraging the business to contract with small businesses headquartered in the State for goods and services.
- (16) A provision encouraging the business to hire North Carolina residents.

(17) A provision encouraging the business to use the North Carolina State Ports.

(18) Any other provision the Office deems necessary.

An agreement entered into pursuant to this section is a binding obligation of the State and is not subject to State funds being appropriated by the General Assembly.

(f) If the grantee fails to meet or comply with any condition or requirement set forth in an agreement, the Office shall reduce the amount of the grant or the term of the agreement, may terminate the agreement, or both. The reduction in the amount or the term must, at a minimum, be proportional to the failure to comply measured relative to the condition with respect to which the failure occurred. If the Office finds that the grantee has manipulated or attempted to manipulate data with the purpose of increasing the amount of a grant, the Office shall immediately terminate the agreement and take action to recapture any grant funds disbursed in any year in which the Office finds the grantee manipulated or attempted to manipulate data with the purpose of increasing the amount of a grant.

(g) The grantee shall certify and provide to the Office evidence consistent with a Federal Communications Commission attestation that the proposed minimum upstream and minimum downstream broadband speeds and latency metrics identified in the application guidelines are and will be available throughout the project area during the term of the agreement prior to any end user connections. A grantee may receive an annual disbursement of a grant only after the Office has certified that the grantee has met the terms and conditions of the agreement, including documentation of eligible subscriptions by unserved households. A grantee shall annually submit a certification of compliance with the agreement to the Office. The Office shall require the grantee to provide any necessary evidence of compliance to verify that the terms of the agreement have been met.

(h) Notwithstanding any other provision of law, grants made pursuant to this section shall be budgeted and funded on a cash flow basis. The Department shall disburse funds in an amount sufficient to satisfy grant obligations to be paid during the fiscal year. It is the intent of the General Assembly to appropriate funds annually to the Satellite-Based Broadband Grant Program established in this section in amounts sufficient to meet the anticipated cash requirements for each fiscal year.

(i) The Office shall require that a grantee offer the proposed advertised minimum download and minimum upload speeds and subscription cost identified in the application for the duration of the five-year service agreement. At least annually, a grantee shall provide to the Office evidence consistent with a Federal Communications Commission attestation that the grantee is making available the proposed advertised speed, or a faster speed, as contained in the grant agreement. For the duration of the agreement, a grantee shall disclose any changes to data caps for the project area that differ from the data caps listed in the grant application to the Office.

(j) A grantee shall submit to the Office an annual report for the duration of the agreement. The report shall include a summary of, and level of attainment for, the items contained in the grant agreement and shall also include (i) the number of households 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 that actually subscribe to the broadband service, and (iii) the average monthly subscription cost for broadband service in the project area.

(k) 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 expected to benefit from each agreement.
- (3) The total amount of investment for each agreement.

- (4) A summary of areas receiving grants that are now being provided broadband service and the advertised broadband speeds and subscription prices for those areas.
- (5) Any breaches of agreements, and any grant fund forfeitures or reductions.
- (6) Any recommendations for the grant program, including better data sources and methods for improving outcomes and accountability."

SECTION 7.(b) Notwithstanding G.S. 143B-1374(d), as enacted in this act, the maximum amount of total annual liability for grants awarded for the 2020 calendar year is one million dollars (\$1,000,000).

SECTION 8.(a) G.S. 146-29.2 reads as rewritten:

"§ 146-29.2. Lease or interest in real property for communication purposes.

...

(b1) The State shall allow the collocation, installation, and operation of equipment by a broadband provider on any existing structure owned by the State and shall lease real property, or grant an easement or license with an interest in real property, for the purposes of construction and placement of broadband infrastructure on State land. A disposition entered into pursuant to this subsection is voidable by the Governor and Council of State for specific reasons or causes that shall be cited. A determination for a disposition under this subsection shall be made subject to the following:

- (1) For new requests, the Department of Administration shall prepare and finalize the lease agreement within four months of the receipt of the lease application by the controlling agency. An agency controlling the subject property shall coordinate with the Department in preparing the complete application package for the lease request. If, after four months have elapsed since the controlling agency received the lease application, the lease agreement has not been finalized, the Department shall enter into a lease agreement with the applicant according to the terms submitted in the application.
- (2) For renewals, the Department of Administration shall prepare and finalize the lease agreement within two months of receiving the application. If the Department is unable to finalize the renewed lease at least two months prior to the termination of the current lease, then the terms of the current lease shall continue until the lease is finalized.
- (3) The Department of Administration shall coordinate with the Department of Information Technology to develop a streamlined lease development process using state-of-the-art technology, including video conferencing, to facilitate and expedite process completion. All State agencies shall cooperate with and participate in the streamlined lease development process to ensure that finalized lease agreement is prepared and finalized within the time frames required under this subsection.

...."

SECTION 8.(b) This section becomes effective July 1, 2020, and applies to applications for new leases and lease renewals submitted on or after that date.

SECTION 8.(c) This section expires January 1, 2025.

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.

SECTION 9.(b) Of the funds available in the Enterprise Security and Risk Management Office (Fund Code: 14660-1720), the following sums are appropriated to the Department of Information Technology to be allocated for the following purposes:

- (1) \$2,500,000 in nonrecurring funds for the 2020-2021 fiscal year for the cybersecurity pilot program described in Section 5 of this act.
- (2) \$3,250,000 in nonrecurring funds for the 2020-2021 fiscal year to be allocated to Gaston College to use to found the Carolina Cyber Network. Gaston College may use up to two hundred fifty thousand dollars (\$250,000) of the funds allocated in this subdivision for administration costs associated with the Network.
- (3) The sum of five million five hundred thousand dollars (\$5,500,000) in nonrecurring funds for the 2020-2021 fiscal year to be used to enhance Statewide cybersecurity.
- (4) The sum of one million dollars (\$1,000,000) to the Satellite-Based Broadband Grant Fund, established in Section 7 of this act.

SECTION 10.(a) G.S. 115C-84.2 is amended by adding a new subsection to read:

"(f) Definitions. – The following definitions shall apply in this section:

- (1) Reserved.
- (2) Reserved.
- (3) Reserved.
- (4) Reserved.
- (5) Year-round school. – A school with a single- or multi-track instructional calendar to provide instructional days throughout the entire school calendar year, beginning July 1 and ending June 30, by utilizing at least one of the following plans:
 - a. A plan dividing students into four groups and requiring each group to be in school for assigned and staggered quarters each school calendar year.
 - b. A plan providing students be scheduled to attend 45 instructional days followed by 15 days of vacation, repeated throughout the school calendar year.
 - c. A plan dividing the school calendar year into five nine-week sessions of classes and requiring each student to attend four assigned and staggered sessions out of the five nine-week sessions to complete the student's instructional year."

SECTION 10.(b) This section is effective when it becomes law and applies beginning with the 2021-2022 school year.

SECTION 11.(a) 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.

SECTION 11.(b) Departmental receipts, as defined in G.S. 143C-1-1, are appropriated for the 2020-2021 fiscal year up to the amounts needed to implement the provisions in this act for the 2020-2021 fiscal year.

SECTION 11.(c) Except where expressly repealed or amended by this act, the provisions of any other legislation enacted during the 2019 Regular Session of the General Assembly expressly appropriating funds to an agency, a department, or an institution covered under this act shall remain in effect.

SECTION 12. Sections 1, 2, and 3 of this act become effective July 1, 2020. The remainder of this act is effective when it becomes law.

In the General Assembly read three times and ratified this the 26th day of June, 2020.

s/ Philip E. Berger
President Pro Tempore of the Senate

s/ Tim Moore
Speaker of the House of Representatives

s/ Roy Cooper
Governor

Approved 5:36 p.m. this 1st day of July, 2020

Section 2 2020 Short Session, May 18 – July 11, 2020

- b) Policy Bills impacting the UNC System, now session law**
 - a. Board of Governors approved 2020 Legislative Proposals
 - b. H. 118: COVID-19 Liab. Safe Harbor, Session Law 2020-89
 - c. H. 1096: UNC Omnibus Changes/UNC Funds, Session Law 2020-56
 - d. S. 208: COVID-19 Immunity/Institutions of Higher Education, Session Law 2020-70



THE UNIVERSITY OF NORTH CAROLINA SYSTEM

2020 LEGISLATIVE PROPOSALS

SUMMARY OF PRIORITY PROPOSALS

Operational Efficiencies

1. Consolidate and Simplify the UNC Need-based Grant, Education Lottery Scholarship, and Community College Grant into one North Carolina Scholarship

The existence of three separate programs, with three different eligibility criteria, makes state-based grant programs more complex to navigate and understand for students and families. Consolidating these three programs into a single North Carolina Scholarship would create a simpler, more user-friendly state aid system.

2. Exempt Commissioned Officers/Public Safety Positions from most of the NC HR Act

In an effort to increase our ability to retain our first responders, we seek legislative support for exempting our public safety personnel. Exempts commissioned officers and public safety positions from NC HR Act (EHRA non-faculty) to allow for better hiring and compensation practices. The impacted employees will retain coverage under Article 8 of NCGS 126, which provides disciplinary due process and grievance rights aligned with SHRA employees.

3. AHEC Primary Care Plan Report Elimination; Change Date for Primary Care Report and Sunset Legislative Reports

In 1995, the legislature required the BOG and UNC to report every other year on goals and plans for Primary Care programs in NC. AHEC has compiled these reports for all of the programs across the state and these reports are of limited value. We seek to eliminate the “Primary Care Plan” report.

The “Primary Care Report” though is a national model, but the national data necessary to complete the report comes out in October. We seek to change the next report due date to April 15, 2021.

More generally, many reports required by the legislature have a useful shelf life. As the legislature creates new reporting requirements, the legislature should consider including a sunset provision so new reports don’t continue to add up even when the issues at play have been resolved.

4. Allow UNC Board of Governors to retain outside counsel

Current statute requires that the Attorney General’s office represent the University in any litigation filed against it, unless the University obtains the approval of the Attorney General and the Governor to retain outside counsel. The University’s lack of control over its representation sometimes leads to operational challenges and disputes about litigation strategy, and often prevents the University from assembling the best team and resources for each litigation matter.



THE UNIVERSITY OF NORTH CAROLINA SYSTEM

2020 LEGISLATIVE PROPOSALS

Technical Corrections

1. Lab School Technical Corrections

- Exclude NCSSM, UNCSA, and Lab Schools from definition of “public school unit” in Chapter 115C, which calls for DPI oversight over financials
- Decrease number of Lab Schools to 6 (from 9) and/or allow Institutions to operate more than one Lab School
- Clarify *“a lab school shall not unlawfully discriminate when make admissions decisions.”*

Institution-specific

1. Remove Debt Service and Campus Security fee from statutory cap on fee increases

Smaller institutions within the UNC System are severely limited by the statutory restriction on the cap of student fee increases. For a small school like UNCA, a 3% increase in the debt service fee would not raise sufficient funds to finance a project more than \$600,000 with a 20-year amortization and only raise \$12/student. Due to the lack of economies of scale, this impacts the small schools the most and will limit their ability to serve their student populations should they need to expand areas such as dining halls, student life centers should they try to grow.

2. UNC-TV Millennial Campus Designation

Current law does not authorize the Board of Governors to designate system office affiliates as millennial campuses, unlike System campuses. Specifically, the region could benefit from UNC-TV having the flexibility afforded in millennial campus designation. Given its main campus location in the RTP, UNC-TV is uniquely positioned to become a hub for performing arts, technological, media and educational innovation, and associated economic development initiatives as the Park tries to redesign its future as a work/live/play destination. If authorized, the BOG would still need to approve the designation along with the land use plans.

3. Create special designed license plate for NC Arboretum

Currently, approximately 60 entities have legislative approval for a specialty-designed licensed plate, which serves to raise money for the entities with the plates. The NC Arboretum is seeking to be added to the list, which requires a change to GS 20-63.

Area:	Need-based aid
Topic:	Consolidate and simplify the UNC Need-based Grant, Education Lottery Scholarship, and Community College Grant into one North Carolina Scholarship
Governance:	G.S. 115D-40.1 Financial Assistance for Community College Students Article 35A of Chapter 115C of the General Statutes S.L 2000-67 Section 10.1 NEED TO ID LOTTERY SCHOLARSHIP PROVISION
Current Status:	There are currently three different need-based aid programs that serve public college and university students in North Carolina: the UNC Need-based Grant, Education Lottery Scholarship, and the Community College Grant. The NC Student Aid Study Group, a joint effort by the UNC and North Carolina Community College Systems, recommended that the state consider consolidating the three programs into one scholarship program.
Current Challenges:	The existence of three separate programs, with three different eligibility criteria, makes state-based grant programs more complex to navigate and understand for students and families. Consolidating these three programs into a single North Carolina Scholarship would create a simpler, more user-friendly state aid system.
Proposed Action:	See DRAFT language

Area:	University Human Resources Policy
Topic:	Exempt University Police/Public Safety Staff from Most Provisions of the NC Human Resources Act
Governance:	North Carolina General Statutes - Chapter 126 - Article 1 (§ 126-5)
Current Status:	<ul style="list-style-type: none"> University sworn officers and telecommunicators are subject to the NC Human Resources Act (SHRA), which defines classification, compensation, selection/promotion processes, etc. aligned with other SHRA employees subject to the Act. Law enforcement officers are automatically enrolled in the state 401(k) supplemental retirement program with a 5% employer contribution. EHRA non-faculty employees are exempt from all but Articles 6 and 7 of Chapter 126; see 126-5(c1)(8).
Current Challenges:	<ul style="list-style-type: none"> The University competes with counties and municipalities for police, telecommunications, and public safety officers. Some modifications to pay ranges (such as metropolitan rates for certain areas of the state) have been taken within the SHRA compensation program but are insufficient in comparison to the competition from many county and municipal entities. Changes to existing SHRA pay ranges require coordination and approvals from the Office of State Human Resources rather than being managed directly by the UNC System Office for EHRA non-faculty employees. The University would need to retain comparable due process protections to other SHRA employees to attract and retain police and public safety officers.
Proposed Action:	<p>Add an exemption to NCGS 126-5 to provide EHRA non-faculty status for employees in police and telecommunicator positions.</p> <ul style="list-style-type: none"> Amend § 126-5 to add: (c14) Except as to the provisions of Articles 6, 7, and 8 of this Chapter, the provisions of this Chapter shall not apply to commissioned police officer and police telecommunicator positions of the University of North Carolina. Employees in positions covered by this exception shall be eligible for all employment and retirement benefits provided to state law enforcement officers subject to this Chapter. <p>Enroll University law enforcement officers in the University's 403(b) supplemental retirement program with a 5% employer contribution.</p> <ul style="list-style-type: none"> Amend § 143-166.30(d) to add: (d) Supplemental Retirement Income Plan for State Law-Enforcement Officers. - As of January 1, 1985, there shall be created a Supplemental Retirement Income Plan, hereinafter called the "Plan," established for the benefit of all law-enforcement officers employed by the State, who shall be participants. The Board of Trustees of the State Retirement System shall administer the Plan and shall, under the terms and conditions otherwise appearing herein, provide Plan benefits either (i) by establishing a separate trust fund in conformance with Section 401(a), Section 401(k) or other sections of the Internal Revenue Code of 1954 as amended or, (ii) by causing the Plan to affiliate with some master trust fund providing the same benefits for participants. Law-enforcement officers employed by the University of North Carolina shall have the option to participate in a Plan administered by the University. The Plan shall be separate and apart from any retirement systems. Amend § 135-5.1(b) to add: (6) Eligible Law-Enforcement Officers enrolled in the Optional Retirement Program shall participate in the University of North Carolina 403(b) Plan under same terms and conditions pursuant to G.S. 143-166.30(d).
Legacy Exceptions:	<ul style="list-style-type: none"> This change retains the grievance and disciplinary protections under Article 8 of the Chapter.

Area:	System office and AHEC Request – Efficiency
Topic:	Remove requirement for redundant report and changing date of remaining report
Governance:	SL 1995-507, sec 23A.5(a), (b), and (b1), § 143-613 and S.L. 2012-142, sec. 9.5, S.L. 1995-507, sec. 23A.5(d), § 143-613
Current Status:	<ul style="list-style-type: none"> • The 1995 legislation, hereafter referred to as “Primary Care Plans,” required the Board of Governors and the University of North Carolina to set goals and create plans to encourage NC residents to enter the primary care disciplines of general internal medicine and family medicine. The statute required a report every two years, starting on May 16, 1996. The Allied Health Education Centers (AHEC) has compiled these reports and plans for the University and, after presentation and approval of the Board of Governors, the University has submitted these updates each biennium. • The 2012 legislation, hereafter referred to as the “Primary Care Report,” required the University and the Board of Governors to update the legislature on “the progress of private and State-operated medical schools and State-operated health professional schools towards increasing the number and proportion of graduates entering primary care” every year. The report, due November 15 each year, has been completed by AHEC and, after presentation and approval by the Board of Governors, the University has submitted it to the legislature.
Current Challenges:	<ul style="list-style-type: none"> • The value of the biennial Primary Care Plans has diminished over the last 20 years, and AHEC and the Sheps Center for Health Services Research believes it no longer produces valuable information needed to address remaining underlying issues. While most plans are substantive (though some only a few sentences), many schools have acknowledged that plans rarely change so they often just make minor edits (dates, faculty updates, etc.) and resubmit. There are no state/national databases used for this, but rather self-reporting by NC’s 5 medical schools, 9 nurse practitioner schools, and 11 physician assistant schools —and then compilation and editing by AHEC. Though the Primary Care report is every two years, collecting and compiling the report is resource intensive (i.e., personnel FTE effort), requiring persistent follow-up with schools from January to April for them to comply and submit their plans. We request eliminating requirement for continued reporting. • On the other hand, the annual Primary Care Report has become a national model. AHEC, with the assistance of the Sheps Center, produces this report using the state licensure database and related national data. However, the national data has continued to lag and is now often not available until sometime in October. The delayed data the past few years has made it difficult to obtain the data, create the report, submit it to the System Office, have it seen and approved by the Board of Governors, and then reported to the legislature by November 15 each year. We request changing the date for this annual report to April 15, beginning in 2021 (a report was submitted in November 2019).
Proposed Action:	<p>Amend § 143-613</p> <p>(a) In recognition of North Carolina's need for primary care physicians, Bowman Gray School of Medicine and Duke University School of Medicine shall each prepare a plan with the goal of encouraging North Carolina residents to enter the primary care disciplines of general internal medicine, general pediatrics, family medicine, obstetrics/gynecology, and combined medicine/pediatrics and to strive to have at least fifty percent (50%) of North Carolina residents graduating from each school entering these disciplines. These schools of medicine shall present their plans to the Board of Governors of The University of North Carolina by April 15, 1996, and shall update and present their plans every two years thereafter. The Board of Governors shall report to the Joint Legislative Education Oversight Committee by May 15, 1996, and every two years thereafter on the status of these efforts to strengthen primary health care in North Carolina.</p>

(b) The Board of Governors of The University of North Carolina shall set goals for the Schools of Medicine at the University of North Carolina at Chapel Hill and the School of Medicine at East Carolina University for increasing the percentage of graduates who enter residencies and careers in primary care. A minimum goal should be at least sixty percent (60%) of graduates entering primary care disciplines. Each school shall submit a plan with strategies to reach these goals of increasing the number of graduates entering primary care disciplines to the Board by April 15, 1996, and shall update and present the plans every two years thereafter. ~~The Board of Governors shall report to the Joint Legislative Education Oversight Committee by May 15, 1996, and every two years thereafter on the status of these efforts to strengthen primary health care in North Carolina.~~

Primary care shall include the disciplines of family medicine, general pediatric medicine, general internal medicine, internal medicine/pediatrics, and obstetrics/gynecology.

(b1) The Board of Governors of The University of North Carolina shall set goals for State-operated health professional schools that offer training programs for licensure or certification of physician assistants, nurse practitioners, and nurse midwives for increasing the percentage of the graduates of those programs who enter clinical programs and careers in primary care. Each State-operated health professional school shall submit a plan with strategies for increasing the percentage to the Board by April 15, 1996, and shall update and present the plan every two years thereafter. ~~The Board of Governors shall report to the Joint Legislative Education Oversight Committee by May 15, 1996, and every two years thereafter on the status of these efforts to strengthen primary health care in North Carolina.~~

(c) The Board of Governors of The University of North Carolina shall further initiate whatever changes are necessary on admissions, advising, curriculum, and other policies for State-operated medical schools and State-operated health professional schools to ensure that larger proportions of students seek residencies and clinical training in primary care disciplines. The Board shall work with the Area Health Education Centers and other entities, adopting whatever policies it considers necessary to ensure that residency and clinical training programs have sufficient residency and clinical positions for graduates in these primary care specialties. As used in this subsection, health professional schools are those schools or institutions that offer training for licensure or certification of physician assistants, nurse practitioners, and nurse midwives.

(d) The progress of the private and State-operated medical schools and State-operated health professional schools towards increasing the number and proportion of graduates entering primary care shall be monitored annually by the Board of Governors of The University of North Carolina. Monitoring data shall include (i) the entry of State-supported graduates into primary care residencies and clinical training programs, and (ii) the specialty practices by a physician and each midlevel provider who were State-supported graduates as of a date five years after graduation. The Board of Governors shall certify data on graduates, their residencies and clinical training programs, and subsequent careers ~~by November 15 of each calendar year,~~ beginning in November of 2012 and each year thereafter on April 15, to the Fiscal Research Division of the Legislative Services Office and to the Joint Legislative Education Oversight Committee.

(e) The information provided in subsection (d) of this section shall be made available to the Appropriations Committees of the General Assembly for their use in future funding decisions on medical and health professional education.

Area:	Economic Impact, Excellent and Diverse Institutions and Student Success
Topic:	Remove Debt Service Fee from the statutorily mandated 3% cap on fees
Governance:	§ 116-143.10. Cap on student fees.
Current Status:	The Code currently stipulates that, “ Notwithstanding G.S. 116-143 and G.S. 116-11(7), the Board of Governors of The University of North Carolina and the Board of Trustees at each constituent institution may increase the cumulative total of all undergraduate student fees approved by either the Board of Governors or the Board of Trustees by no more than three percent (3%) per academic year. (2016-94, s. 11.4(b).)”
Current Challenges:	With the legislatively mandated 3 percent cap on student fees, a 3% increase in the debt service fee would generate less than \$12 per student in debt service fees for UNC Asheville. That would generate less than \$40K and would not allow us to do a project more than \$.6M with a 20 year amortization. As a comparison, our recent Highsmith Student Union project was an \$11.6M project. This cap is particularly burdensome on the smaller schools in the System that do not have the scale to generate the revenue needed to fund debt service projects. If we want to grow headcount and continue to attract and retain students, we need the flexibility to build and renovate buildings supported by the debt service fee such as our, dining halls, student life centers, and other auxiliary buildings. Having well-maintained and modern facilities helps us attract top talent and it will foster student success because students congregate and learn in these spaces as well.
Proposed Action:	Amend 116-143.10 to say “ ...cumulative total of all undergraduate student fees, <i>except the debt service fee</i> , approved by the Board of Governors...

Area:	
Topic:	Authorize BOG to Designate Affiliates as Millennial Campus (UNC-TV)
Governance:	NCGS § 116-198 (Article 21B)
Current Status:	<p>Board of Governors may act on recommendation made by the President of The University of North Carolina after consultation by the President with the Chancellor and the Board of Trustees of a constituent institution, to designate real property held by, or to be acquired by, a constituent institution as a Millennial Campus of the institution.</p> <p>Millennial campus designation gives universities regulatory flexibility to (i) finance projects & (ii) collaborate w/industry & private sector on innovative ventures.</p> <ul style="list-style-type: none"> • Exempt from provisions of Umstead Act • Broader authority on revenue & debt to allow quicker development & foster public-private partnerships <p>To qualify for millennial campus designation a constituent institution must demonstrate:</p> <ul style="list-style-type: none"> • Enhance an institution's research, teaching & service missions • Drive economic development in the area • Have administrative & fiscal capability to maintain such a campus
Current Challenges:	<p>Current law does not authorize the Board of Governors to designate system office affiliates as millennial campuses. UNC-TV, the North Carolina Arboretum and the UNC Press could all potentially benefit from the flexibility afforded millennial campuses. UNC-TV, in particular given its main campus location in the RTP, proximity to an international airport and existing relationship world class public and private universities; its statewide broadcast reach; regional and national content creation reputation and brand identity brand identity; and its multiplatform technological infrastructure, is uniquely positioned to become a hub for performing arts, technological, media and educational innovation and a laboratory for public safety, content distribution and associated economic development experimentation.</p>
Proposed Action:	<p>Amend NCGS § 116-198.33 (4b)</p> <p>The term "Millennial Campus" means all real property and appurtenant facilities designated by the Board of Governors as part of a Millennial Campus of a constituent institution <u>or affiliate</u> of The University of North Carolina other than North Carolina State University or the University of North Carolina at Chapel Hill. The properties designated by the Board of Governors do not have to be contiguous with the constituent institution <u>or affiliate</u> to be designated as part of the institution's Millennial Campus.</p> <p>Amend NCGS § 116-198.34(8b)</p> <p>Acting on recommendation made by the President of The University of North Carolina after consultation by the President with the Chancellor and the Board of Trustees of a constituent institution, <u>or by the President with Chief Executive Officer of a system office affiliate,</u> to designate real property held by, or to be acquired by, a constituent institution <u>or affiliate</u> as a "Millennial Campus" of the institution <u>or the system office</u>. That designation shall be based on an express finding by the Board of Governors that the institution <u>or affiliate</u> desiring to create a "Millennial Campus" has the administrative and fiscal capability to create and maintain such a campus and provided further, that the Board of Governors has found that the creation of the constituent institution's <u>or affiliate's</u> "Millennial Campus" will enhance the institution's or affiliate's research, teaching, and service missions as well as enhance the economic development of the region served by the institution <u>or affiliate</u>. Upon formal request by the constituent</p>

institutions or affiliates, the Board of Governors may authorize two or more constituent institutions or affiliates which meet the requirements of this section to create a joint Millennial Campus.

b) H. 118: COVID-19 Liab. Safe Harbor (Session Law 2020-89)

This bill was the first liability protection-related bill. We worked with business groups across to seek limited liability protections upon the reopening of the state. Senator Newton worked with this coalition, and we are confident it is a reasonable solution, as it relates to claims stemming from reopening.

It passed the Senate by a vote of 40-7 on June 18, 2020. Later the bill passed concurrence in the House by 110-5 on June 23, 2020.

This bill was signed by the Governor on July 2, 2020 and chaptered Session Law 2020-89.

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/House/PDF/H118v8.pdf>

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

SESSION LAW 2020-89
HOUSE BILL 118

AN ACT TO PROVIDE LIMITED IMMUNITY FROM LIABILITY FOR CLAIMS BASED
ON TRANSMISSION OF CORONAVIRUS DISEASE 2019 (COVID-19).

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 99E of the General Statutes is amended by adding a new Article to read:

"Article 8.

"COVID-19 Limited Immunity.

"§ 99E-70. Definitions.

The following definitions apply in this Article:

- (1) COVID-19. – The disease caused by the SARS-CoV-2 virus.
- (2) Person. – An individual; corporation; nonprofit corporation; business trust; estate; trust; partnership; limited liability company; sole proprietorship; association; joint venture; government; governmental subdivision, agency, or instrumentality; public corporation; or any other legal entity.

"§ 99E-71. Limited immunity.

(a) In any claim for relief arising from any act or omission alleged to have resulted in the contraction of COVID-19, including any claim based on violation of subsection (b) of this section, no person shall be liable for any act or omission that does not amount to gross negligence, willful or wanton conduct, or intentional wrongdoing.

(b) Every person shall provide, with respect to any premises owned by the person or under the person's possession, custody, or control, reasonable notice of actions taken by the person for the purpose of reducing the risk of transmission of COVID-19 to individuals present on the premises. No person shall be liable for the failure of any individual to comply with rules, policies, or guidelines contained in the notice required by this subsection. This subsection shall not apply to premises owned by an individual, other than premises that are used in the operation of a sole proprietorship.

(c) This section does not apply to claims before the Industrial Commission seeking benefits payable under the Workers' Compensation Act, Article 1 of Chapter 97 of the General Statutes.

"§ 99E-72. Applicability.

This Article applies to claims arising no later than 180 days after the expiration or rescission of Executive Order No. 116 issued March 10, 2020."

SECTION 2. Nothing in this act shall affect any immunity from liability provided under Session Law 2020-3.



SECTION 3. This act is effective when it becomes law and applies to claims arising on or after that date.

In the General Assembly read three times and ratified this the 24th day of June, 2020.

s/ Philip E. Berger
President Pro Tempore of the Senate

s/ Tim Moore
Speaker of the House of Representatives

s/ Roy Cooper
Governor

Approved 11:54 a.m. this 2nd day of July, 2020

c) H. 1096: UNC Omnibus Changes/UNC Funds (Session Law 2020-56)

This bill was introduced by Reps Fraley, Clemmons and Horn on May 15, 2020. This bill was included many UNC System related provisions. It passed House Appropriations, with a PCS to the original bill. PCS was approved and we worked with Rep. Fraley on all changes.

- Part 1. Repeals BOG mandatory review of certain UNC System Human Resources actions
- Part 2. UNC System Laboratory School Modifications
- Part 3. Extend report date for BOG planning task force to July 30, 2020
- Part 4. Modify Future Teachers of NC
- Part 5. Modify NC Teaching Fellows Program
- Part 6. Exempts NCSA and NCSSM from the Public School Unit definition
- Part 7. Police Officer position exemption
- Part 8. Millennial Campus Designation for UNC System-Affiliated Institutions
- Part 8-A. Accelerated Degree Completion Study by UNC System

This bill had a second PCS in House Rules on June 15, 2020. It adds part 8-A, Accelerated Degree Completion Study by UNC. This language is similar to S. 853: UNC Study/Accelerated Degree Completion, introduced by Sen. Rob Bryan.

SECTION 8A.(a) would require the Board of Governors to study the feasibility of offering accelerated undergraduate degree programs at constituent institutions. The Board of Governors would be required to report its findings to the Joint Legislative Education Oversight Committee by March 1, 2021.

The 6/19 Senate Approps PCS removed several provisions including:

- Chancellor-approved small capital projects (included in S. 212)
- Waive debt service from three percent statutory cap on fee increases
- Arboretum license plate
- Accelerated Degree study (This portion was removed in Senate Appropriations, later added back in with an amendment offered by Sen. Ballard.)

The bill was signed by the Governor on June 30, 2020 and chaptered Session Law 2020-56.

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/House/PDF/H1096v7.pdf>

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

**SESSION LAW 2020-56
HOUSE BILL 1096**

AN ACT TO MAKE VARIOUS CHANGES RELATED TO THE UNIVERSITY OF NORTH CAROLINA SYSTEM; TO DIRECT THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA TO STUDY THE FEASIBILITY OF OFFERING ACCELERATED UNDERGRADUATE DEGREE PROGRAMS AT CONSTITUENT INSTITUTIONS; AND TO PROVIDE FUNDS FOR THE UNIVERSITY OF NORTH CAROLINA LABORATORY SCHOOLS.

The General Assembly of North Carolina enacts:

PART I. REPEAL BOG MANDATORY REVIEW OF CERTAIN UNC HUMAN RESOURCES ACTIONS

SECTION 1. G.S. 116-17.3 is repealed.

PART II. UNC LABORATORY SCHOOL MODIFICATIONS/FUNDS

SECTION 2.(a) G.S. 116-239.5(a) reads as rewritten:

"(a) The Board of Governors, upon recommendation by the President, shall designate ~~at least nine~~ constituent institutions to submit proposals to establish at least nine laboratory schools in total to serve public school students in accordance with the provisions of this Article. The Board of Governors shall select constituent institutions with high-quality educator preparation programs as demonstrated by the annual performance measures reported by the constituent institutions in accordance with G.S. 115C-296.35. The Board of Governors' Subcommittee on Laboratory Schools established under G.S. 116-239.7 shall review the proposals and approve at least nine of the proposals to establish laboratory schools. The Subcommittee may select a constituent institution to operate more than one laboratory school. The Subcommittee shall oversee the operations of those laboratory schools to meet the purposes set forth in this Article."

SECTION 2.(b) G.S. 116-239.5 is amended by adding a new subsection to read:

"(c) In addition to all other immunities provided to them by applicable State law, the Subcommittee, chancellor, the constituent institution, an advisory board, and a laboratory school, and their members, employees, and agents shall be entitled to the specific immunities provided for in Chapter 115C of the General Statutes applying to the State Board of Education, Superintendent of Public Instruction, a local board of education, a local school administrative unit, and their members and employees. Any such immunity to liability established by this subsection shall not extend to gross negligence, wanton conduct, or intentional wrongdoing that would otherwise be actionable. Immunity established by this subsection shall be deemed to be waived to the extent of indemnification under Article 31A and Article 31B of Chapter 143 of the General Statutes and to the extent sovereign immunity is waived under the Tort Claims Act, as set forth in Article 31 of Chapter 143 of the General Statutes."

SECTION 2.(c) G.S. 116-239.7 reads as rewritten:

"§ 116-239.7. The Board of Governors' Subcommittee on Laboratory Schools; selection of laboratory schools; creation of a laboratory school; dissolution.

...



(a1) Approval of Laboratory Schools. – The Board of Governors, upon the recommendation of the President, shall designate ~~at least nine~~ constituent institutions to establish and operate a total of at least nine laboratory schools. The chancellor of each constituent institution shall adopt and submit to the Subcommittee a proposal to operate ~~a one or more~~ laboratory ~~school~~ schools in a one or more local school administrative ~~unit~~ units that meets meet the minimum threshold for the number of low-performing schools located in ~~the a~~ unit under G.S. 116-239.6(4). The proposal shall include the governance structure of the laboratory school. The Subcommittee shall evaluate the proposals for approval or disapproval by considering the design components and the strategic focus of the laboratory school and any other standards developed by the Subcommittee to be applicable to all laboratory schools. The Subcommittee shall also consider the location of each laboratory school so that, to the extent possible, there is a geographically diverse distribution of the laboratory schools throughout the ~~State and a maximum of one laboratory school located in a qualifying local school administrative unit.~~ State. From the proposals submitted to the Subcommittee, the Subcommittee shall approve the establishment of at least nine laboratory schools.

(a2) Waiver for Certain Local School Administrative Units. – Notwithstanding subsection (a1) of this section, a chancellor may submit a proposal to the Subcommittee to locate a laboratory school in a local school administrative unit that does not meet the minimum threshold for the number of low-performing schools located in the unit under G.S. 116-239.6(4) if the proposal demonstrates that the laboratory school shall primarily serve students who did not meet expected growth in the prior school year in accordance with G.S. 116-239.9(c1). The Subcommittee may waive the requirement for the number of low-performing schools in a local school administrative unit for the location of a laboratory school, for up to a total of ~~three~~ six laboratory schools established under this Article, only if both of the following conditions are met for the laboratory school:

- (1) The proposal has been submitted jointly by the chancellor and the local school administrative unit in which the laboratory school will be located.
- (2) The Subcommittee determines that the proposed location would satisfy the purposes set forth in G.S. 116-239.5.

(b) Resolution by the Subcommittee to Approve a Laboratory School. – The Subcommittee shall adopt a resolution upon the approval of each laboratory school, which shall include the following:

- (1) Name of the laboratory school.
- (2) The local school administrative unit in which the laboratory school shall be located.
- (3) A term of operation for the laboratory school of five years from the date of initial operation. At the end of the initial five years of operation, the Subcommittee shall renew the term of operation for additional five-year periods under the resolution if the laboratory school is still located in a local school administrative unit that has twenty-five percent (25%) or more of the schools located in the unit identified as low-performing under G.S. 115C-105.37, or if the Subcommittee renews a waiver of this requirement under subsection (a2) of this section, ~~the resolution may be renewed by the Subcommittee at the end of the term for an additional five years.~~ section. If the laboratory school is no longer (i) located in a qualifying local school administrative unit or (ii) meeting the purposes of this Article under a waiver at the end of five years, the Subcommittee shall may renew the term of operation for additional five-year periods under the resolution if the Subcommittee finds the school is successfully meeting its mission to improve student performance and provide valuable exposure and training for teachers and principals in the constituent institution's educator preparation program.

The Subcommittee may terminate operation of any laboratory school during the initial term of operation or during a five-year renewal period if the Subcommittee finds it is failing to meet expected progress toward meeting the mission of the school consistent with the requirements of this Article. The Subcommittee shall notify the Board of Governors of the end of the term of operation of a laboratory school and request designation of additional constituent institutions with educator preparation programs to establish a laboratory school in accordance with the provisions of this Article.

...."

SECTION 2.(d) G.S. 116-239.8(b)(4) reads as rewritten:

"(4) ~~Food and transportation services.~~ Operation and maintenance of laboratory schools. – The Board of Governors and the State Board of Education shall jointly determine standards for establishing the costs to local school administrative units for providing the facilities and services identified in this subdivision for operation and maintenance of a laboratory school. The standards shall include the lease amount by square foot for facility leases, which shall incorporate the cost of the outstanding debt service for the facility. A local school administrative unit shall provide, at the laboratory school's request, any of the following facilities and services to the laboratory school, but the costs of those facilities and services charged to the laboratory school shall not exceed the established standards for determination of costs. The following shall be determined in a memorandum of understanding between the chancellor and the local school administrative unit for the operation and maintenance of the laboratory school as needed:

a. Facilities and leases. – Upon request, the local school administrative unit in which the laboratory school is located shall lease adequate facilities to the constituent institution for use as a laboratory school. Unless the laboratory school requests not to include any of the following, the lease shall include use of or access to any existing buildings, parking areas, playgrounds, driveways required for ingress and egress, furniture, classroom space, a cafeteria or multipurpose room, moveable equipment, appliances, playground materials, including a library collection, instructional materials, and classroom and other technology equipment necessary to operate the laboratory school. The lease term shall be terminated if the laboratory school ceases operation. Upon request, the local school administrative unit shall maintain the facilities and premises of the laboratory school and keep them in good repair and tenantable condition by providing all routine custodial services and routine facilities maintenance services, including routine indoor maintenance, routine mowing, trimming, and maintenance of exterior landscaping and snow removal, and timely repair of the facilities and premises. The chancellor is authorized to execute the lease agreement and memoranda of agreement for the operation of a laboratory school.

b. Transportation services. – ~~The~~ Upon request, the local school administrative unit in which the laboratory school is located shall ~~provide food services and~~ provide transportation to students attending who reside in the local school administrative unit and attend the laboratory school, including any students who are homeless and require assistance pursuant to 42 U.S.C. § 11301, et seq., the McKinney-Vento Homeless Assistance Act. The requirement to

provide transportation to students residing in the local school administrative unit shall (i) apply regardless of where a laboratory school student resides in the unit or how the unit's transportation policies and practices are applied to other students and (ii) upon request, include providing transportation of students and personnel for laboratory school extracurricular activities and educational trips in the same manner as other schools in the unit for that school year.

c. The Food services. – Upon request, the local school administrative unit in which the laboratory school is located shall administer the National School Lunch Program for the laboratory school in accordance with G.S. 115C-264. The chancellor shall arrange for the provision of these services from the local school administrative unit.

d. Student support services. – Upon request, the local school administrative unit in which the laboratory school is located shall provide any of the following student support services for the operation of the laboratory school, including:

1. Services required by the Department of Public Instruction for children with disabilities.
2. Children and family support services, including social worker and school nurse services.
3. Other health services, including dental screenings, vision screenings, and similar health services that apply to other students enrolled in the local school administrative unit.
4. Parent involvement coordinator services.
5. School counselor services."

SECTION 2.(e) G.S. 116-239.11 reads as rewritten:

"§ 116-239.11. State and local funds.

(a) The State Board of Education shall allocate to a laboratory school the following:

- (1) An amount equal to the average per pupil allocation for average daily membership from the local school administrative unit allotments in which the school is located for each child attending the laboratory school, except for the allocation for children with ~~disabilities, disabilities and~~ for the allocation for children with limited English proficiency, ~~and for the allocation for transportation services.~~ proficiency.

...."

SECTION 2.(f) G.S. 116-239.9 reads as rewritten:

"§ 116-239.9. Student admissions and assignment.

(a) A child shall be eligible to attend a laboratory school if the child resides in the local school administrative unit in which a laboratory school is located and meets at least one of the following criteria:

- (1) Is assigned to a low-performing school, as defined by G.S. 115C-105.37 at the time of the student's application.
- (2) Did not meet expected growth in the prior school year based on one or more indicators listed in subsection (c1) of this section.
- (3) Is the sibling of a child who is eligible under subdivision (1) or (2) of this subsection.
- (4) Is the child of a laboratory school employee.

(b) No local board of education shall require any student enrolled in the local school administrative unit to attend a laboratory school.

(c) During each period of enrollment, the laboratory school shall enroll an eligible student under subsection (a) of this section who submits a timely application, up to the capacity of a

program, class, grade level, or building, in the order in which applications are received. Once enrolled, students are not required to reapply in subsequent enrollment periods. The laboratory school may give enrollment priority to the sibling of an enrolled student who attended the laboratory school in the prior school year.

(c1) For the purposes of this Article, any of the following shall serve as indicators that a student did not meet expected student growth in the prior school year: (i) grades, (ii) observations, (iii) diagnostic and formative assessments, (iv) State assessments, or (v) other factors, including reading on grade level.

(c2) Notwithstanding the requirements of subsection (a) of this section, if a laboratory school has not reached enrollment capacity in a program, class, grade level, or building by March 1, prior to the start of the next school year, the laboratory school may enroll children who reside in the local school administrative unit in which the laboratory school is located but do not meet one of the criteria set forth in subdivisions (1) through (4) of subsection (a) of this section for up to twenty percent (20%) of the total capacity of the program, class, grade level, or building.

(d) Notwithstanding any law to the contrary, a laboratory school may refuse admission to any student who has been expelled or suspended from a public school under G.S. 115C-390.5 through G.S. 115C-390.11 until the period of suspension or expulsion has expired.

(e) Within one year after a laboratory school begins operation, the laboratory school shall make reasonable efforts in the recruitment process for the population of the school to reasonably reflect the racial, ethnic, and socioeconomic composition of the general population of the students residing within the local school administrative unit in which the school is located. A laboratory school shall not unlawfully discriminate when making admissions determinations."

SECTION 2.(g) Section 11.6(d) of S.L. 2016-94, as amended by Section 4 of S.L. 2017-117, reads as rewritten:

"**SECTION 11.6.(d)** Notwithstanding G.S. 116-239.5, (i) at least ~~nine~~ six laboratory schools shall be established pursuant to Article 29A of Chapter 116 of the General Statutes, as enacted by this section, and in operation by the beginning of the ~~2019-2020~~ 2020-2021 school year and (ii) at least an additional three laboratory schools shall be established pursuant to Article 29A of Chapter 116 of the General Statutes and in operation by the beginning of the 2022-2023 school year."

SECTION 2.(h) By August 15, 2020, the Board of Governors of The University of North Carolina shall transfer the sum of two hundred thousand dollars (\$200,000) in nonrecurring funds from those funds provided for the Future Teachers of North Carolina program for the 2020-2021 fiscal year to be used for administrative and technical assistance related to the UNC Teacher and Principal Preparation Laboratory School Program for support services. These funds shall not be used to create new positions or to hire additional consultants for The University of North Carolina System Office.

SECTION 2.(i) This section is effective when this act becomes law. Subsection (b) of this section applies to an action or omission of an action occurring on or after the date this act becomes law. Subsection (f) of this section applies beginning with the 2020-2021 school year. Subsections (d) and (e) of this section apply to leases and agreements entered into on or after the date this act becomes law and apply beginning with the 2021-2022 school year and subsequent school years. Subsections (d) and (e) shall not apply to or alter existing leases, contracts, or agreements without the consent of all parties to the lease, contract, or agreement. Notwithstanding subsection (e) of this section, if an existing lease, contract, or agreement includes transportation services, the local school administrative unit providing those services shall provide a copy of the lease, contract, or agreement to the Department of Public Instruction, and the Department shall not transfer the transportation allotment to the laboratory school until the existing lease, contract, or agreement expires or is mutually modified by all parties.

PART III. EXTEND REPORT DATE FOR UNC BOARD OF GOVERNORS PLANNING TASK FORCE

SECTION 3. Section 36.6 of S.L. 2018-5 reads as rewritten:

"SECTION 36.6.(a) There is created the UNC Board of Governors Planning Task Force. The Task Force shall consist of four current Board members appointed by the Board of Governors, one of whom shall be designated as chair. These appointments shall be made no later than August 1, 2018.

"SECTION 36.6.(b) The Task Force shall conduct a systemwide analysis of the capital needs of the campuses of each constituent institution in relation to the Science Technology Engineering and Mathematics (STEM) subject area, taking into account the strengths, weaknesses, opportunities, and needs of each constituent institution, and any regional similarities and differences. The Task Force shall also consider the impact of any relevant programmatic planning elements being currently utilized that could be implemented as a best-practice among other similar programmatic areas to encourage systemwide efficiencies. In particular, the Task Force shall consider the capital needs relating to the Brody School of Medicine at East Carolina University, the UNC Applied Physical Sciences and Institute for Convergent Science in Chapel Hill, and other STEM projects to determine areas where capital funds may be used more efficiently and effectively. The Task Force shall use the information gathered pursuant to this subsection to compile a UNC System Plan.

"SECTION 36.6.(c) The three million dollars (\$3,000,000) appropriated to the Board of Governors of The University of North Carolina in Section 36.2 of this act shall be used by the Task Force in conducting the analysis described in subsection (b) of this section. On or before ~~April 1, 2019,~~ July 30, 2020, the Task Force shall submit a report containing the UNC System Plan and any legislative recommendations to the Joint Legislative Capital Improvements Oversight Committee and the Fiscal Research Division."

PART IV. MODIFY FUTURE TEACHERS OF NORTH CAROLINA

SECTION 4.(a) G.S. 116-41.30(b) reads as rewritten:

"(b) Program. – ~~FTNC shall be a program providing professional development and curricula for courses that provide selective, application-based symposium for high school juniors and seniors, offering a challenging introduction to teaching as a profession for high school students through courses offered by participating high schools in conjunction with college partners.~~ profession. FTNC courses shall include both content on pedagogy and the profession of teaching and field experiences for high school students. provide instruction on pedagogy, ethics and professionalism, child development, successful teaching strategies and classroom management practices, effective lesson planning, assessment and intervention, and requirements of teacher licensure. The FTNC Symposium should provide practical benefits to participating students, which may include interaction with current educators, administrators, and educator preparation program faculty members; a simulated student teaching experience; and information about financial aid and scholarship opportunities."

SECTION 4.(b) G.S. 116-41.31 reads as rewritten:

"§ 116-41.31. Oversight of Future Teachers of North Carolina.

(a) ~~FTNC General Administration System Office. – FTNC shall be administratively located in The University of North Carolina System Office. The President shall select three constituent institutions with highly successful schools of education located in the western, central, and eastern regions of the State, respectively, to collaborate on development of curricula for FTNC and to provide professional development to high school teachers who will teach FTNC courses. The three constituent institutions shall also work with other constituent institutions and other institutions of higher education in the State to seek input in the development of curricula and professional development for FTNC and to create a network of college faculty to provide support to high schools offering FTNC courses.~~ establish a Future Teachers of North Carolina

Advisory Council (FTNC Council) to oversee the FTNC program. At the President's discretion, the FTNC Council shall coordinate with constituent institutions to utilize expertise from administrators, faculty, and staff members of institutions of higher education in designing the agenda and instructional content for the FTNC Symposium. The FTNC Council shall ensure diverse representation of the educator preparation programs represented at the FTNC Symposium. The FTNC Council shall also be responsible for creating an application process for interested high school students, reviewing submitted applications, selecting students to attend, and recruitment and outreach efforts.

~~(b) FTNC Site Applications.—All high schools in the State are encouraged to offer FTNC courses to students. A high school shall apply to offer FTNC courses with the geographically appropriate constituent institution overseeing FTNC and shall ensure that all teachers teaching FTNC courses have received appropriate training. High schools shall also seek a partner institution of higher education to provide support from college faculty. High schools participating in the FTNC program shall report demographic, survey, and other available outcome data to The University of North Carolina System Office as necessary for completion of the FTNC annual report required by G.S. 116-41.32.~~

~~(c) FTNC Institution of Higher Education Partners.—Constituent institutions that partner with high schools shall offer dual credit for high school students who successfully complete the FTNC course with a grade of "B" or higher. Other institutions of higher education that partner with high schools are encouraged to offer dual credit for high school students who successfully complete the FTNC course with a grade of "B" or higher. Constituent institutions shall provide annually to The University of North Carolina System Office data on students who have received dual credit for completion of an FTNC course and students who applied for admission into an educator preparation program at a constituent institution who indicated in the application for admission that the student completed an FTNC course. Other institutions of higher education are encouraged to provide annually to The University of North Carolina System Office data on students who have received dual credit for completion of an FTNC course and students who applied for admission into an educator preparation program at the institution of higher education who indicated in the application for admission that the student completed an FTNC course."~~

SECTION 4.(c) G.S. 116-41.32 reads as rewritten:

"§ 116-41.32. Future Teachers of North Carolina reporting.

The University of North Carolina System Office shall report annually, beginning October 15, 2019, 2021, on the following:

- ~~(1) Total number and names of local school administrative units with List of high schools and local school administrative units represented by participating in FTNC, total number and names of high schools offering FTNC, partner institution of higher education for each high school, and number of sections of the course being offered at each high school.~~students.
- ~~(1a) Number of students who submitted an application to attend the FTNC Symposium.~~
- ~~(1b) Number of students attending the FTNC Symposium, including distribution by region.~~
- ~~(2) Demographic information of students enrolled in FTNC courses attending the FTNC Symposium.~~
- ~~(2a) Description of the event agenda and content.~~
- ~~(3) Percentage of students who, after completing the course, attending the FTNC Symposium, reported the following:~~
 - a. The student plans to choose teaching as a profession.
 - ~~a1. The student plans to enroll in a community college, a constituent institution, a private postsecondary institution located in North Carolina, or a postsecondary institution located in another state.~~

- b. The ~~course~~ FTNC Symposium was very or somewhat effective in helping the student formulate a positive perception of the education profession.
- c. The ~~coursework and activities~~ FTNC Symposium increased the student's knowledge of the teaching profession and other careers in education.
- d. ~~The field experience helped the student understand the many factors that contribute to effective teaching.~~
- (4) ~~Percentage of students who completed an FTNC course who received dual credit for successful completion of the course, by institution.~~
- (5) ~~Percentage of students who completed an FTNC course who applied for admission into an educator preparation program, by institution.~~
- (6) ~~Number of teachers provided professional development for FTNC."~~

PART V. MODIFY NC TEACHING FELLOWS PROGRAM

SECTION 5.(a) G.S. 116-209.62, as amended by subsections (b) and (c) of this section, reads as rewritten:

"§ 116-209.62. North Carolina Teaching Fellows Program established; administration.

...
 (f) Program Selection Criteria. – The Authority shall administer the Program in cooperation with ~~five~~ up to eight institutions of higher education with approved educator preparation programs selected by the Commission that represent a diverse selection of both postsecondary constituent institutions of The University of North Carolina and private postsecondary institutions operating in the State. The Commission shall adopt stringent standards for selection of the most effective educator preparation programs, including the following:

- (1) Demonstrates high rates of educator effectiveness on value-added models and teacher evaluations, including using performance-based, subject-specific assessment and support systems, such as edTPA or other metrics of evaluating candidate effectiveness that have predictive validity.
- (2) Demonstrates measurable impact of prior graduates on student learning, including impact of graduates teaching in STEM or special education licensure areas.
- (3) Demonstrates high rates of graduates passing exams required for teacher licensure.
- (4) Provides curricular and co-curricular enhancements in leadership, facilitates learning for diverse learners, and promotes community engagement, classroom management, and reflection and assessment.
- (5) Requires at least a minor concentration of study in the subject area that the candidate may teach.
- (6) Provides early and frequent internship or practical experiences, including the opportunity for participants to perform practicums in diverse school environments.
- (7) Is approved by the State Board of Education as an educator preparation program.

(g) Awards of Forgivable Loans. – The Program shall provide forgivable loans to selected students to be used at ~~the five~~ up to eight selected institutions for completion of a program leading to initial teacher licensure as follows:

...."

SECTION 5.(b) G.S. 116-209.62(c)(3) reads as rewritten:

- "(3) The Authority shall provide the Commission with up to six hundred thousand dollars (\$600,000) from the Trust Fund in each fiscal year for the Commission

to provide mentoring and coaching support to forgivable loan recipients through the North Carolina New Teacher Support Program as follows:

- a. ~~Up in an amount of up to two thousand two hundred dollars (\$2,000) (\$2,200) for each Program recipient-recipient. Funds shall be prioritized for teachers serving as a teacher in a North Carolina public school-schools identified as low-performing under G.S. 115C-105.37.~~
- b. ~~Up to one thousand dollars (\$1,000) for each Program recipient serving as a teacher in a North Carolina public school not identified as low-performing under G.S. 115C-105.37."~~

SECTION 5.(c) G.S. 116-209.62(g)(4) reads as rewritten:

"(4) Students matriculating at institutions of higher education who are changing to enrollment in an approved program of study at a selected educator preparation program. – Forgivable loans of up to four thousand one hundred twenty-five dollars (\$4,125) per semester for up to four semesters."

SECTION 5.(d) Subsection (a) of this section applies to the award of forgivable loans beginning with the 2022-2023 academic year. Subsection (b) of this section becomes effective July 1, 2020.

PART VI. EXEMPT NORTH CAROLINA SCHOOL OF THE ARTS AND NORTH CAROLINA SCHOOL OF SCIENCE AND MATHEMATICS FROM PUBLIC SCHOOL UNIT DEFINITION

SECTION 6.(a) G.S. 115C-5 is amended by adding a new subdivision to read:

"(3a) The governing body of a public school unit is the following:

- a. For a local school administrative unit, the local board of education.
- b. For a charter school, the nonprofit corporation board of directors.
- c. For a regional school, the regional school board of directors.
- d. For a school operated under Article 7A and Article 9C of this Chapter, the State Board of Education.
- e. For a school operated under Article 29A of Chapter 116 of the General Statutes, the chancellor of the constituent institution."

SECTION 6.(b) G.S. 115C-5(7a) reads as rewritten:

"(7a) Public school unit. – Any of the following:

- a. A local school administrative unit.
- b. A charter school.
- c. A regional school.
- d. A school providing elementary or secondary instruction operated by one of the following:
 - 1. The State Board of Education, including schools operated under Article 7A and Article 9C of this Chapter.
 - 2. ~~The University of North Carolina, including schools operated under Articles 4, 29, and Carolina under Article 29A of Chapter 116 of the General Statutes."~~

SECTION 6.(c) G.S. 115C-238.81(c) reads as rewritten:

"(c) Within funds available, NCVPS shall provide NCVPS courses at no cost to all students in North Carolina who are enrolled in North Carolina's public school units, Department of Defense schools, schools operated by The University of North Carolina under Articles 4 and 29 of Chapter 116 of the General Statutes, and schools operated by the Bureau of Indian Affairs."

PART VII. POLICE OFFICER POSITION EXEMPTION

SECTION 7. G.S. 126-5 is amended by adding a new subsection to read:

"(c16) Except as to the provisions of Articles 6, 7, and 8 of this Chapter, the provisions of this Chapter shall not apply to commissioned police officer positions of the University of North Carolina. Employees in positions covered by this exception shall be eligible for all employment and retirement benefits provided to State law enforcement officers subject to this Chapter."

PART VIII. MILLENNIAL CAMPUS DESIGNATION FOR UNC-AFFILIATED INSTITUTIONS

SECTION 8.(a) G.S. 116-198.33 reads as rewritten:

"§ 116-198.33. Definitions.

As used in this Article, the following words and terms shall have the following meanings, unless the context shall indicate another or different meaning or intent:

...

(3) The word "Institution" shall mean North Carolina State University at Raleigh and the University of North Carolina at Chapel Hill, or a constituent institution or affiliated institution of The University of North Carolina with a Millennial Campus as defined by G.S. 116-198.33(4b).

...

(4b) The term "Millennial Campus" means all real property and appurtenant facilities designated by the Board of Governors as part of a Millennial Campus of a constituent institution or affiliated institution of The University of North Carolina other than North Carolina State University or the University of North Carolina at Chapel Hill. The properties designated by the Board of Governors do not have to be contiguous with the constituent institution or an affiliated institution to be designated as part of the institution's Millennial Campus.

...."

SECTION 8.(b) G.S. 116-198.34(8b) reads as rewritten:

"(8b) Acting on recommendation made by the President of The University of North Carolina after consultation by the President with the Chancellor and the Board of Trustees of a constituent institution, or by the President with the chief executive officer or equivalent executive position for an affiliated institution, to designate real property held by, or to be acquired by, a constituent institution or an affiliated institution as a "Millennial Campus" of the institution. That designation shall be based on an express finding by the Board of Governors that the institution desiring to create a "Millennial Campus" has the administrative and fiscal capability to create and maintain such a campus and provided further, that the Board of Governors has found that the creation of the constituent institution's or affiliated institution's "Millennial Campus" will enhance the institution's research, teaching, and service missions as well as enhance the economic development of the region served by the institution. Upon formal request by the ~~constituent~~ institutions, the Board of Governors may authorize two or more ~~constituent~~ institutions which meet the requirements of this section to create a joint Millennial Campus."

PART VIII-A. ACCELERATED DEGREE COMPLETION STUDY BY UNC

SECTION 8A.(a) The Board of Governors of The University of North Carolina shall study the feasibility of offering accelerated undergraduate degree programs at constituent institutions that are effective and efficient for students while remaining consistent with the access and affordability goals of the Strategic Plan for The University of North Carolina adopted by the Board of Governors. In conducting the study, the Board of Governors shall consider at least the following factors:

- (1) The use of online education for certain courses to shorten time to degree completion, particularly for general education requirements.
- (2) The feasibility of increasing summer term options or flexible calendar scheduling to accelerate degree completion.
- (3) The potential for piloting specific accelerated degree program models, such as three-year degree programs, combined bachelor's and master's degree programs, and competency-based programs. In reviewing potential pilot programs, the Board of Governors shall determine (i) whether a pilot program would be required or optional for constituent institutions, (ii) the type of flexibility that would be allowed during a pilot program, and (iii) whether incentive funding through the funding formula should be tied to constituent institutions relative to such a program.
- (4) Any obstacles or needed changes to State financial aid programs or the university funding model to incentivize accelerated paths to a degree.
- (5) The potential cost savings to students who enroll in accelerated degree programs, including any reduction to tuition and fees.
- (6) Any possible shifts in curriculum design to focus on specialized skills earlier in the degree program.
- (7) Issues related to student support to facilitate successful completion of requirements, selection of majors early in programs, and the management of increased student coursework loads in accelerated degree programs.
- (8) The importance of credit transfers from college level high school courses, community college courses, or courses from other institutions to maximize accelerated degree program efficiency.
- (9) The level of student interest and demand for accelerated degree programs.

SECTION 8A.(b) By March 1, 2021, the Board of Governors shall report on the results of the study and any recommendations to the Joint Legislative Education Oversight Committee.

SECTION 8A.(c) This section becomes effective July 1, 2020.

PART IX. APPLICABILITY OF HOUSE BILL 966, 2019 REGULAR SESSION

SECTION 9.(a) If House Bill 966, 2019 Regular Session, becomes law, Sections 8.4, 8.5, 8.6, 8.12, and 8A.6 of that act are repealed.

SECTION 9.(b) If House Bill 966, 2019 Regular Session, becomes law, and any provision of that act or a provision of the Committee Report described in Section 42.2 of that act conflicts with this act, this act shall control.

PART X. MISCELLANEOUS

SECTION 10.(a) 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.

SECTION 10.(b) Except where expressly repealed or amended by this act, the provisions of any other legislation enacted during the 2019 Regular Session of the General Assembly expressly appropriating funds to an agency, a department, or an institution covered under this act shall remain in effect.

PART XI. EFFECTIVE DATE

SECTION 11. Except as otherwise provided, this act is effective when it becomes law.

In the General Assembly read three times and ratified this the 25th day of June, 2020.

s/ Daniel J. Forest
President of the Senate

s/ Tim Moore
Speaker of the House of Representatives

s/ Roy Cooper
Governor

Approved 12:20 p.m. this 30th day of June, 2020

d) S. 208: COVID-19 Immunity/Institutions of Higher Education (Session Law 2020-70)

This bill language was PCS passed in House – Universities on Tuesday June 24, 2020. S 208 passed House on June 24, 2020 by 118-1. It passed the Senate on June 25, 2020 by 49-0.

The PCS for S 208 would create a new Article granting limited immunity for institutions of higher education (IHE) for claims related to tuition and fees paid for the Spring 2020 semester that arise from alleged acts or omissions taken by the IHE in response to COVID-19.

The bill was signed by the Governor on July 1, 2020 and chaptered Session Law 2020-70.

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/Senate/PDF/S208v5.pdf>

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

SESSION LAW 2020-70
SENATE BILL 208

AN ACT TO PROVIDE IMMUNITY FOR INSTITUTIONS OF HIGHER EDUCATION FOR
CLAIMS RELATED TO COVID-19 CLOSURES FOR SPRING 2020.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 116 of the General Statutes is amended by adding a new Article to read:

"Article 37.

"COVID-19 Immunity for Institutions of Higher Education.

"§ 116-310. Definitions.

The following definitions apply in this Article:

- (1) Claim. – A claim or cause of action seeking any legal or equitable remedy or relief.
- (2) COVID-19. – The coronavirus disease 2019.
- (3) COVID-19 emergency declaration. – Executive Order No. 116 issued March 10, 2020, by Governor Roy A. Cooper, including any amendments issued by executive order, subject to extensions under Chapter 166A of the General Statutes.
- (4) COVID-19 essential business executive order. – Executive Order No. 121 issued March 27, 2020, by Governor Roy A. Cooper, including any amendments issued by executive order, subject to extensions under Chapter 166A of the General Statutes.
- (5) Individual. – A person paying, or on whose behalf a third party is paying, tuition, fees, or room and board to an institution of higher education for the spring academic semester of 2020.
- (6) Institution of higher education. – Any of the following institutions, including the owners, directors, trustees, officers, employees, contractors, and agents of those institutions:
 - a. A constituent institution under the jurisdiction of The University of North Carolina.
 - b. A community college under the jurisdiction of the State Board of Community Colleges.
 - c. An eligible private postsecondary institution, as defined in G.S. 116-280(3).

"§ 116-311. Institutions of higher education; tuition liability limitation.

(a) Notwithstanding any other provision of law and subject to G.S. 116-312, an institution of higher education shall have immunity from claims by an individual, if all of the following apply:

- (1) The claim arises out of or is in connection with tuition or fees paid to the institution of higher education for the spring academic semester of 2020.
- (2) The claim alleges losses or damages arising from an act or omission by the institution of higher education during or in response to COVID-19, the



COVID-19 emergency declaration, or the COVID-19 essential business executive order.

(3) The alleged act or omission by the institution of higher education was reasonably related to protecting the public health, safety, or welfare in response to the COVID-19 emergency declaration, COVID-19 essential business executive order, or applicable guidance from the Centers for Disease Control and Prevention.

(4) The institution of higher education offered remote learning options for enrolled students during the spring academic semester of 2020 that allowed students to complete the semester coursework.

(b) Subsection (a) of this section shall not apply to losses or damages that resulted solely from a breach of an express contractual provision allocating liability in the event of a pandemic event.

(c) Subsection (a) of this section shall not apply to losses or damages caused by an act or omission of the institution of higher education that was in bad faith or malicious.

"§ 116-312. Applicability.

This Article applies to alleged acts or omissions occurring on or after the issuance of the COVID-19 emergency declaration until June 1, 2020. The provisions of this Article shall be in addition to all other immunities provided by applicable State law.

"§ 116-313. Severability.

It is a matter of vital State concern affecting the public health, safety, and welfare that institutions of higher education continue to be able to fulfill their educational missions during the COVID-19 pandemic without civil liability for any acts or omissions for which immunity is provided in this Article. This Article shall be liberally construed to effectuate those public purposes. The provisions of this Article are severable. If any part of this Article is declared to be invalid by a court, the invalidity does not affect other parts of this Article that can be given effect without the invalid provision."

SECTION 2. This act is effective when it becomes law and applies to all actions commenced on or after March 27, 2020.

In the General Assembly read three times and ratified this the 25th day of June, 2020.

s/ Philip E. Berger
President Pro Tempore of the Senate

s/ David R. Lewis
Presiding Officer of the House of Representatives

s/ Roy Cooper
Governor

Approved 5:27 p.m. this 1st day of July, 2020

Section Two 2020 Short Session, May 18 – July 11, 2020

c) Other Bills impacting the UNC System, now session law

- a) H. 1079: Various Sales Tax Changes, Session Law 2020-6
- b) H. 1072: GCS Technical Corrections 2020, Session Law 2020-69
- c) H. 1087: Water/Wastewater Public Enterprise Reform, Session Law 2020-79
- d) H. 1218: Salary-Related Contributions/Debt Service Funds, Session Law 2020-41
- e) H. 308: Regulatory Reform Act of 2020, Session Law 2020-74
- f) S. 681: Agency Policy Directives/2019-2020, Session Law 2020-78
- g) S. 864: 2020 BOG Vacancy Election, Jimmy Clark, adopted by Senate
- h) S. 866: Additions to 2020 Appointments Bill, Session Law 2020-39
- i) S. 867: 2020 BOG Vacancy Election, Art Pope, adopted by Senate
- j) S. 870: Adjourn to Date Certain Then Since Die, Resolution 2020-5

(a) H. 1079: Various Sales Tax Changes (Session Law 2020-6)

Part III of this bill, Clarify Digital Property/Online Learning, clarifies that digital education at universities should not be subject to sales tax.

This bill passed the House on May 19, 2020 and the Senate on May 26, 2020.

The bill was signed by the Governor on June 5, 2020 and chaptered Session Law 2020-6.

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/House/PDF/H1079v4.pdf>

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

SESSION LAW 2020-6
HOUSE BILL 1079

AN ACT TO MAKE VARIOUS SALES AND USE TAX CHANGES, AS RECOMMENDED
BY THE REVENUE LAWS STUDY COMMITTEE.

The General Assembly of North Carolina enacts:

PART I. RELIEF FOR AUCTIONEERS AND ESTATE SALE COMPANIES

SECTION 1.(a) G.S. 105-164.13E(a)(7) reads as rewritten:

"(7) Any of the following animals:

- a. Baby chicks and poults sold for commercial poultry or egg production-poults.
- b. Livestock."

SECTION 1.(b) G.S. 105-164.3 is amended by adding a new subdivision to read:

"(#) Livestock. – Cattle, sheep, goats, swine, horses, or mules."

SECTION 1.(c) G.S. 105-237.1(a) reads as rewritten:

"(a) Authority. – The Secretary may compromise a taxpayer's liability for a tax that is collectible under G.S. 105-241.22 when the Secretary determines that the compromise is in the best interest of the State and makes one or more of the following findings:

- ...
- (9) The taxpayer is an auctioneer licensed under Chapter 85B of the General Statutes, and the assessment is for sales tax that the taxpayer failed to collect for the sale of livestock at auction. The Secretary must determine that the taxpayer has made a good-faith effort to comply with the tax laws, including being registered as a retailer on or before July 1, 2020. This subdivision applies to assessments for any tax due for a reporting period ending prior to July 1, 2020. This subdivision does not apply if the person received specific written advice from the Secretary for the transactions at issue for the laws in effect for the applicable period or for tax collected and not remitted to the Department."

SECTION 1.(d) G.S. 105-164.4J is amended by adding a new subsection to read:

"(j) Grace Period. – The Department shall take no action to assess a person for any tax due for a filing period beginning on or after February 1, 2020, and ending prior to October 1, 2020, with respect to any of the circumstances listed in this subsection. This subsection does not apply to (i) a person that received specific written advice from the Secretary for the transactions at issue for the laws in effect for the applicable period, (ii) a person that collected tax and failed to remit it to the Department, or (iii) the retail sale of inventory that was held for resale. The applicable circumstances are:

- (1) The person sells tangible personal property on behalf of the owner of the tangible personal property, or the owner's estate, whether by auction or through the pricing of items, and the sale was conducted at the owner's home or farm.



PART III. CLARIFY DIGITAL PROPERTY/ONLINE LEARNING

SECTION 3.(a) G.S. 105-164.3, as amended by Section 1 of this act, reads as rewritten:

"§ 105-164.3. Definitions.

The following definitions apply in this Article:

- ...
- (#) Additional digital goods. – All of the following if transferred electronically:
- a. A magazine, a newspaper, a newsletter, a report, or another publication.
 - b. A photograph.
 - c. A greeting card.
- ...
- (7) ~~Audio~~ Digital audio work. – A work that results from the fixation of a series of musical, spoken, or other sounds, including a ~~ringtone~~ ringtone, that is transferred electronically.
- (9) ~~Audiovisual~~ Digital audiovisual work. – A series of related ~~images and any sounds accompanying the images that~~ images, that when shown in succession, impart an impression of motion when shown in succession, together with accompanying sounds, if any, and that is transferred electronically.
- (#) Digital book. – A work that is generally recognized in the ordinary and usual sense as a book that is transferred electronically.
- ...
- (23) ~~Certain digital property.~~ – ~~An item listed in this subdivision that is delivered or accessed electronically and that is not considered tangible personal property.~~ Specified digital products and additional digital goods. The term does not include an information service. ~~The items are:~~ service or an educational service.
- a. ~~An audio work.~~
 - b. ~~An audiovisual work.~~
 - c. ~~A book, magazine, a newspaper, a newsletter, a report, or another publication.~~
 - d. ~~A photograph or a greeting card.~~
- ...
- (58) Educational service. – The delivery of instruction or training, whether provided in real time, on demand, or at another set time, by or on behalf of a qualifying educational entity where at least one of the following conditions applies:
- a. The instruction or training is part of the curriculum for an enrolled student.
 - b. The instruction or training is encompassed within the institution's accreditation or prepares an enrolled student for gainful employment in a recognized occupation.
 - c. The participant is evaluated by an instructor. "Evaluated by an instructor" does not include being graded by, scored by, or evaluated by a computer program or an interactive, automated method.
 - d. The participant is connected to the presenter or instructor via the Internet or other networks, allowing the participant to provide, receive, or discuss information through live interaction, contemporaneous with the presentation.
- ...

- (170) Qualifying educational entity. – An entity listed in this subdivision. For purposes of this definition, references to the United States Code mean the United States Code as enacted as of January 1, 2020. The entities are:
- a. An elementary or secondary school, as defined in 20 U.S.C. § 7801.
 - b. An institution of higher education, as defined in 20 U.S.C. § 1002.

...

- (#) Specified digital products. – Digital audio works, digital audiovisual works, and digital books.

...

- (#) Transferred electronically. – Obtained by the purchaser by means other than tangible storage media and includes delivered or accessed electronically.

...."

SECTION 3.(b) G.S. 105-164.13 reads as rewritten:

"§ 105-164.13. Retail sales and use tax.

The sale at retail and the use, storage, or consumption in this State of the following items are specifically exempted from the tax imposed by this Article:

...

- (72) Sales of a digital audio work or a digital audiovisual work that is a qualifying education expense under G.S. 115C-595(a)(3) to the operator of a home school as defined in G.S. 115C-563.
- (73) Sales of a digital audio work or digital audiovisual work that consists of nontaxable service content when the electronic transfer of the digital audio work or digital audiovisual work occurs contemporaneously with the provision of the nontaxable service in real time."

SECTION 3.(c) The Revisor of Statutes is authorized to renumber the subdivisions of G.S. 105-164.3 to ensure that the subdivisions are listed in alphabetical order and in a manner that reduces the current use of alphanumeric designations, to make conforming changes, and to reserve sufficient space to accommodate future additions to the statutory section.

SECTION 3.(d) Article 9 of Chapter 105 of the General Statutes is amended by adding a new section to read:

"§ 105-244.4A. Grace period from sales and use tax enforcement actions with respect to the sale of certain digital property by certain continuing education and professional development providers.

The Department shall take no action to assess a person for any sales and use tax due for a filing period beginning on or after October 1, 2019, and ending prior to August 1, 2020, with respect to the retail sale of digital audio works or digital audiovisual that meet either of the conditions listed in this section. This section does not apply to a person that received specific written advice from the Secretary for the transactions at issue for the laws in effect for the applicable period or to a person that collected tax and failed to remit it to the Department. The conditions are:

- (1) The digital audio works or digital audiovisual works consist of continuing education instruction approved by an occupational licensing board.
- (2) The digital audio works or digital audiovisual works consist of professional development instruction for school board members, administrators, or staff."

SECTION 3.(e) Subsection (d) of this section is effective when it becomes law. The remainder of this section is effective retroactively to October 1, 2019, and applies to sales occurring on or after that date."

PART IV. EFFECTIVE DATE

SECTION 4. Except as otherwise provided, this act is effective when it becomes law.

In the General Assembly read three times and ratified this the 1st day of June, 2020.

s/ Carl Ford
Presiding Officer of the Senate

s/ Tim Moore
Speaker of the House of Representatives

s/ Roy Cooper
Governor

Approved 12:27 p.m. this 5th day of June, 2020

(b) H. 1072: GCS Technical Corrections 2020 (Session Law 2020-69)

This bill makes technical corrections to the general statutes and session laws.

- (1) No service charge into the State Land Fund shall be deducted from or levied against the proceeds of any disposition by lease, rental, or easement of State lands that are designated as part of the Centennial Campus as defined by G.S. 116-198.33(4), that are designated as part of the Horace Williams Campus as defined by G.S. 116-198.33(4a), or that are designated as part of a Millennial Campus as defined by G.S. 116-198.33(4b). All net proceeds of those dispositions are governed by G.S. 116-36.5.
- (9) The net proceeds derived from the lease dispositions of land or facilities owned or under the supervision and control of East Carolina University's Division of Health Sciences for the delivery of health care services shall be deposited in clinical accounts at East Carolina University to be used to improve access to patient care.

The bill was signed by the Governor on July 1, 2020 and chaptered Session Law 2020-69.

Final bill text: <https://www.ncleg.net/Sessions/2019/Bills/House/PDF/H1072V5.pdf>

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

SESSION LAW 2020-69
HOUSE BILL 1072

AN ACT TO MAKE TECHNICAL CORRECTIONS TO THE GENERAL STATUTES AND
SESSION LAWS AND TO PROVIDE THAT THE REGISTER OF DEEDS DOES NOT
NEED TO VERIFY THE CAPACITY OR AUTHORITY OF THE PERSON LISTED AS
THE DRAFTER OF A DEED OR DEED OF TRUST, AS RECOMMENDED BY THE
GENERAL STATUTES COMMISSION.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 1C-1829 reads as rewritten:

"§ 1C-1829. Enforcement of foreign judgments.

Subject to the provisions of Article 17 and ~~48-20~~ of this Chapter:

- ~~(a)~~(1) If an action is brought to enforce a judgment of another jurisdiction expressed in a foreign money and the judgment is recognized in this State as enforceable, the enforcing judgment shall be entered as provided in G.S. 1C-1826, whether or not the foreign judgment confers an option to pay in an equivalent amount of United States dollars.
- ~~(b)~~(2) A foreign judgment may be filed or docketed in accordance with any rule or statute of this State providing a procedure for its recognition and enforcement.
- ~~(c)~~(3) A satisfaction or partial payment made upon the foreign judgment, on proof thereof, shall be credited against the amount of foreign money specified in the judgment, notwithstanding the entry of judgment in this State.
- ~~(d)~~(4) A judgment entered on a foreign-money claim only in United States dollars in another state shall be enforced in this State in United States dollars only."

SECTION 1.5. G.S. 28A-2-6(h) reads as rewritten:

"(h) Notice of Transfer. – A notice to transfer an estate proceeding brought pursuant to G.S. 28A-2-4(a)(4) must be served within 30 days after the moving party is served with a copy of the pleading requesting relief pursuant to G.S. 28A-2-4(a)(4), or in the case of the clerk of superior court, prior to or at the first hearing duly noticed in ~~such the~~ the estate proceeding and prior to the presentation of evidence by the parties, including a hearing at which an order of continuance is entered. Failure to timely serve a notice of transfer of ~~a trust an estate~~ an estate proceeding is a waiver of any objection to the clerk of superior court's exercise of jurisdiction over the ~~trust estate~~ estate proceeding then pending before the clerk. When a notice of transfer is duly served and filed, the clerk shall transfer the proceeding to the appropriate court. The proceeding after the transfer is subject to the provisions of the General Statutes and to the rules that apply to actions initially filed in the court to which the proceeding was transferred."

SECTION 2. G.S. 36C-8B-13(b) reads as rewritten:

"(b) A special-needs fiduciary may exercise the decanting power provided in G.S. 36C-8B-11 over the principal of a first trust as if the fiduciary had authority to distribute principal to a beneficiary with a disability ~~subject to expanded distributive discretion~~ if both of the following conditions are satisfied:

- (1) A second trust is a special-needs trust that benefits the beneficiary with a disability.



~~Provided, however, nothing herein shall be construed as prohibiting~~ Nothing in this section, ~~however, prohibits~~ the disposition of any State lands by exchange for other lands, but if the appraised value in fee simple of any property involved in the exchange is at least twenty-five thousand dollars (\$25,000), then ~~such the exchange may shall~~ not be made without consultation with the Joint Legislative Commission on Governmental Operations.

(a1) Expired January 1, 2016, pursuant to Session Laws 2011-373, s. 2.

(b) For the purposes of this Subchapter, the term "net proceeds" means the gross amount received from the sale, lease, rental, or other disposition of any State lands, less all of the following:

(1) ~~Such expenses~~ Expenses incurred incident to that sale, lease, rental, or other disposition ~~as may be that are~~ allowed under rules and regulations adopted by the Governor and approved by the Council of State; ~~and State.~~

(2) Repealed by Session Laws 1993, c. 553, s. 52.2.

(3) A service charge to be paid into the State Land Fund.

(b1), (b2), (b3), (b4) Recodified.

(c) The amount or rate of ~~such the~~ service charge described in subsection (b) of this section shall be fixed by rules and regulations adopted by the Governor and approved by the Council of State, but as to any particular sale, lease, rental, or other disposition, it shall not exceed ten percent (10%) of the gross amount received from ~~such the~~ sale, lease, rental, or other disposition.

(d) Notwithstanding any other provision of this Subchapter, the following exceptions apply:

(1) ~~Notwithstanding the other provisions of this section, no~~ No service charge into the State Land Fund shall be deducted from or levied against the proceeds of any disposition by lease, rental, or easement of State lands that are designated as part of the Centennial Campus as defined by G.S. 116-198.33(4), that are designated as part of the Horace Williams Campus as defined by G.S. 116-198.33(4a), or that are designated as part of a Millennial Campus as defined by G.S. 116-198.33(4b). All net proceeds of those dispositions are governed by G.S. 116-36.5.

(2) ~~Notwithstanding the other provisions of this section, no~~ No service charge into the State Land Fund shall be deducted from or levied against the proceeds of any disposition by lease, rental, or easement of State lands purchased and owned by the North Carolina State Highway Patrol, Department of Public Safety, as part of the Voice Interoperability Plan for Emergency Responders (VIPER) project being managed by the North Carolina State Highway Patrol, Department of Public Safety. All net proceeds of these dispositions shall be deposited into an account created in the Department of Public Safety to be used only for the purpose of constructing, maintaining, or supporting the VIPER network.

(3) ~~Notwithstanding the other provisions of this section, no~~ No service charge into the State Land Fund shall be deducted from or levied against the proceeds of any disposition by lease, rental, or easement of State lands or structures for the collocation, installation, or operation of equipment by a broadband provider on an existing structure owned by the State in accordance with G.S. 146-29.2. The agency that owns the land or structure subject to the lease, rental, or easement may retain an amount not to exceed four percent (4%) of the amount of the lease, rental, or easement. All net proceeds of those dispositions, after the amount retained by the agency, shall be deposited in the Growing Rural Economies with Access to Technology Fund established pursuant to subsection (b) of G.S. 143B-1373.

- (4) ~~Notwithstanding the other provisions of this section, no~~ No service charge into the State Land Fund shall be deducted from or levied against the proceeds of any disposition by lease, rental, or easement of lands owned by the Department of Transportation. All net proceeds of those dispositions shall be deposited into the State Highway Fund.
- (5) ~~Notwithstanding any other provision of this Subchapter, the~~ The net proceeds derived from the sale of land or products of land owned by or under the supervision and control of the Wildlife Resources Commission, or acquired or purchased with funds of that Commission, shall be paid into the Wildlife Resources Fund.
- (6) ~~Provided, however, the~~ The net proceeds derived from the sale of land or timber from land owned by or under the supervision and control of the Department of Agriculture and Consumer Services shall be deposited with the State Treasurer in a capital improvement account to the credit of the Department of Agriculture and Consumer Services, to be used for such specific capital improvement projects or other purposes as are provided by transfer of funds from those accounts in the Capital Improvement Appropriations Act.
- (7) ~~Provided further, the~~ The net proceeds derived from the sale of park land owned by or under the supervision and control of the Department of Natural and Cultural Resources shall be deposited with the State Treasurer in a capital improvement account to the credit of the Department of Administration to be used for the purpose of park land acquisition as provided by transfer of funds from those accounts in the Capital Improvement Appropriations Act. In the Capital Improvement Appropriations Act, line items for purchase of park and agricultural lands will be established for use by the Departments of Administration and Agriculture. The use of ~~such these~~ funds for any specific capital improvement project or land acquisition is subject to approval by the Director of the Budget. No other use ~~may shall~~ be made of funds in these line items without approval by the General Assembly except for incidental expenses related to the project or land acquisition. ~~Additionally~~ Additionally, with the approval of the Director of the Budget, either Department may request funds from the Contingency and Emergency Fund when the necessity of prompt purchase of available land can be demonstrated and funds in the capital improvement accounts are insufficient.
- (8) ~~Provided further, the~~ The net proceeds derived from the sale of any portion of the land owned by the State in ~~or around the Butner Reservation on or after July 1, 1980, the Camp Butner reservation~~ shall be deposited with the State Treasurer in a capital improvement account to the credit of the Department of Health and Human Services to make capital improvements on or to property owned by the State in the ~~Butner Reservation~~ Camp Butner reservation subject to approval by the Office of State Budget and ~~Management, and may be used to build industrial access roads to industries located or to be located on the Butner Reservation, to construct new city streets in the Butner Reservation, extend water and sewer service on the Butner Reservation, repair storm drains on the Butner Reservation, and for other capital uses on the Reservation as determined by the Secretary.~~ Management. The definition of "Camp Butner reservation" in G.S. 122C-3 applies to this subdivision.
- (9) ~~Provided further, notwithstanding any other provision of this Subchapter, the~~ The net proceeds derived from the lease dispositions of land or facilities owned or under the supervision and control of East Carolina University's

Division of Health Sciences for the delivery of health care services shall be deposited in clinical accounts at East Carolina University to be used to improve access to patient care.

- (10) ~~Provided further, notwithstanding any other provision of this Subchapter, the~~
The net proceeds derived from the sale of land, facilities, products, or timber owned by the Department of Transportation shall be deposited into the State Highway Fund."

SECTION 5.4. G.S. 153A-441 reads as rewritten:

"§ 153A-441. County surveyor.

A county may appoint as county surveyor a person ~~registered~~ licensed as a professional land surveyor pursuant to Chapter 89 as county surveyor. Chapter 89C of the General Statutes."

SECTION 5.5. G.S. 163-105 reads as rewritten:

"§ 163-105. Payment of expense of conducting primary elections.

The expense of printing and distributing the poll and registration ~~books, blanks, and ballots for those offices required by G.S. 163-109(b)~~ books and blanks to be furnished by the State, and the per diem and expenses of the State Board of Elections while engaged in the discharge of primary election duties imposed by law upon that Board, shall be paid by the State.

The expenses of printing and distributing ~~the ballots for those offices required by G.S. 163-109(e) to be furnished by counties, ballots pursuant to G.S. 163-165.3~~ and the per diem (or salary) and expenses of the county board of elections and the chief judges and judges of election, while engaged in the discharge of primary election duties imposed by law upon them, shall be paid by the counties."

SECTION 5.6. G.S. 163-234 reads as rewritten:

"§ 163-234. Counting absentee ballots by county board of elections.

All absentee ballots returned to the county board of elections in the container-return envelopes shall be retained by the board to be counted by the county board of elections as ~~herein provided~~ follows:

- (1) Only those absentee ballots returned to the county board of elections no later than 5:00 p.m. on the day before election day in a properly executed container-return envelope or absentee ballots received pursuant to ~~G.S. 163-231(b)(ii) or (iii)~~ G.S. 163-231(b)(2)b. or c. shall be counted, except to the extent federal law requires otherwise.
- (2) The county board of elections shall meet at 5:00 p.m. on election day in the board office or other public location in the county courthouse for the purpose of counting all absentee ballots except those which have been challenged before 5:00 p.m. on election day and those received pursuant to ~~G.S. 163-231(b)(ii) or (iii)~~ G.S. 163-231(b)(2)b. or c. Any elector of the county shall be permitted to attend the meeting and allowed to observe the counting process, ~~provided so long as~~ the elector shall does not in any manner interfere with the election officials in the discharge of their duties.

~~Provided, that the~~ The county board of elections ~~is authorized to may~~ begin counting absentee ballots issued under Article 21A of this Chapter between the hours of 9:00 ~~A.M.-a.m.~~ a.m. and 5:00 ~~P.M.-p.m.~~ p.m. and ~~to may~~ begin counting all absentee ballots between the hours of 2:00 p.m. and 5:00 p.m. upon the adoption of a resolution at least two weeks prior to the election ~~wherein in which~~ which the hour and place of counting absentee ballots shall be stated. ~~Such~~ The resolution also may provide for an additional meeting following the day of the election and prior to the day of canvass to count absentee ballots received pursuant to ~~G.S. 163-231(b)(ii) or (iii)~~ G.S. 163-231(b)(2)b. or c. as provided in subdivision (11) of this section. A copy of the ~~resolutions~~ resolution shall be published once a week for two weeks prior to the election,

of the deed or deed of trust. The register of deeds shall not be required to verify or make inquiry concerning the capacity or authority of the person or entity shown as the drafter on the instrument."

SECTION 6.(c) This section becomes effective August 1, 2020.

SECTION 7. S.L. 2019-113 is amended by adding a new section to read:

"**SECTION 6.1.** The Revisor of Statutes shall cause to be printed, as annotations to the published General Statutes, all explanatory comments of the drafters of Sections 5 and 6 of this act as the Revisor may deem appropriate."

SECTION 8.(a) Section 4(c) of S.L. 2019-158 is repealed.

SECTION 8.(b) G.S. 15A-151.5(a) reads as rewritten:

"(a) Notwithstanding any other provision of this Article, the Administrative Office of the Courts shall make all confidential files maintained under G.S. 15A-151 electronically available to all prosecutors of this State if the criminal record was expunged on or after July 1, 2018, under any of the following:

...
(7a) G.S. 15A-145.9. Expunction of records of certain offenses committed by human trafficking victims.

...."

SECTION 8.(c) This section is retroactively effective December 1, 2019.

SECTION 9.(a) The introductory language of Section 3(e) of S.L. 2019-176 reads as rewritten:

"**SECTION 3.(e)** ~~G.S. 147-69.2(15) is amended by adding a new subdivision to read:~~G.S. 147-69.2(a)(15) reads as rewritten:"

SECTION 9.(b) G.S. 147-69.2(a)(15a) is repealed.

SECTION 9.(c) This section becomes effective July 1, 2020.

SECTION 10. Except as otherwise provided, this act is effective when it becomes law.

In the General Assembly read three times and ratified this the 25th day of June, 2020.

s/ Daniel J. Forest
President of the Senate

s/ Tim Moore
Speaker of the House of Representatives

s/ Roy Cooper
Governor

Approved 5:26 p.m. this 1st day of July, 2020

(c) H. 1087: Water/Wastewater Public Enterprise Reform (Session Law 2020-79)

SECTION 8.(b) of this bill appropriates \$4,800,000 in nonrecurring funds for the 2020-2021 fiscal year to the Board of Governors to be allocated to the Southern Regional Area Health Education Center (SR AHEC) to be used for residencies in the SR AHEC service areas and for COVID-19 related response activities.

The bill was signed by the Governor on July 1, 2020 and chaptered Session Law 2020-79.

Final bill text: <https://www.ncleg.net/Sessions/2019/Bills/House/PDF/H1087V8.pdf>

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

SESSION LAW 2020-79
HOUSE BILL 1087

AN ACT TO IMPROVE VIABILITY OF THE WATER AND WASTEWATER SYSTEMS OF CERTAIN UNITS OF LOCAL GOVERNMENT BY REQUIRING LOCAL GOVERNMENT COMMISSION APPROVAL OF GRANT APPLICATIONS; TO REQUIRE CERTAIN WATER AND WASTEWATER SYSTEMS TO UNDERGO A REVIEW OF INFRASTRUCTURE MANAGEMENT, ORGANIZATIONAL MANAGEMENT, AND FINANCIAL MANAGEMENT; TO CREATE AND PROVIDE FUNDING FOR THE VIABLE UTILITY RESERVE TO PROVIDE GRANT MONEY FOR LOCAL GOVERNMENT UNITS; TO PROVIDE A STATUTORY PROCESS FOR MERGER AND DISSOLUTION OF WATER AND WASTEWATER SYSTEMS ESTABLISHED UNDER CHAPTER 162A OF THE GENERAL STATUTES; TO PROMOTE THE IMPORTANCE OF INTERLOCAL AGREEMENTS TO THE OPERATION OF WATER AND WASTEWATER SYSTEMS; TO STUDY SUBBASIN TRANSFERS AND HISTORICAL CHARTERS; TO REALLOCATE CERTAIN UNUSED FUNDS FROM THE PFAS RECOVERY FUND; TO PROVIDE FUNDS FOR THE SOUTHERN REGIONAL AREA HEALTH EDUCATION CENTER AND FOR WATER RESOURCES PROJECTS; AND TO INCORPORATE FLOOD STORAGE CAPACITY ENHANCEMENT PROJECTS INTO THE ACTIVITIES AND PURPOSES OF THE DIVISION OF MITIGATION SERVICES.

The General Assembly of North Carolina enacts:

PART I. REFORM OF WATER AND WASTEWATER PUBLIC ENTERPRISES

SECTION 1.(a) G.S. 159G-20 reads as rewritten:

"§ 159G-20. Definitions.

The following definitions apply in this Chapter:

...

(4a) Distressed unit. – A public water system or wastewater system operated by a local government unit exhibiting signs of failure to identify or address those financial or operating needs necessary to enable that system to become or to remain a local government unit generating sufficient revenues to adequately fund management and operations, personnel, appropriate levels of maintenance, and reinvestment that facilitate the provision of reliable water or wastewater services.

...

(13) Local government unit. – Any of the following:

- a. A city as defined in G.S. 160A-1.
- b. A county.
- c. A consolidated city-county as defined in G.S. 160B-2.
- d. A county water and sewer district created pursuant to Article 6 of Chapter 162A of the General Statutes. Any of the following entities created pursuant to Chapter 162A of the General Statutes:
 1. A water and sewer authority created pursuant to Article 1.



with all of the same requirements under G.S. 143-215.22L as transfers of water between major river basins. In conducting this study, the Department of Environmental Quality shall consider whether the costs of complying with specific requirements, including financial costs and time, are justified by the benefits of the requirements, including the production of useful information and public notice and involvement. No later than January 15, 2021, the Department of Environmental Quality shall report its findings and recommendations to the Environmental Review Commission.

SECTION 5. The Department of State Treasurer shall study and make recommendations as to the feasibility of authorizing historical charters for units of local government that have become, or are on the brink of becoming, defunct. The study shall specifically examine whether these historical charters are needed, the impact of these charters on the bond rating of the State and its political subdivisions, and the consequences of these historical charters. No later than January 15, 2021, the Department of State Treasurer shall report its findings and recommendations to the General Assembly.

SECTION 6.(a) Subsections (d), (e), (f), (g), and (h) of Section 11 of Session Law 2019-241 are repealed.

SECTION 6.(b) If Senate Bill 553, 2019 Regular Session, becomes law, then Section 14 of that act is repealed.

SECTION 6.(c) Subsection (a) of this section becomes effective June 30, 2020.

PART II. FUNDING

VIABLE UTILITY RESERVE FUNDS

SECTION 7.(a) Transfer. – No later than August 15, 2020, the Department of Commerce shall transfer the sum of nine million dollars (\$9,000,000) in nonrecurring funds for the 2020-2021 fiscal year from the One North Carolina Fund (Budget Code: 24609; Fund Code: 2560) to the Water Infrastructure Fund administered by the Department of Environmental Quality's Division of Water Infrastructure (Budget Code: 24327).

SECTION 7.(b) Appropriation. – The funds transferred by this section are appropriated to the Viable Utility Reserve established by G.S. 159G-22, as amended by this act, to be used for the purposes set forth in G.S. 159G-32, as amended by this act.

SOUTHERN REGIONAL AHEC FUNDS

SECTION 8.(a) Transfer. – The State Controller shall transfer the sum of four million eight hundred thousand dollars (\$4,800,000) from the Coronavirus Relief Reserve established in Section 2.1 of S.L. 2020-4 to the Coronavirus Relief Fund established in Section 2.2 of that same act.

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

SECTION 8.(c) Requirements. – The requirements and limitations set forth in Part I of S.L. 2020-4 shall apply to the funds appropriated by this section. OSBM shall include the funds transferred and appropriated under this section in the report required under Section 1.7 of S.L. 2020-4.

REALLOCATION OF CERTAIN PFAS FUNDS

SECTION 9.(a) Transfer and Reallocation. – Funds appropriated to the Division of Water Infrastructure of the Department of Environmental Quality for the 2018-2019 fiscal year

(d) The Division shall comply with the procurement preferences set forth in G.S. 143-214.11(i) in procuring flood storage enhancement or restoration projects with funds set aside for those purposes. Requests for proposal shall require that projects specify the number of acre-feet of flood storage capacity enhancement or restoration in a specified watershed or sub-watershed based on the watershed planning required by this section. Submitted proposals shall be prioritized and selected based on criteria to be developed by the Division with input from the advisory board. These criteria may include analysis of costs and benefits, compatibility with and maintenance of working lands, and ecological benefits."

SECTION 11A.(f) This section is effective when it becomes law.

PART V. GENERAL PROVISIONS

STATE BUDGET ACT APPLIES

SECTION 12. 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.

ADDITIONAL LIMITATIONS AND DIRECTIONS

SECTION 13. Except where expressly repealed or amended by this act, the provisions of any other legislation enacted during the 2019 Regular Session of the General Assembly expressly appropriating funds to an agency, a department, or an institution covered under this act shall remain in effect.

PART VI. EFFECTIVE DATE

SECTION 14. Except as otherwise specified, this act becomes effective July 1, 2020. In the General Assembly read three times and ratified this the 26th day of June, 2020.

s/ Philip E. Berger
President Pro Tempore of the Senate

s/ Tim Moore
Speaker of the House of Representatives

s/ Roy Cooper
Governor

Approved 5:34 p.m. this 1st day of July, 2020

(d) H. 1218: Salary-Related Contributions/Debt Service Funds (Session Law 2020 41)

H. 1218 makes adjustments to the State Employer Salary-Related Contributions and appropriates funds for the State's Debt Service Obligations.

Effective July 1, 2020, the State's employer contribution rates budgeted for retirement and related benefits as a percentage of covered salaries for the 2020-2021 fiscal year for teachers and state employees, state law enforcement officers (LEOs), the University and Community Colleges Optional Retirement Programs (ORPs), the Consolidated Judicial Retirement System (CJRS), and the Legislative Retirement System (LRS) are as set forth in the bill.

The bill was signed by the Governor on June 26, 2020 and chaptered Session Law 2020-41.

Final bill text: <https://www.ncleg.net/Sessions/2019/Bills/House/PDF/H1218V5.pdf>

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

**SESSION LAW 2020-41
HOUSE BILL 1218**

AN ACT TO MAKE ADJUSTMENTS TO THE STATE EMPLOYER SALARY-RELATED CONTRIBUTIONS AND APPROPRIATING FUNDS FOR THE STATE'S DEBT SERVICE OBLIGATIONS.

The General Assembly of North Carolina enacts:

SECTION 1.(a) Section 3.15(c) of S.L. 2019-209 reads as rewritten:

"**SECTION 3.15.(c)** Effective July 1, 2020, the State's employer contribution rates budgeted for retirement and related benefits as a percentage of covered salaries for the 2020-2021 fiscal year for teachers and State employees, State law enforcement officers (LEOs), the University and Community Colleges Optional Retirement Programs (ORPs), the Consolidated Judicial Retirement System (CJRS), and the Legislative Retirement System (LRS) are as set forth below:

	Teachers and State Employees	State LEOs	ORPs	CJRS	LRS
Retirement	14.36% <u>14.78%</u>	14.36% <u>14.78%</u>	6.84%	36.00% <u>36.44%</u>	29.00% <u>27.30%</u>
Disability	0.10% <u>0.09%</u>	0.10% <u>0.09%</u>	0.10% <u>0.09%</u>	0.00%	0.00%
Death	0.16%	0.16%	0.00%	0.00%	0.00%
Retiree Health	6.82% <u>6.68%</u>	6.82% <u>6.68%</u>	6.82% <u>6.68%</u>	6.82% <u>6.68%</u>	6.82% <u>6.68%</u>
NC 401(k)	0.00%	5.00%	0.00%	0.00%	0.00%

Total Contribution

Rate ~~21.44%~~21.71%~~26.44%~~26.71%~~13.76%~~13.61%~~42.82%~~43.12%~~35.82%~~33.98%

...."

SECTION 1.(b) If House Bill 1136, 2020 Regular Session, becomes law, then subsection (a) of this section is repealed.

SECTION 1.(c) If House Bill 1136, 2020 Regular Session, becomes law, then Section 3.15(c) of S.L. 2019-209, as amended by Section 2(a) of House Bill 1136, 2020 Regular Session, reads as rewritten:

"**SECTION 3.15.(c)** Effective July 1, 2020, the State's employer contribution rates budgeted for retirement and related benefits as a percentage of covered salaries for the 2020-2021 fiscal year for teachers and State employees, State law enforcement officers (LEOs), the University and Community Colleges Optional Retirement Programs (ORPs), the Consolidated Judicial Retirement System (CJRS), and the Legislative Retirement System (LRS) are as set forth below:

	Teachers and State Employees	State LEOs	ORPs	CJRS	LRS
Retirement	14.36% <u>14.78%</u>	14.36% <u>14.78%</u>	6.84%	36.00% <u>36.44%</u>	29.00% <u>27.30%</u>
Disability	0.10% <u>0.09%</u>	0.10% <u>0.09%</u>	0.10% <u>0.09%</u>	0.00%	0.00%
Death	0.13%	0.13%	0.00%	0.00%	0.00%
Retiree Health	6.82% <u>6.68%</u>	6.82% <u>6.68%</u>	6.82% <u>6.68%</u>	6.82% <u>6.68%</u>	6.82% <u>6.68%</u>
NC 401(k)	0.00%	5.00%	0.00%	0.00%	0.00%



Total Contribution

Rate 21.41%21.68%26.41%26.68%13.76%13.61%42.82%43.12%35.82%33.98%
 "

SECTION 1.(d) Section 3.15(e) of S.L. 2019-209 reads as rewritten:

"**SECTION 3.15.(e)** Effective July 1, 2020, the maximum annual employer contributions, payable monthly, by the State for each covered employee or retiree for the 2020-2021 fiscal year to the State Health Plan for Teachers and State Employees are (i) for Medicare-eligible employees and retirees, five thousand ~~one hundred sixty-five dollars (\$5,165)~~ sixty-one dollars (\$5,061) and (ii) for non-Medicare-eligible employees and retirees, six thousand ~~six hundred forty-seven dollars (\$6,647)~~ five hundred twelve dollars (\$6,512)."

SECTION 2. No later than August 15, 2020, the Office of State Budget and Management shall adjust the appropriations for State retirement and State Health Plan contributions of all applicable agencies, departments, or institutions to reflect the changes implemented in Section 1 of this act, representing a decrease in General Fund net appropriations totaling five million forty-eight thousand seven hundred ten dollars (\$5,048,710) in recurring funds for the 2020-2021 fiscal year.

SECTION 3. From the funds made available pursuant to Section 1 and Section 2 of this act, there is appropriated from the General Fund the sum of five million forty-eight thousand seven hundred ten dollars (\$5,048,710) in recurring funds for the 2020-2021 fiscal year for the purpose of meeting the State's General Fund debt service obligations. It is the intent of the General Assembly to restore employer contribution rates for Retiree Health and to the State Health Plan to the amounts in S.L. 2019-209, as originally enacted on August 3, 2019, in the event the federal government provides additional relief funds or additional flexibility on existing relief funds that can be used to support the General Fund.

SECTION 4.(a) Departmental receipts, as defined in G.S. 143C-1-1, are appropriated for the 2020-2021 fiscal year up to the amounts needed to implement the provisions in this act for the 2020-2021 fiscal year.

SECTION 4.(b) 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.

SECTION 4.(c) Except where expressly repealed or amended by this act, the provisions of any other legislation enacted during the 2019 Regular Session of the General Assembly expressly appropriating funds to an agency, a department, or an institution covered under this act shall remain in effect.

SECTION 5. This act becomes effective July 1, 2020.

In the General Assembly read three times and ratified this the 17th day of June, 2020.

s/ Philip E. Berger
President Pro Tempore of the Senate

s/ Tim Moore
Speaker of the House of Representatives

s/ Roy Cooper
Governor

Approved 9:51 a.m. this 26th day of June, 2020

(e) H. 308: Regulatory Reform Act of 2020 (Session Law 2020-74)

SECTION 8.(a) of this bill extends the reporting date for the NC Policy Collaboratory.

SECTION 25 of this bill would allow a teaching hospital affiliated with, but not part of any constituent institution to assign campus police officers of its campus law enforcement agency to any other facility within the teaching hospital's system network.

Both the House and Senate voted to concur on June 25, 2020.

The bill was signed by the Governor on July 1, 2020 and chaptered Session Law 2020-74.

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/House/PDF/H308v7.pdf>

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

**SESSION LAW 2020-74
HOUSE BILL 308**

AN ACT TO PROVIDE FURTHER REGULATORY RELIEF TO THE CITIZENS OF NORTH CAROLINA.

The General Assembly of North Carolina enacts:

**NORTH CAROLINA ON-SITE WASTEWATER CONTRACTORS AND INSPECTORS
CERTIFICATION BOARD/GRANT OF AUTHORITY TO HOLD REAL PROPERTY**

SECTION 1. G.S. 90A-74 reads as rewritten:

"§ 90A-74. Powers and duties of the Board.

The Board shall have the following general powers and duties:

- (1) To adopt rules in the manner prescribed by Chapter 150B of the General Statutes to govern its actions and to implement the provisions of this Article.
- (2) To determine the eligibility requirements for persons seeking certification pursuant to this Article.
- (3) To establish grade levels of certifications based on design capacity, complexity, projected costs, and other features of approved on-site wastewater systems.
- (4) To develop and administer examinations for specific grade levels of certification as approved by the Board. The Board may approve applications by recognized associations for certification of its members after a review of the requirements of the association to ensure that they are equivalent to the requirements of the Board.
- (5) To issue, renew, deny, restrict, suspend, or revoke certifications and to carry out any of the other actions authorized by this Article.
- (6) To establish, publish, and enforce rules of professional conduct of persons who are certified pursuant to this Article.
- (7) To maintain a record of all proceedings and make available to persons certified under this Article, and to other concerned parties, an annual report of all Board action.
- (8) To establish reasonable fees for application, certification, and renewal, and other services provided by the Board.
- (9) To conduct investigations to determine whether violations of this Article or grounds for disciplining persons certified under this Article exist.
- (10) To adopt a common seal containing the name of the Board for use on all certificates and official reports issued by the Board.
- (10a) To employ staff necessary to carry out the provisions of this Article and to determine the compensation, duties, and other terms and conditions of employment of its staff.
- (10b) To employ professional, clerical, investigative, or special personnel necessary to carry out the provisions of this Article.
- (10c) To acquire, hold, convey, rent, encumber, alienate, and otherwise deal with real property in the same manner as a private person or corporation, subject



implementation plan with recommendations. The Collaboratory shall report the flooding and resiliency implementation plan to the Joint Legislative Emergency Management Oversight Committee no later than ~~December 1, 2020.~~ June 1, 2021. Notwithstanding Section 3.1(c) of S.L. 2018-134, funds allocated to the Collaboratory as provided in this sub-subdivision shall revert on ~~December 30, 2020.~~ June 30, 2021. The University of North Carolina shall not charge indirect facilities and administrative costs against the funding provided for the Collaboratory from the Hurricane Florence Disaster Recovery Fund.

c. \$8,000,000 to the University of North Carolina Wilmington (UNC-W) for repairs and renovations to the Dobo Hall science building, which was damaged by Hurricane Florence.

...."

SECTION 8.(c) Section 11.8 of S.L. 2016-94 reads as rewritten:

"SECTION 11.8. The one million dollars (\$1,000,000) in recurring funds appropriated in this act to the Board of Governors of The University of North Carolina for the 2016-2017 fiscal year to establish and operate a North Carolina Policy Collaboratory at the University of North Carolina at Chapel Hill shall be used to establish a Collaboratory that facilitates the dissemination of the policy and research expertise of The University of North Carolina and other institutions of higher learning within North Carolina for practical use by State and local ~~government.~~ government, although, wherever possible, funding preference may be given to campuses within The University of North Carolina System. Any funds appropriated by the General Assembly for use by the Collaboratory may not be used for indirect overhead costs. The Collaboratory, at a minimum, shall conduct research on natural resources management, including, but not limited to, research related to the environmental and economic components of the management of the natural resources within the State of North Carolina and of new technologies for habitat, environmental, and water quality improvement. The Collaboratory shall develop and disseminate relevant best practices to interested parties, may lead or participate in projects across the State related to natural resource management, and may make recommendations to the General Assembly from time to time."

EXTEND RIGHT TO WORK AUTHORIZATION FOR STATE AND LOCAL GOVERNMENT RETIREES DURING THE COVID-19 EMERGENCY

SECTION 9. Section 4.23(e) of S.L. 2020-3 reads as rewritten:

"SECTION 4.23.(e) This section is effective when it becomes law and expires ~~August 1, 2020.~~ August 31, 2020."

MINE RECLAMATION REPORTING DATE CHANGE

SECTION 10. G.S. 74-55 reads as rewritten:

"§ 74-55. Reclamation report.

(a) By ~~July 1~~ September 1 of each year, the operator shall file a report of activities completed during the preceding year on a form prescribed by the Department, which includes all of the following:

- (1) Identify the mine, the operator and the permit number.
- (2) State acreage disturbed by mining in the last 12-month period.
- (3) State and describe amount and type of reclamation carried out in the last 12-month period.
- (4) Estimate acreage to be newly disturbed by mining in the next 12-month period.
- (5) Provide such maps as may be specifically requested by the Department.
- (6) Include the annual operating fee pursuant to G.S. 74-54.1(a1).

action, or proceeding or to a securities regulator of one or more states, Canada or one or more of its provinces or territories, one or more foreign countries; the United States Securities and Exchange Commission, the United States Department of Justice, the Commodity Futures Trading Commission, the Federal Trade Commission, the Securities Investor Protection Corporation, a self-regulatory organization, a national or international organization of securities regulators, federal or state banking and insurance regulators, and any governmental law enforcement agency, in order to effectuate greater uniformity in securities matters among the federal government, self-regulatory organizations, and state and foreign governments.

(d) Upon request and at such reasonable charges as the Administrator prescribes, the Administrator shall furnish to any person photostatic or other copies (certified under the seal of office if requested) of any entry in the register or any document which is a matter of public record. In any proceeding or prosecution under this Chapter, any copy so certified is prima facie evidence of the contents of the entry or document certified.

(e) The Administrator may honor requests from interested persons for interpretative opinions upon the payment of a fee of one hundred fifty dollars (\$150.00)."

ALLOW SELF-INSURERS TO MAKE PAYMENTS FOR AN INITIAL ASSESSMENT OVER A PERIOD

SECTION 24. G.S. 97-133(a)(3a)c. reads as rewritten:

"c. Initial assessments. – An individual self-insurer ~~that becomes upon receiving its license from the Commissioner is a member and does not initially participate in of~~ the Association ~~Aggregate Security System shall and is required to~~ pay an initial assessment to the Association in an amount and over a period as determined by the Board. A group self-insurer, upon receiving its ~~initial~~ license from the Commissioner, ~~shall is a member of the Association and is required to~~ pay an initial assessment to the Association in an amount and over a period as determined by the Board."

ALLOW A TEACHING HOSPITAL AFFILIATED WITH BUT NOT PART OF ANY CONSTITUENT INSTITUTION OF THE UNIVERSITY OF NORTH CAROLINA TO ASSIGN CAMPUS POLICE OFFICERS OF ITS CAMPUS LAW ENFORCEMENT AGENCY TO ANY OTHER FACILITY WITHIN THE TEACHING HOSPITAL'S SYSTEM NETWORK

SECTION 25. G.S. 116-40.5 is amended by adding a new subsection to read:

"(a1) Any teaching hospital having established a campus law enforcement agency pursuant to subsection (a) of this section may assign its campus police officers to any other facility within the teaching hospital's system network. Campus police officers assigned to any other facility within the teaching hospital's system network pursuant to this subsection shall have the same authority and jurisdiction exclusively upon the premises of the assigned facility, but not upon any portion of any public road or highway passing through the property of the facility or immediately adjoining it, as a campus police officer assigned to a teaching hospital under subsection (a) of this section."

AUTHORIZE LOCAL CONFINEMENT FACILITIES TO PROVIDE AND USE WIRELESS COMMUNICATION DEVICES

SECTION 26.(a) G.S. 14-258.1 is amended by adding a new subsection to read:

"(h) The prohibitions in subsections (d) and (g) of this section shall not apply to any mobile telephone or other wireless communications device provided to or possessed by an inmate of a local confinement facility if the mobile telephone or other wireless communications device has been approved by the sheriff or other person in charge of a local confinement facility for use by

- (1) ~~The~~ When required by the North Carolina State Building Code, the submission design or other proposal is completed under valid seal of the licensed architect or licensed professional engineer.
- (2) Field inspection of the installation or completion of a component or element of the building is performed by a licensed architect or licensed professional engineer or a person under the direct supervisory control of the licensed architect or licensed professional engineer.
- (3) The licensed architect or licensed professional engineer under subdivision (2) of this subsection provides the city with a signed written document stating the component or element of the building inspected under subdivision (2) of this subsection is in compliance with the North Carolina State Building Code or the North Carolina Residential Code for One- and Two-Family Dwellings. The inspection certification required under this subdivision shall be provided by electronic or physical delivery and its receipt shall be promptly acknowledged by the city through reciprocal means."

EFFECTIVE DATE

SECTION 32. Except as otherwise provided, this act is effective when it becomes law.

In the General Assembly read three times and ratified this the 25th day of June, 2020.

s/ Philip E. Berger
President Pro Tempore of the Senate

s/ Tim Moore
Speaker of the House of Representatives

s/ Roy Cooper
Governor

Approved 5:29 p.m. this 1st day of July, 2020

(f) S. 681: Agency Policy Directives/2019-2020 (Session Law 2020-78)

Part three of this bill establishes the UNC Report on State Budget Allocations and Policies

The Board of Governors shall report by February 1 of each year to the Joint Legislative Education Oversight Committee, the Senate Appropriations Committee on Education/Higher Education, the House of Representatives Appropriations Subcommittee on Education, and the Fiscal Research Division on the actions and adjustments necessary to its budgetary policies, regulations, and standards resulting from the Current Operations Appropriations Act the administration and operation of the University of North Carolina System, and the distribution of State and federal funds to constituent institutions.

The report shall include at least the following information for each constituent institution:

- a. Guidelines related to State salaries of University of North Carolina employees, including range, median, and mean of faculty salaries at the institution
- b. Budget allocations and reductions, including for operating expenses and specific programs.
- c. Distribution of additional State allocations for enrollment funding
- d. Use of State funds and budget flexibility
- e. Availability of federal funds
- f. Tuition and fees
- g. Composition of the student population at the institution, including headcount enrollment and full-time student enrollment for both undergraduate and graduate students, and aggregate data on residency status, median household income, gender, race, and ethnicity
- h. Student retention and graduation rates
- i. Postsecondary educational attainment rate at the institution, including comparison to statewide data
- j. A comparison to prior fiscal year expenditures and appropriations

The bill was signed by the Governor on July 1, 2020 and chaptered Session Law 2020-78.

Final bill text: <https://www.ncleg.net/Sessions/2019/Bills/Senate/PDF/S681V6.pdf>

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

**SESSION LAW 2020-78
SENATE BILL 681**

AN ACT ENACTING AGENCY POLICY DIRECTIVES FOR THE 2019-2021 FISCAL BIENNIUM, CONSISTENT WITH CERTAIN POLICY DIRECTIVES IN RATIFIED HOUSE BILL 966 OF THE 2019 REGULAR SESSION; MODIFYING STAFFING IN THE OFFICE OF RECOVERY AND RESILIENCY; AND CLARIFYING THAT PARTIES TO AN INTERGOVERNMENTAL SUPPORT AGREEMENT WITH A MAJOR MILITARY INSTALLATION THAT OPERATES A PSAP MAY USE 911 FUNDS FOR NEXT GENERATION 911 SYSTEM COMPATIBILITY.

The General Assembly of North Carolina enacts:

PART I. GENERAL PROVISIONS

EDUCATION LOTTERY FUND

SECTION 1.1. G.S. 18C-164(b1) reads as rewritten:

"(b1) Net revenues credited to the Education Lottery Fund shall be appropriated in an amount equal to the amount appropriated from the Education Lottery ~~Fund in the Current Operations and Capital Improvements Appropriations Act of 2017.~~Fund."

PART II. PUBLIC INSTRUCTION

ELIMINATE REPORT TO SUPERINTENDENT ON THE ADOPTED SCHEDULE OF FEES

SECTION 2.1.(a) G.S. 115C-47(6) reads as rewritten:

"(6) To Regulate Fees, Charges and Solicitations. – Local boards of education shall adopt rules and regulations governing solicitations of, sales to, and fund-raising activities conducted by, the students and faculty members in schools under their jurisdiction, and no fees, charges, or costs shall be collected from students and school personnel without approval of the board of education as recorded in the minutes of said board; provided, this subdivision shall not apply to such textbooks fees as are determined and established by the State Board of Education. ~~All schedules of fees, charges and solicitations approved by local boards of education shall be reported to the Superintendent of Public Instruction.~~ The local board of education shall publish a schedule of fees, charges, and solicitations approved by the local board on the local school administrative unit's Web site by October 15 of each school year and, if the schedule is subsequently revised, within 30 days following the revision."

SECTION 2.1.(b) This section applies beginning with the 2020-2021 school year.

AUTHORIZE THE NC CTE EDUCATION FOUNDATION TO ADMINISTER CERTAIN GRANTS

SECTION 2.2.(a) G.S. 115C-64.15 reads as rewritten:

"§ 115C-64.15. North Carolina Education and Workforce Innovation Commission.



(h) Program Evaluation. – The State Board of Education shall evaluate how the advanced teaching roles and new compensation plans have accomplished, at a minimum, the following:

- (1) Improvement in the quality of classroom instruction and increases in school-wide growth or the growth of teachers who are mentored or impacted by a teacher in an advanced teaching role.
- (2) An increase in the attractiveness of teaching.
- (3) Recognition, impact, and retention of high-quality classroom teachers.
- (4) Assistance to and retention of beginning classroom teachers.
- (5) Improvement in and expansion of the use of technology and digital learning.
- (6) Improvement in school culture based on school climate survey results.

The State Board shall contract with an independent research organization to perform this evaluation in the first two years of the program and provide reports on October 15, 2021, and October 15, 2022. Beginning October 15, 2023, and annually thereafter, the State Board shall perform the evaluation and provide the report. The State Board shall provide any report required in accordance with this subsection to the offices of the President Pro Tempore of the Senate and the Speaker of the House of Representatives, the Senate Appropriations/Base Budget Committee, the House Committee on Appropriations, the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Committee on Education, the Fiscal Research Division, and the Joint Legislative Education Oversight Committee.

(i) Class Size Flexibility. – Notwithstanding G.S. 115C-301, with the approval of the State Board of Education, Advanced Teaching Roles schools selected to participate in the program may exceed the maximum class size requirements for kindergarten through third grade during the term of up to three years in which State funds are awarded to the local school administrative unit where the school is located. At the conclusion of the term, any class size flexibility approved for an Advanced Teaching Roles school pursuant to this subsection shall expire.

(j) Budget Flexibility. – Subject to the budget flexibility limitations identified in G.S. 115C-105.25(b), the State Board of Education shall authorize local boards of education participating in the program to use any available State funds to provide salary supplements to classroom teachers in an advanced teaching role as long as the local school administrative unit complies with policies of the State Board of Education, federal law, and any State programs with specific restrictions on the use of funds, including bonus and grant programs."

SECTION 2.6.(c) G.S. 115C-105.25(e) reads as rewritten:

"(e) No later than December 1 of each year, the Department of Public Instruction shall collect the information reported by local school administrative units pursuant to subsection (c) of this section and report the aggregated information, including available data from the two previous fiscal years, to the Joint Legislative Education Oversight Committee and the Fiscal Research Division. The report shall also include information on the use of the budget flexibility provided to Advanced Teaching Roles schools pursuant to G.S. 115C-311(j)."

PART III. THE UNIVERSITY OF NORTH CAROLINA SYSTEM

UNC REPORT ON STATE BUDGET ALLOCATIONS AND POLICIES

SECTION 3.1. G.S. 116-11 is amended by adding the following new subdivision to read:

- "(9b) The Board of Governors shall report by February 1 of each year to the Joint Legislative Education Oversight Committee, the Senate Appropriations Committee on Education/Higher Education, the House of Representatives Appropriations Subcommittee on Education, and the Fiscal Research Division on the actions and adjustments necessary to its budgetary policies, regulations, and standards resulting from the Current Operations Appropriations Act for

the administration and operation of The University of North Carolina and the distribution of State and federal funds to constituent institutions. The report shall include at least the following information for each constituent institution:

- a. Guidelines related to State salaries of University of North Carolina employees, including range, median, and mean of faculty salaries at the institution.
- b. Budget allocations and reductions, including for operating expenses and specific programs.
- c. Distribution of additional State allocations for enrollment funding.
- d. Use of State funds and budget flexibility.
- e. Availability of federal funds.
- f. Tuition and fees.
- g. Composition of the student population at the institution, including headcount enrollment and full-time student enrollment for both undergraduate and graduate students, and aggregate data on residency status, median household income, gender, race, and ethnicity.
- h. Student retention and graduation rates.
- i. Postsecondary educational attainment rate at the institution, including comparison to statewide data.
- j. A comparison to prior fiscal year expenditures and appropriations."

UNC SYSTEM OFFICE/CREATE SEARCHABLE DATABASE OF MILITARY CREDIT EQUIVALENCIES

SECTION 3.2. The University of North Carolina System Office, in collaboration with the North Carolina Community College System through the Military Credit Advisory Council, shall create a searchable database of military credit equivalencies to better serve military-affiliated students and to complete the initial phase of military credit evaluations.

PART III-A. UNIVERSITY/STATE EDUCATION ASSISTANCE AUTHORITY

NEED-BASED SCHOLARSHIPS FOR PRIVATE INSTITUTIONS/DEPENDENTS OF VETERANS AND ACTIVE DUTY MILITARY

SECTION 3A.1.(a) G.S. 116-281(3) reads as rewritten:

"(3) The student must meet at least one of the following:

- a. Qualify as a legal resident of North Carolina and as a resident for tuition purposes under the criteria set forth in G.S. 116-143.1 and in accordance with definitions of residency that may from time to time be adopted by the Board of Governors of The University of North Carolina.
- b. Be a veteran provided the veteran's abode is in North Carolina and the veteran provides the eligible private postsecondary institution a letter of intent to establish residency in North Carolina.
- c. Be an active duty member of the Armed Forces provided the member of the Armed Forces is abiding in this State incident to active military duty in this State.
- d. Be the dependent relative of a veteran who is abiding in North Carolina while sharing an abode with the veteran and the dependent relative provides the eligible private postsecondary institution a letter of intent to establish residency in North Carolina.

- e. Be the dependent relative of an active duty member of the Armed Forces who is abiding in North Carolina incident to active military duty while sharing an abode with the active duty member."

SECTION 3A.1.(b) This section applies beginning with the award of scholarships for the 2021-2022 academic year.

PART IV. HEALTH AND HUMAN SERVICES

PART IV-A. AGING AND ADULT SERVICES

AUTHORIZATION FOR SECRETARY OF DHHS TO RAISE THE MAXIMUM NUMBER OF STATE-COUNTY SPECIAL ASSISTANCE IN-HOME PAYMENTS

SECTION 4A.1.(a) Notwithstanding the provisions of G.S. 108A-47.1 or any other provision of law to the contrary, and within existing appropriations for State-County Special Assistance, the Secretary of the Department of Health and Human Services may waive the fifteen percent (15%) cap on the number of Special Assistance in-home payments, as the Secretary deems necessary.

SECTION 4A.1.(b) This section expires on June 30, 2021.

PART IV-B. CENTRAL MANAGEMENT AND SUPPORT

ELIMINATION OF UNNECESSARY AND REDUNDANT REPORTS

SECTION 4B.1.(a) Eliminate Report on Expansion of Controlled Substances Reporting System Monitoring Capacity. – G.S. 90-113.73A(b) is repealed.

SECTION 4B.1.(b) Eliminate Report on Coordination of Diabetes Programs. – G.S. 130A-221.1(b) is repealed.

SECTION 4B.1.(c) Eliminate Report on Department's Coordination of Chronic Care Initiatives. – G.S. 130A-222.5(3) is repealed.

NC MEDASSIST/EXPAND ALLOWABLE USES OF CORONAVIRUS RELIEF FUNDS

SECTION 4B.2.(a) If House Bill 1023 of the 2019 Regular Session becomes law, then Section 3.3(33) of S.L. 2020-4, as enacted in Section 1.1(d) of that act, reads as rewritten:

"(33) \$1,500,000 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~~ uninsured and other costs allowed pursuant to federal guidance."

SECTION 4B.2.(b) This section is effective when it becomes law.

PART IV-C. CHILD DEVELOPMENT AND EARLY EDUCATION

SMART START INITIATIVES

SECTION 4C.1. G.S. 143B-168.12(d) reads as rewritten:

"(d) The North Carolina Partnership for Children, Inc., shall make a report no later than December 1 of each year to the ~~General Assembly~~ Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division of the General Assembly that shall include the following:

- (1) A description of the program and significant services and initiatives.
- (2) A history of Smart Start funding and the previous fiscal year's expenditures.
- (3) The number of children served by type of service.
- (4) The type and quantity of services provided.

REPORT ON USE OF LAPSED SALARY FUNDS

SECTION 20.1. Until otherwise provided by the General Assembly, the Office of State Budget and Management (OSBM) in conjunction with State agencies, as defined in G.S. 143C-1-1(d)(24), shall report on the use of lapsed salary funds at the end of each fiscal year. State agencies shall report to the OSBM on the use of lapsed salary, including all of the following:

- (1) The total amount of accrued lapsed salary funds by funding source.
- (2) The total number of full-time equivalent positions comprising the lapsed salary funds.
- (3) The total expenditure of lapsed salaries by purpose.
- (4) The legal authorization to expend lapsed salary funds.

The OSBM shall report by October 1 of each year on the use of lapsed salary funds to the Joint Legislative Oversight Committees on Health and Human Services, Education, Justice and Public Safety, Transportation, Information Technology, General Government, and Agriculture and Natural and Economic Resources and the Fiscal Research Division.

PART XXI. CAPITAL

MOUNTAIN ISLAND EDUCATIONAL FOREST VISITOR CENTER

SECTION 21.1. The North Carolina Forest Service within the Department of Agriculture and Consumer Services shall rename the Visitor and Interpretive Center at Mountain Island Educational State Forest "The Laura Shidal Visitor and Interpretive Center at Mountain Island Educational State Forest."

PART XXII. MISCELLANEOUS

MOST TEXT APPLIES ONLY TO THE 2019-2021 FISCAL BIENNIUM

SECTION 22.1. Except for statutory changes or other provisions that clearly indicate an intention to have effects beyond the 2019-2021 fiscal biennium, the textual provisions of this act apply only to the 2019-2021 fiscal biennium.

EFFECT OF HEADINGS

SECTION 22.2. 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 CLAUSE

SECTION 22.3. If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of this act as a whole or any part other than the part so declared to be unconstitutional or invalid.

EFFECTIVE DATE

SECTION 22.4. Except as otherwise provided, this act becomes effective July 1, 2020.
In the General Assembly read three times and ratified this the 26th day of June, 2020.

s/ Philip E. Berger
President Pro Tempore of the Senate

s/ Tim Moore
Speaker of the House of Representatives

s/ Roy Cooper
Governor

Approved 5:33 p.m. this 1st day of July, 2020

(g) S. 864: 2020 BOG Vacancy Election, Jimmy Clark, adopted by Senate

This is a Senate resolution electing Jimmy Dean Clark to the BOG.

The bill was adopted by the Senate on June 23, 2020. No further action needed.

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/Senate/PDF/S864v2.pdf>

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

S

**Simple
Resolution
Adopted**

**SENATE RESOLUTION 864
Adopted 6/23/20**

Sponsors: Senator Brown (Primary Sponsor).

Referred to: Rules and Operations of the Senate

June 22, 2020

1 A SENATE RESOLUTION ELECTING JIMMY DEAN CLARK TO THE BOARD OF
2 GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA.

3 Whereas, Thomas Fetzer of New Hanover County was elected by the Senate in 2017
4 to serve as a member of the Board of Governors of The University of North Carolina for a term
5 of four years; and

6 Whereas, Thomas Fetzer has resigned from the Board of Governors of The University
7 of North Carolina effective May 20, 2020; and

8 Whereas, G.S. 116-7(c) directs the chamber that originally elected a vacating member
9 of the Board of Governors of The University of North Carolina to elect a person to fill that
10 vacancy for the remainder of the unexpired term; and

11 Whereas, the Senate may determine its own procedure, and the Chair of the Senate
12 Select Committee on Nominations has confirmed that Jimmy Dean Clark has no disqualifying
13 statutory disabilities; Now, therefore,

14 Be it resolved by the Senate:

15 **SECTION 1.** Based upon the resignation of Thomas Fetzer, Jimmy Dean Clark of
16 Guilford County is elected to the Board of Governors of The University of North Carolina for a
17 term commencing upon the effective date of this resolution and ending June 30, 2021.

18 **SECTION 2.** This resolution is effective upon adoption.



* S 8 6 4 - V - 2 *

(h) S. 866: Additions to 2020 Appointments Bill (Session Law 2020-39)

This bill details relevant appointments to UNCG, NCSU, NCSA, and Arboretum.

- Lee E. Thomason of Buncombe County is appointed to the North Carolina Arboretum Board of Directors
- George G. Hoyle of Guilford County is appointed to the University of North Carolina Greensboro
- Kyle Petty of Mecklenburg County is appointed to the University of North Carolina School of the Arts
- Perry R. Safran of Wake County is appointed to the North Carolina State University Board of Trustees
- Harold T. Owen of Alamance County is appointed to the North Carolina Arboretum Board of Directors

S. 866 passed the Senate and House on June 25, 2020, it was ordered enrolled.

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/Senate/PDF/S866v4.pdf>

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

**SESSION LAW 2020-39
SENATE BILL 866**

AN ACT TO APPOINT PERSONS TO VARIOUS PUBLIC OFFICES UPON THE
RECOMMENDATION OF THE PRESIDENT PRO TEMPORE OF THE SENATE AND
THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, AND THE MAJORITY AND
MINORITY LEADERS OF THE SENATE AND THE HOUSE OF REPRESENTATIVES.

Whereas, G.S. 120-121 authorizes the General Assembly to make certain appointments to public offices upon the recommendation of the President Pro Tempore of the Senate and the Speaker of the House of Representatives; and

Whereas, the President Pro Tempore of the Senate and the Speaker of the House of Representatives have made recommendations; and

Whereas, G.S. 143B-168.12 authorizes the General Assembly to appoint members of the public to the Board of Directors of the North Carolina Partnership for Children, Inc., upon the recommendation of the Majority and Minority Leaders of the Senate and House of Representatives; and

Whereas, the Majority and Minority Leaders of the Senate and House of Representatives have made recommendations; Now, therefore,

The General Assembly of North Carolina enacts:

PART I. PRESIDENT PRO TEMPORE'S RECOMMENDATIONS

SECTION 1.1. Terra W. Flint of Rockingham County is appointed to the Board of Directors of the North Carolina Partnership for Children, Inc., for a term expiring on December 31, 2022, to fill the unexpired term of Melanie Gayle.

SECTION 1.2. Effective October 1, 2020, Rev. Dr. Pierre Crawford of Gaston County is appointed to the African-American Heritage Commission for a term expiring on September 30, 2023.

SECTION 1.3. Effective July 1, 2020, Larry R. Proctor of Guilford County is appointed to the Alarm Systems Licensing Board for a term expiring on June 30, 2023.

SECTION 1.4. Effective July 1, 2020, Sarah J. Burnham of Catawba County is appointed to the North Carolina Appraisal Board for a term expiring on June 30, 2023.

SECTION 1.5. Effective July 1, 2020, Lee E. Thomason of Buncombe County is appointed to the North Carolina Arboretum Board of Directors for a term expiring on June 30, 2024.

SECTION 1.6. Effective July 1, 2020, Dr. Michael M. Marushack of New Hanover County is appointed to the North Carolina Board of Athletic Trainer Examiners for a term expiring on June 30, 2023.

SECTION 1.7. Effective July 1, 2020, Dr. Elizabeth G. Gilleland of Wake County is appointed to the North Carolina Child Care Commission for a term expiring on June 30, 2020.

SECTION 1.8. Effective September 1, 2020, Robert J. Kellogg of Gaston County, James Pressly of Iredell County, Thomas E. Smith of Robeson County, Sallie P. Surface of Hertford County, and Owen J. Thomas of Robeson County are appointed to the North Carolina Housing Partnership for terms expiring on August 31, 2023.



SECTION 1.25. Effective September 1, 2020, Bryan F. Jones of Burke County is appointed to the Commission on Indigent Defense Services for a term expiring on August 31, 2024.

SECTION 1.26. Effective January 1, 2021, Dianne M. Layden of Perquimans County is appointed to the North Carolina Board of Nursing for a term expiring on December 31, 2024.

SECTION 1.27. Effective July 1, 2020, Michael Daniels of Pitt County and Nyi N. Mint of Orange County are appointed to the North Carolina Addictions Specialist Professional Practice Board for terms expiring on June 30, 2023.

SECTION 1.28. Effective October 1, 2020, Zachary Bolen of Wake County is appointed to the Dispute Resolution Commission for a term expiring on September 30, 2023.

SECTION 1.29. Effective July 1, 2020, Kimberly Turk of Durham County and Valory K. Hicks of Wake County are appointed to the North Carolina Board of Massage and Bodywork Therapy for terms expiring on June 30, 2023.

SECTION 1.30. Effective January 1, 2021, Craig Schauer of Wake County is appointed to the State Judicial Council for a term expiring on December 31, 2024.

SECTION 1.31. George G. Hoyle of Guilford County is appointed to the University of North Carolina Greensboro Board of Trustees for a term expiring on June 30, 2021.

SECTION 1.32. Kyle Petty of Mecklenburg County is appointed to the University of North Carolina School of the Arts Board of Trustees for a term expiring on June 30, 2021.

SECTION 1.33. Effective July 1, 2020, Stephanie R. Deaver of Guilford County and Dr. Sy A. Saeed of Pitt County are appointed to the Commission for Mental Health, Developmental Disabilities and Substance Abuse Services for terms expiring on June 30, 2023.

SECTION 1.34.(a) Holly Audette of Pasquotank County is appointed to the Disciplinary Hearing Commission of the North Carolina State Bar for a term expiring on June 30, 2021.

SECTION 1.34.(b) Heath Jenkins of Lincoln County is appointed to the Disciplinary Hearing Commission of the North Carolina State Bar for a term expiring on June 30, 2022.

SECTION 1.35. Richard B. Montague of Mitchell County is appointed to the North Carolina Institute of Medicine Board of Directors for a term expiring on December 31, 2021.

SECTION 1.36. Jennifer K. Morris of New Hanover County is appointed to the North Carolina Board of Electrolysis Examiners for a term expiring on December 31, 2021.

SECTION 1.37. Effective July 1, 2020, Robert M. Cox of Mecklenburg County and Nathan Willis of Wake County are appointed to the Umstead Act Unfair Competition Panel for terms expiring on June 30, 2024.

SECTION 1.38. Perry R. Safran of Wake County is appointed to the North Carolina State University Board of Trustees for a term expiring on June 30, 2023.

SECTION 1.39. Eric J. Bergevin of Chowan County is appointed to the North Carolina State Banking Commission for a term expiring on March 31, 2024.

SECTION 1.40. Kelly L. Cobb of Caswell County is appointed to the License to Give Trust Fund Commission for a term expiring on December 31, 2021.

SECTION 1.41. Effective January 1, 2021, Robb D. Jansen of Wake County is appointed to the North Carolina Board of Funeral Service for a term expiring on December 31, 2023.

PART II. SPEAKER'S RECOMMENDATIONS

SECTION 2.1. Effective July 1, 2020, Laura Puckett Fout of Mecklenburg County and Dr. Lissa H. Juedemann of Henderson County are appointed to the Acupuncture Licensing Board for terms expiring on June 30, 2023.

SECTION 2.2. Effective October 1, 2020, Edward C. Robinson, II, of Durham County is appointed to the African-American Heritage Commission for a term expiring on September 30, 2023.

SECTION 2.3. Effective July 1, 2020, Jeffrey J. Smith of Yadkin County is appointed to the North Carolina Agricultural Finance Authority for a term expiring on July 1, 2023.

SECTION 2.4. Effective July 1, 2020, the Honorable Timothy Tallent of Cabarrus County and Jack C. "Cal" Morgan, III, of New Hanover County are appointed to the North Carolina Appraisal Board for terms expiring on June 30, 2023.

SECTION 2.5. Effective July 1, 2020, Harold T. Owen of Alamance County is appointed to the North Carolina Arboretum Board of Directors for a term expiring on June 30, 2024.

SECTION 2.6. Effective August 1, 2020, Travis J. Mash of Davie County, Martin H. Baker of Alamance County, and Dr. Jeffrey P. Carley of Cleveland County are appointed to the North Carolina Board of Athletic Trainer Examiners for terms expiring on July 31, 2023.

SECTION 2.7. Effective July 1, 2020, Robert Seligson of Wake County is appointed to the Centennial Authority for a term expiring on June 30, 2024.

SECTION 2.8. Effective July 1, 2020, John Zackary Everhart of Carteret County and Amelie F. Schoel of Union County are appointed to the North Carolina Child Care Commission for terms expiring on June 30, 2022.

SECTION 2.9. Effective July 1, 2020, Renee D. Kumor of Henderson County is appointed to the North Carolina Clean Water Management Trust Fund Board of Trustees for a term expiring on July 1, 2023.

SECTION 2.10. Effective July 1, 2020, William J. Turpish of Cleveland County is appointed to the Cleveland County Community College Board of Trustees for a term expiring on June 30, 2024.

SECTION 2.11. Effective July 1, 2020, James B. Steele of New Hanover County is appointed to the North Carolina Code Qualifications Board for a term expiring on June 30, 2024.

SECTION 2.12. Effective July 1, 2020, Christi C. Nicholson of Pitt County is appointed to the North Carolina Board of Dietetics/Nutrition for a term expiring on June 30, 2023.

SECTION 2.13. Effective September 1, 2020, Vickie S. Pait of Columbus County, Dawn L. "Kriquette" Davis of Wayne County, Sheriff Hans Miller of Onslow County, Tiffany Bell of Buncombe County, Amedia H. Vaughan-Jones of Davie County, and Sarah M. Owens of Rutherford County are appointed to the Domestic Violence Commission for terms expiring on August 31, 2022.

SECTION 2.14. Effective December 1, 2020, Russell L. Proctor, III, of Nash County is appointed to the Economic Investment Committee for a term expiring on November 30, 2022.

SECTION 2.15. Representative Hugh Blackwell of Burke County is appointed to the Education Commission of the States for a term expiring on December 31, 2021.

SECTION 2.16. Effective October 1, 2020, Dr. Stacey R. Watkins-Griffith of Rutherford County and Larry D. Gabriel of Johnston County are appointed to the North Carolina State Board of Examiners of Fee-Based Practicing Pastoral Counselors for terms expiring on September 30, 2024.

SECTION 2.17. Effective July 1, 2020, Wanda Burns-Ramsey of Johnston County is appointed to the North Carolina State Commission of Indian Affairs for a term expiring on June 30, 2022.

SECTION 2.18. Effective September 1, 2020, William A. "Gus" Anthony of Gaston County is appointed to the Commission on Indigent Defense Services for a term expiring on August 31, 2024.

SECTION 4.2. This act is effective when it becomes law.
In the General Assembly read three times and ratified this the 26th day of June, 2020.

s/ Philip E. Berger
President Pro Tempore of the Senate

s/ Tim Moore
Speaker of the House of Representatives

(i) S. 867: 2020 BOG Vacancy Election, Art Pope, adopted by Senate

This is a Senate resolution electing James Arthur Pope to the BOG.

The bill was adopted by the Senate on June 25, 2020. No further action needed.

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/Senate/PDF/S867v2.pdf>

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

S

**Simple
Resolution
Adopted**

**SENATE RESOLUTION 867
Adopted 6/25/20**

Sponsors: Senator B. Jackson (Primary Sponsor).

Referred to: Select Committee on Nominations

June 25, 2020

1 A SENATE RESOLUTION ELECTING JAMES ARTHUR POPE TO THE BOARD OF
2 GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA.

3 Whereas, Robert Rucho of Iredell County was elected by the Senate in 2017 to serve
4 as a member of the Board of Governors of The University of North Carolina for a term of four
5 years; and

6 Whereas, Robert Rucho has resigned from the Board of Governors of The University
7 of North Carolina effective June 30, 2020; and

8 Whereas, G.S. 116-7(c) directs the chamber that originally elected a vacating member
9 of the Board of Governors of The University of North Carolina to elect a person to fill that
10 vacancy for the remainder of the unexpired term; and

11 Whereas, the Senate may determine its own procedure, and the Chair of the Senate
12 Select Committee on Nominations has confirmed that James Arthur Pope has no disqualifying
13 statutory disabilities; Now, therefore,
14 Be it resolved by the Senate:

15 **SECTION 1.** Based upon the resignation of Robert Rucho, James Arthur Pope of
16 Wake County is elected to the Board of Governors of The University of North Carolina for a
17 term beginning July 1, 2020, and ending June 30, 2021.

18 **SECTION 2.** This resolution is effective upon adoption.



* S 8 6 7 - V - 2 *

(j) S. 870: Adjourn to Date Certain Then Since Die, Resolution 2020-5

This bill stated that when the Senate and the House of Representatives adjourn on Saturday, July 11, 2020, they stand adjourned to reconvene the 2019 Regular Session on Wednesday, September 2, 2020, at 12:00 noon.

Additionally, during the regular session that reconvenes on Wednesday, September 2, 2020, only the following matters may be considered:

- (1) Bills that (i) appropriate federal funds received in response to the COVID-19 pandemic or associated matching State funds, (ii) are in accordance with federal law, regulations, and published guidance in effect on that date, and (iii) contain no other matters.
- (2) Bills that (i) provide for action on appointments by the General Assembly pursuant to G.S. 120-121 or provide for the selection, election, appointment, or confirmation, including the filling of vacancies, by one or both houses as required by law and (ii) contain no other matters.
- (3) Bills that (i) provide for action on gubernatorial nominations or appointments and (ii) contain no other matters.

S. 870 passed both the House and Senate in the early morning hours of June 26, 2020.

The bill has been ordered enrolled.

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/Senate/PDF/S870v2.pdf>

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019
RATIFIED BILL

RESOLUTION 2020-5
SENATE JOINT RESOLUTION 870

A JOINT RESOLUTION ADJOURNING THE 2019 REGULAR SESSION OF THE GENERAL ASSEMBLY TO A DATE CERTAIN, LIMITING THE MATTERS THAT MAY BE CONSIDERED, AND PROVIDING FOR ADJOURNMENT SINE DIE OF THE 2019 REGULAR SESSION OF THE GENERAL ASSEMBLY.

Be it resolved by the Senate, the House of Representatives concurring:

SECTION 1. When the Senate and the House of Representatives adjourn on Saturday, July 11, 2020, they stand adjourned to reconvene the 2019 Regular Session on Wednesday, September 2, 2020, at 12:00 noon.

SECTION 2. During the regular session that reconvenes on Wednesday, September 2, 2020, only the following matters may be considered:

- (1) Bills that (i) appropriate federal funds received in response to the COVID-19 pandemic or associated matching State funds, (ii) are in accordance with federal law, regulations, and published guidance in effect on that date, and (iii) contain no other matters.
- (2) Bills that (i) provide for action on appointments by the General Assembly pursuant to G.S. 120-121 or provide for the selection, election, appointment, or confirmation, including the filling of vacancies, by one or both houses as required by law and (ii) contain no other matters.
- (3) Bills that (i) provide for action on gubernatorial nominations or appointments and (ii) contain no other matters.

SECTION 3. When the Senate and the House of Representatives, constituting the 2019 Regular Session of the General Assembly, adjourn on Thursday, September 3, 2020, they stand adjourned sine die.

SECTION 4. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 26th day of June, 2020.

s/ Philip E. Berger
President Pro Tempore of the Senate

s/ Tim Moore
Speaker of the House of Representatives



Section Two 2020 Short Session, May 18 – July 11, 2020

d) Bills of Interest

- a) H. 1205: Expedited State Leasing-Broadband
- b) H. 1225: Education & Transportation Bond Act of 2020
- c) S. 156: Superseding Orders/Domestic Violence/ALE Weapons Bill
- d) S. 847: UNC Laboratory School Modifications (included in H 1096)
- e) S. 730: The No Patient Left Alone/Collaboratory Funds.
- f) S. 853: UNC Study/Accelerated Degree Completion (included in H 1096)

a) H. 1205: Expedited State Leasing-Broadband

This is an industry bill that could have a significant impact on campus autonomy, as it relates to siting of 5G towers. In its current form, H 1205 would grant NC Department of Administration in a decision-making/approval authority even on university campuses.

H. 1205 was introduced by Reps. Dean Arp and Jason Saine on May 26, 2020. It passed the House on June 23, 2020 by 115-0. The Senate did not act on this legislation.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/House/PDF/H1205V2.pdf>

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

H

2

HOUSE BILL 1205
Committee Substitute Favorable 6/17/20

Short Title: Expedited State Leasing-Broadband.

(Public)

Sponsors:

Referred to:

May 27, 2020

A BILL TO BE ENTITLED
AN ACT TO STREAMLINE THE PREPARATION AND FINALIZATION OF NEW LEASES
AND LEASE RENEWALS ON STATE PROPERTY TO EXPEDITE DEPLOYMENT OF
BROADBAND INFRASTRUCTURE.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 146-29.2 reads as rewritten:

"§ 146-29.2. Lease or interest in real property for communication purposes.

...

(b1) The State shall allow the collocation, installation, and operation of equipment by a broadband provider on any existing structure owned by the State and shall lease real property, or grant an easement or license with an interest in real property, for the purposes of construction and placement of broadband infrastructure on State land. A disposition entered into pursuant to this subsection is voidable by the Governor and Council of State for specific reasons or causes that shall be cited. A determination for a disposition under this subsection shall be made subject to the following:

(1) For new requests, the Department of Administration shall prepare and finalize the lease agreement within four months of the receipt of the lease application by the controlling agency. An agency controlling the subject property shall coordinate with the Department in preparing the complete application package for the lease request. If, after four months have elapsed since the controlling agency received the lease application, the lease agreement has not been finalized, the Department shall enter into a lease agreement with the applicant according to the terms submitted in the application.

(2) For renewals, the Department of Administration shall prepare and finalize the lease agreement within two months of receiving the application. If the Department is unable to finalize the renewed lease at least two months prior to the termination of the current lease, then the terms of the current lease shall continue until the lease is finalized.

(3) The Department of Administration shall coordinate with the Department of Information Technology to develop a streamlined lease development process using state-of-the-art technology, including video conferencing, to facilitate and expedite process completion. All State agencies shall cooperate with and participate in the streamlined lease development process to ensure that finalized lease agreement is prepared and finalized within the time frames required under this subsection.

...."



* H 1 2 0 5 - V - 2 *

1 **SECTION 2.(a)** There is appropriated from the General Fund to the Department of
2 Administration the sum of two hundred fifty thousand dollars (\$250,000) in recurring funds for
3 the 2020-2021 fiscal year to be used to retain, by contract, personnel to administer the
4 communication lease review process outlined in this act.

5 **SECTION 2.(b)** Of the funds appropriated to the Department in this section, an
6 amount not exceeding the sum of ninety thousand dollars (\$90,000) may be used to retain the
7 services of a real estate appraiser, licensed pursuant to Chapter 93E of the General Statutes, who
8 holds a MAI designation from the Appraisal Institute, or a qualified real estate service firm that
9 provides relevant valuation and advisory services, and an amount not exceeding one hundred
10 sixty thousand dollars (\$160,000) may be used to retain the services of an attorney, licensed
11 pursuant to Chapter 84 of the General Statutes, who holds a current certification in real property
12 law.

13 **SECTION 3.** This act becomes effective July 1, 2020, and applies to applications
14 for new leases and lease renewals submitted on or after that date. This act expires on January 1,
15 2025.

b) H. 1225: Education & Transportation Bond Act of 2020

This bill was Speaker Moore's bond bill along with Reps. Elmore, Torbett, and Wray. This bill would ask voters this fall to approve borrowing \$3.1 billion to pay for school and road construction projects. Specifically, it would borrow \$1.5 billion for road projects, \$800 million for K-12 school projects, \$600 million for the UNC System, and \$200 million for community colleges. Last year, Speaker Moore filed a bill to put a \$1.9 billion statewide school construction bond on the ballot. Ultimately, the Senate's version to use the SCIF (State Capital Infrastructure Fund) was what passed in last year's budget legislation. The Governor favors the bond idea.

The PCS to the bill details 13 projects at 10 UNC System institutions.

The Senate has viewed a bond package unfavorably.

The bill passed second reading in the House on June 18, 2020 and third reading on June 22, 2020 by 113-5. It was referred to Senate Rules, where it awaits further action.

Bill text: <https://www.ncleg.gov/Sessions/2019/Bills/House/PDF/H1225v3.pdf>

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

H

3

HOUSE BILL 1225
Committee Substitute Favorable 6/17/20
Third Edition Engrossed 6/22/20

Short Title: Education & Transportation Bond Act of 2020.

(Public)

Sponsors:

Referred to:

May 27, 2020

1 A BILL TO BE ENTITLED
2 AN ACT TO ENACT THE EDUCATION AND TRANSPORTATION BOND ACT OF 2020.
3 The General Assembly of North Carolina enacts:

4 **SECTION 1.(a)** Short Title. – This act shall be known as the "Education and
5 Transportation Bond Act of 2020."

6 **SECTION 1.(b)** Purpose. – It is the intent of the General Assembly by this act to
7 provide, subject to a vote of the qualified voters of the State, for the issuance of three billion one
8 hundred million dollars (\$3,100,000,000) in general obligation bonds of the State for the purpose
9 of providing funds, with any other available funds, (i) for public school facilities through grants
10 to counties for public school capital outlay projects and repairs and renovations, in the amount
11 of one billion fifty million dollars (\$1,050,000,000), (ii) for community college facilities for
12 community college capital outlay projects and repairs and renovations, in the amount of three
13 hundred million dollars (\$300,000,000), (iii) for The University of North Carolina facilities for
14 capital outlay projects for constituent institutions and repairs and renovations at such institutions,
15 in the amount of six hundred million dollars (\$600,000,000), and (iv) for public transportation
16 infrastructure projects, including construction and renovation of highways, roads, bridges, and
17 related road infrastructure, in the amount of one billion one hundred fifty million dollars
18 (\$1,150,000,000).

19 **SECTION 1.(c)** Definitions. – Unless the context otherwise requires, the following
20 definitions apply in this act:

21 (1) Bonds. – Bonds issued under this section.

22 (1a) Capital outlay project for a constituent institution. – A project for any of the
23 following:

- 24 a. Construction of one or more new buildings located at a constituent
25 institution of The University of North Carolina.
26 b. Renovation of one or more existing buildings located at a constituent
27 institution of The University of North Carolina.
28 c. Construction, acquisition, and installation of technology infrastructure
29 at or in support of a constituent institution of The University of North
30 Carolina.
31 d. Acquisition and installation of equipment for a building located at a
32 constituent institution of The University of North Carolina that will be
33 used for an instructional or related purpose.



* H 1 2 2 5 - V - 3 *

e. Purchase of land necessary for construction to commence within 24 months of one or more buildings at a constituent institution of The University of North Carolina.

f. Other related capital outlay projects to provide facilities for individual constituent institutions of The University of North Carolina that are used for instructional or related purposes.

The term does not include projects for trailers, relocatable classrooms, mobile classrooms, or for facilities for centralized administration, other than administration of the project funded.

(1b) Community college capital outlay project. – A project for any of the following:

a. Construction of one or more new community college buildings located on a community college campus.

b. Renovation of one or more existing community college buildings.

c. Construction, acquisition, and installation of the enterprise resource planning information technology in support of the North Carolina Community College System and its community colleges.

d. Construction, acquisition, and installation of technology infrastructure at or in support of a community college.

e. Acquisition and installation of equipment for a community college building that will be used for an instructional or related purpose.

f. Purchase of land necessary for construction to commence within 24 months of one or more community college buildings.

g. Other related capital outlay projects to provide facilities for individual community college campuses that are used for instructional or related purposes.

The term does not include projects for trailers, relocatable classrooms, mobile classrooms, or for facilities for centralized administration, other than administration of the project funded.

(2) Cost. – Without intending thereby to limit or restrict any proper definition of this term in financing the cost of any capital outlay projects as authorized by this act, any of the following:

a. The cost of constructing, reconstructing, enlarging, acquiring, and improving projects and acquiring equipment and land therefor.

b. The cost of engineering, architectural, and other consulting services as may be required.

c. Administrative expenses and charges, including expenses related to determining compliance with applicable requirements of federal law and expenses relating to issuance. Nothing in this section shall permit use of bond funds to pay salaries or fees for bond administration; such salaries and fees shall come from funds appropriated by the General Assembly.

d. Finance charges and interest prior to and during construction and, if deemed advisable by the State Treasurer, for a period not exceeding three years after the estimated date of completion of construction.

e. The cost of bond insurance, investment contracts, credit enhancement and liquidity facilities; interest rate swap agreements or other derivative products; financial and legal consultants; and related costs of bond and note issuance; and costs incurred by the State in administering the bond issues, including costs of trustees, escrow agents, arbitrage rebate liability consultants, securities disclosure

1	Vance County				
2	Schools	\$ 1,755,214	\$ 1,067,286	\$ 5,000,000	\$ 7,822,500
3	Wake County				
4	Schools	\$ 54,335,975	\$ 0	\$ 5,000,000	\$ 59,335,975
5	Warren County				
6	Schools	\$ 592,372	\$ 46,144	\$ 5,000,000	\$ 5,638,516
7	Washington County				
8	Schools	\$ 403,543	\$ 111,336	\$ 5,000,000	\$ 5,514,879
9	Watauga County				
10	Schools	\$ 1,577,005	\$ 0	\$ 5,000,000	\$ 6,577,005
11	Wayne County Public				
12	Schools	\$ 5,984,122	\$ 2,796,925	\$ 5,000,000	\$ 13,781,047
13	Wilkes County				
14	Schools	\$ 2,987,747	\$ 912,276	\$ 5,000,000	\$ 8,900,023
15	Wilson County				
16	Schools	\$ 3,637,199	\$ 1,235,667	\$ 5,000,000	\$ 9,872,866
17	Yadkin County				
18	Schools	\$ 1,685,191	\$ 527,865	\$ 5,000,000	\$ 7,213,056
19	Yancey County				
20	Schools	\$ 693,922	\$ 0	\$ 5,000,000	\$ 5,693,922
21	Total	\$ 474,999,996	\$ 75,000,004	\$ 500,000,000	

Total for Public Education**\$ 1,050,000,000**

(1a) Subject to the provisions of subdivision (2) of this subsection, six hundred million dollars (\$600,000,000) of the proceeds of education and transportation bonds and notes, including premium thereon, if any, shall be used for paying the costs of capital outlay projects for constituent institutions and repairs and renovations in the following general amounts set forth below:

The University of North Carolina

33	Appalachian State	Wey Hall Renovation	\$20,000,000
34	University		
36	East Carolina	Brody School of Medicine Building	\$172,000,000
37	University		
39	Elizabeth City State	HVAC Replacement	\$4,000,000
40	University		
42	Elizabeth City State	Chiller	\$2,000,000
43	University		
45	Elizabeth City State	Crime Lab	\$2,500,000
46	University		
48	Fayetteville State	Rosenthal and Chick Bldg. Renovation	\$11,000,000
49	University		
51	NC State University	STEM Building	\$80,000,000

1			
2	North Carolina	Carver Hall Renovation	\$18,500,000
3	A & T State		
4	University		
5			
6	UNC – Chapel Hill	Business Building	\$75,000,000
7			
8	UNC – Chapel Hill	Carrington Hall Renovation	\$40,000,000
9			
10	UNC – Charlotte	Cameron and Burson Renovation	\$45,000,000
11			
12	UNC – Greensboro	Jackson Library Renovation/Addition	\$55,000,000
13			
14	UNC – Pembroke	Health Sciences Center	\$75,000,000
15			
16	Total for The University of North Carolina		\$600,000,000
17			

(1b) Subject to the provisions of subdivision (2) of this subsection, three hundred million dollars (\$300,000,000) of the proceeds of education and transportation bonds and notes, including premium thereon, if any, shall be used for paying the costs of community college capital outlay projects and repairs and renovations in the following general amount set forth below:

NC Community Colleges

25			
26	Various Statewide	Technology Upgrades, New Construction,	\$300,000,000
27		Repairs, Renovations	
28			
29	Total for NC Community Colleges		\$300,000,000
30			

(1c) Subject to the provisions of subdivision (2) of this subsection, one billion one hundred fifty million dollars (\$1,150,000,000) of the proceeds of education and transportation bonds and notes, including premium thereon, if any, shall be used for paying the costs of supplemental highway funding for construction and renovations in the following general amount set forth below:

Transportation

37			
38			
39	Various Statewide	Supplemental Highway Funding	\$1,150,000,000
40			
41	Total for Transportation		\$1,150,000,000
42			

(2) Special allocation provisions. – In determining the use of the proceeds of education and transportation bonds and notes, including premium thereon, if any, set forth in this act, the following special allocation provisions apply:

- a. The public school capital outlay projects to be financed with the proceeds of the bonds issued under this act shall be determined by the State Board of Education based upon the criteria set forth in this act, and upon application by the county in which the public school capital outlay project is to be located or that will otherwise be served by the

- provisions of G.S. 115D-31, or any other provision of law permitting prior expenditures to be used for match purposes, do not apply for purposes of meeting the matching funds requirements of this act.
- II. For rehabilitation of existing facilities and repairs and renovations, community colleges are not required to match bond proceeds allocated in this act.
- III. No funds shall be required to match bond proceeds allocated in this act for the ERP system project.
3. In determining between projects for which bond proceeds are allocated, the Community Colleges System Office shall give first priority to the ERP system project and shall prioritize allocation of the remainder of funds among projects for new construction and repairs and renovations by ranking the projects for the various community colleges according to three components, as follows: (i) the development factor ranking by the Secretary of Commerce, as provided in G.S. 143B-437.08, for identification of the development tier of the county in which the project is located, which shall be single weighted, (ii) the community college's repairs and renovations needs, which shall be double weighted, and (iii) the community college's additional square footage needs, which shall be single weighted.
- d. The proceeds of bonds issued under this act, including premium thereon, if any, for statewide supplemental highway funding for transportation, as provided in subdivision (1c) of this subsection, shall be determined by the State Board of Transportation using the process set forth in Article 14B of Chapter 136 of the General Statutes and issued only for highway projects satisfying all of the following conditions:
1. An environmental impact statement, if required by law, was completed prior to January 1, 2020.
 2. Construction on the project is projected by the Department of Transportation to commence by January 1, 2022.
 3. The project meets the requirements set forth in Article 14B of Chapter 136 of the General Statutes.

SECTION 1.(f) Allocation and Tracking of Proceeds. –

- (1) Education and transportation bonds. – The proceeds of education and transportation bonds and notes, including premium thereon, if any, except the proceeds of bonds, the issuance of which has been anticipated by bond anticipation notes or the proceeds of refunding bonds or notes, shall be placed by the State Treasurer in a special fund to be designated "Education and Transportation Bonds Fund," which may include such appropriate special accounts therein as may be determined by the State Treasurer and shall be disbursed as provided in this section. Monies in the Education and Transportation Bonds Fund shall be allocated and expended as provided in this section.

Any additional monies that may be received by means of a grant or grants from the United States of America or any agency or department thereof or from any other source for deposit to the Education and Transportation Bonds Fund may be placed in the Education and Transportation Bonds Fund or in a

1 separate account or fund and shall be disbursed, to the extent permitted by the
2 terms of the grant or grants, without regard to any limitations imposed by this
3 act.

4 Monies in the Education and Transportation Bonds Fund or any separate
5 account established under this section may be invested from time to time by
6 the State Treasurer in the same manner permitted for investment of monies
7 belonging to the State or held in the State treasury, except with respect to grant
8 money to the extent otherwise directed by the terms of the grant. Investment
9 earnings, except investment earnings with respect to grant monies to the extent
10 otherwise directed or restricted by the terms of the grant, may be (i) credited
11 to the Education and Transportation Bonds Fund or (ii) used to satisfy
12 compliance with applicable requirements of the federal tax law.

13 The proceeds of education and transportation bonds and notes, including
14 premium thereon, if any, may be used with any other monies made available
15 by the General Assembly for funding the projects authorized by this section,
16 including the proceeds of any other State bond issues, whether heretofore
17 made available or that may be made available at the session of the General
18 Assembly at which this act is ratified or any subsequent sessions. The
19 proceeds of education and transportation bonds and notes, including premium
20 thereon, if any, shall be expended and disbursed under the direction and
21 supervision of the Director of the Budget. The funds provided by this act shall
22 be disbursed for the purposes provided in this section upon warrants drawn on
23 the State Treasurer by the State Controller, which warrants shall not be drawn
24 until requisition has been approved by the Director of the Budget and which
25 requisition shall be approved only after full compliance with the State Budget
26 Act, Chapter 143C of the General Statutes.

27 (2) Tracking of bond proceeds. – The State Treasurer or the State Treasurer's
28 designee is hereby authorized and directed to set up a comprehensive system
29 of tracking the proceeds of the education and transportation bonds and notes,
30 including premium thereon, if any, to the extent necessary to enable the State
31 Treasurer or the State Treasurer's designee to properly account for the use of
32 such proceeds for compliance with applicable requirements of the federal tax
33 law or otherwise. All recipients of such proceeds shall comply with any
34 tracking system implemented by the State Treasurer or the State Treasurer's
35 designee for this purpose. The State Treasurer may withhold proceeds if the
36 recipient fails to comply with this subdivision.

37 (3) Costs. – Allocations to the costs of a capital improvement or undertaking in
38 each case may include allocations to pay the costs set forth in sub-subdivisions
39 c. through g. of subdivision (2) of subsection (c) of this section in connection
40 with the issuance of bonds for that capital improvement or undertaking.

41 **SECTION 1.(g)** Election. – The questions of the issuance of the bonds authorized
42 by this act shall be submitted to the qualified voters of the State at the time of the general election
43 in 2020, which election shall be held under and in accordance with the general laws of the State.

44 The bond questions to be used in the ballots or voting systems shall be in substantially
45 the following forms:

46 "[] FOR [] AGAINST

47 The issuance of one billion nine hundred fifty million dollars (\$1,950,000,000) State
48 of North Carolina Education Bonds constituting general obligation bonds of the State secured by
49 a pledge of the faith and credit and taxing power of the State for the purpose of providing funds,
50 with any other available funds, to fund capital improvements, construction of new facilities, and
51 the renovation and rehabilitation of existing facilities for the State's public education system in

1 local school administrative units, community colleges of the North Carolina Community College
2 System, and constituent institutions of The University of North Carolina."

3 "[] FOR [] AGAINST

4 The issuance of one billion one hundred fifty million dollars (\$1,150,000,000) State
5 of North Carolina Transportation Bonds constituting general obligation bonds of the State
6 secured by a pledge of the faith and credit and taxing power of the State for the purpose of
7 providing funds, with any other available funds, to fund the construction and renovation of
8 highways, roads, bridges, and related road infrastructure."

9 If a majority of those voting on a bond question in the election vote in favor of the
10 issuance of the bonds described in the question, those bonds may be issued as provided in this
11 act. If a majority of those voting on a bond question in the election do not vote in favor of the
12 issuance of the bonds described in the question, those bonds shall not be issued.

13 The results of the election shall be canvassed and declared as provided in Chapter 163
14 of the General Statutes; the results of the election shall be certified by the State Board to the
15 Secretary of State.

16 **SECTION 1.(h) Issuance of Bonds and Notes. –**

17 (1) Terms and conditions. – Bonds or notes may bear such date or dates, may be
18 serial or term bonds or notes, or any combination thereof, may mature in such
19 amounts and at such time or times, not exceeding 40 years from their date or
20 dates, may be payable at such place or places, either within or without the
21 United States of America, in such coin or currency of the United States of
22 America as at the time of payment is legal tender for payment of public and
23 private debts, may bear interest at such rate or rates, which may vary from
24 time to time, and may be made redeemable before maturity, at the option of
25 the State or otherwise as may be provided by the State, at such price or prices,
26 including a price less than the face amount of the bonds or notes, and under
27 such terms and conditions, all as may be determined by the State Treasurer by
28 and with the consent of the Council of State.

29 (2) Signatures; form and denomination; registration. – Bonds or notes may be
30 issued as certificated or uncertificated obligations. If issued as certificated
31 obligations, bonds or notes shall be signed on behalf of the State by the
32 Governor or shall bear the Governor's facsimile signature, shall be signed by
33 the State Treasurer or shall bear the State Treasurer's facsimile signature, and
34 shall bear the Great Seal of the State of North Carolina or a facsimile thereof
35 shall be impressed or imprinted thereon. If bonds or notes bear the facsimile
36 signatures of the Governor and the State Treasurer, the bonds or notes shall
37 also bear a manual signature, which may be that of a bond registrar, trustee,
38 paying agent, or designated assistant of the State Treasurer. Should any officer
39 whose signature or facsimile signature appears on bonds or notes cease to be
40 such officer before the delivery of the bonds or notes, the signature or
41 facsimile signature shall nevertheless have the same validity for all purposes
42 as if the officer had remained in office until delivery, and bonds or notes may
43 bear the facsimile signatures of persons who at the actual time of the execution
44 of the bonds or notes shall be the proper officers to sign any bond or note,
45 although at the date of the bond or note such persons may not have been such
46 officers. The form and denomination of bonds or notes, including the
47 provisions with respect to registration of the bonds or notes and any system
48 for their registration, shall be as the State Treasurer may determine in
49 conformity with this section; provided, however, that nothing in this section
50 shall prohibit the State Treasurer from proceeding, with respect to the issuance
51 and form of the bonds or notes, under the provisions of Chapter 159E of the

General Statutes, the Registered Public Obligations Act, as well as under this section.

- (3) Manner of sale; expenses. – Subject to the consent of the Council of State, the State Treasurer shall determine the manner in which bonds or notes shall be offered for sale, whether at public or private sale, whether within or without the United States of America, and whether by publishing notices in certain newspapers and financial journals, mailing notices, inviting bids by correspondence, negotiating contracts of purchase, or otherwise, and the State Treasurer is authorized to sell bonds or notes at one time or from time to time at such rate or rates of interest, which may vary from time to time, and at such price or prices, including a price less than the face amount of the bonds or the notes, as the State Treasurer may determine. All expenses incurred in preparation, sale, and issuance of bonds or notes shall be paid by the State Treasurer from the proceeds of bonds or notes or other available monies.

- (4) Notes; repayment. –

a. Subject to the consent of the Council of State, the State Treasurer is hereby authorized to borrow money and to execute and issue notes of the State for the same, but only in the following circumstances and under the following conditions:

1. For anticipating the sale of bonds to the issuance of which the Council of State shall have given consent, if the State Treasurer shall deem it advisable to postpone the issuance of the bonds.
2. For the payment of interest on or any installment of principal of any bonds then outstanding, if there shall not be sufficient funds in the State treasury with which to pay the interest or installment of principal as they respectively become due.
3. For the renewal of any loan evidenced by notes herein authorized.
4. For the purposes authorized in this act.
5. For refunding bonds or notes as herein authorized.

b. Funds derived from the sale of bonds or notes may be used in the payment of any bond anticipation notes issued under this section. Funds provided by the General Assembly for the payment of interest on or principal of bonds shall be used in paying the interest on or principal of any notes and any renewals thereof, the proceeds of which shall have been used in paying interest on or principal of the bonds.

- (5) Refunding bonds and notes. – By and with the consent of the Council of State, the State Treasurer is authorized to issue and sell refunding bonds and notes pursuant to the provisions of the State Refunding Bond Act for the purpose of refunding bonds or notes issued pursuant to this act. The refunding bonds and notes may be combined with any other issues of State bonds and notes similarly secured.

- (6) Tax exemption. – Bonds and notes shall be exempt from all State, county, and municipal taxation or assessment, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, excluding inheritance and gift taxes, income taxes on the gain from the transfer of bonds and notes, and franchise taxes. The interest on bonds and notes shall not be subject to taxation as to income.

- (7) Investment eligibility. – Bonds and notes are hereby made securities in which all public officers, agencies, and public bodies of the State and its political subdivisions; all insurance companies, trust companies, investment

companies, banks, savings banks, savings and loan associations, credit unions, pension or retirement funds, other financial institutions engaged in business in the State; executors, administrators, trustees, and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. Bonds and notes are hereby made securities that may properly and legally be deposited with and received by any officer or agency of the State or political subdivision of the State for any purpose for which the deposit of bonds, notes, or obligations of the State or any political subdivision of the State is now or may hereafter be authorized by law.

- (8) Faith and credit. – The faith and credit and taxing power of the State are hereby pledged for the payment of the principal of and the interest on bonds and notes.

SECTION 1.(i) Variable Interest Rates. – In fixing the details of bonds and notes, the State Treasurer may provide that any of the bonds or notes may:

- (1) Be made payable from time to time on demand or tender for purchase by the owner thereof, provided a credit facility agreement supports the bonds or notes, unless the State Treasurer specifically determines that a credit facility agreement is not required, upon a finding and determination by the State Treasurer that the absence of a credit facility agreement will not materially or adversely affect the financial position of the State and the marketing of the bonds or notes at a reasonable interest cost to the State;
- (2) Be additionally supported by a credit facility agreement;
- (3) Be made subject to redemption or a mandatory tender for purchase prior to maturity;
- (4) Bear interest at a rate or rates that may vary for such period or periods of time, all as may be provided in the proceedings providing for the issuance of the bonds or notes, including, without limitation, such variations as may be permitted pursuant to a par formula; and
- (5) Be made the subject of a remarketing agreement whereby an attempt is made to remarket bonds or notes to new purchasers prior to their presentment for payment to the provider of the credit facility agreement or to the State.

If the aggregate principal amount repayable by the State under a credit facility agreement is in excess of the aggregate principal amount of bonds or notes secured by the credit facility agreement, whether as a result of the inclusion in the credit facility agreement of a provision for the payment of interest for a limited period of time or the payment of a redemption premium or for any other reason, then the amount of authorized but unissued bonds or notes during the term of such credit facility agreement shall not be less than the amount of such excess, unless the payment of such excess is otherwise provided for by agreement of the State executed by the State Treasurer.

SECTION 1.(j) Interpretation of Act. –

- (1) Additional method. – The foregoing subsections of this section shall be deemed to provide an additional and alternative method for the doing of the things authorized thereby and shall be regarded as supplemental and additional to powers conferred by other laws and shall not be regarded as in derogation of any powers now existing.
- (2) Statutory references. – References in this act to specific sections or Chapters of the General Statutes or to specific acts are intended to be references to these sections, Chapters, or acts as they may be amended from time to time by the General Assembly.
- (3) Broad construction. – The General Assembly specifically has chosen to combine what otherwise might be considered differing projects to be financed into one bond bill and bond question because the General Assembly finds that

such differing projects, when taken together, constitute an interrelated, united, and single plan for the State's public education system as stated aforesaid. Accordingly, this act, being necessary for the health, welfare, and advancement of the people of the State, shall be broadly construed to affect the purposes thereof.

(4) Inconsistent provisions. – Insofar as the provisions of this section are inconsistent with the provisions of any general laws, or parts thereof, the provisions of this act shall be controlling.

(5) Severability. – If any provision of this section or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to this end, the provisions of this section are declared to be severable.

SECTION 1.(k) Other Agreements. – The State Treasurer may authorize, execute, obtain, or otherwise provide for bond issuance, investment contracts, credit and liquidity facilities, interest rate swap agreements and other derivative products, and any other related instruments and matters the State Treasurer determines to be desirable in connection with the issuance of bonds and notes.

SECTION 2. Each entity, upon receiving the proceeds of education and transportation bonds and notes, including premium thereon, if any, issued pursuant to and for projects listed in Section 1 of this act, shall administer, supervise, and ensure that use of the proceeds comport with the purposes provided in this act. Each local school administrative unit, along with the corresponding board of county commissioners, shall jointly submit to the State Board of Education a plan for the expenditure of proceeds allocated to it under this act. After the State Board of Education determines that a local school administrative unit's planned expenditure of part or all of the proceeds allocated to it is within the purposes provided in this act, the State Board of Education shall make the proceeds to which the plans apply available to the local school administrative unit. Each local school administrative unit receiving the proceeds of education and transportation bonds and notes, including premium thereon, if any, issued pursuant to Section 1 of this act shall report by January 1, 2022, and quarterly thereafter, to the State Board of Education on the projects funded from education and transportation general obligation bonds authorized by Section 1 of this act, and the State Board of Education shall combine the reports and submit them to the Joint Legislative Capital Oversight Committee, the House of Representatives Appropriations Committee, and the Senate Committee on Appropriations/Base Budget. Each report shall include the total project costs, the amount to be funded from the bonds, the expenditures to date from the bonds and other sources, and the percentage of each project completed.

Each constituent institution of The University of North Carolina receiving the proceeds of education and transportation bonds and notes, including premium thereon, if any, issued pursuant to subdivision (1a) of Section 1(e) of this act shall report by January 1, 2022, and quarterly thereafter, to the Joint Legislative Oversight Committee on Capital Improvements, the House of Representatives Appropriations Committee, and the Senate Committee on Appropriations/Base Budget on the projects funded from education and transportation general obligation bonds authorized by Section 1 of this act. Each report shall include the total project costs, the amount to be funded from the bonds, the expenditures to date from the bonds and other sources, and the percentage of each project completed.

Community colleges receiving the proceeds of education and transportation bonds and notes, including premium thereon, if any, issued pursuant to subdivision (1b) of Section 1(e) of this act shall report by January 1, 2022, and quarterly thereafter, to the North Carolina Community Colleges System Office on the projects funded from education and transportation general obligation bonds authorized by Section 1 of this act, and the System Office shall combine

1 the reports and submit them to the Joint Legislative Oversight Committee on Capital
2 Improvements, the House of Representatives Appropriations Committee, and the Senate
3 Committee on Appropriations/Base Budget. Each report shall include the total project costs, the
4 amount to be funded from the bonds, the expenditures to date from the bonds and other sources,
5 and the percentage of each project completed.

6 The Department of Transportation shall, with respect to received proceeds of
7 education and transportation bonds and notes, including premium thereon, if any, issued pursuant
8 to subdivision (1a) of Section 1(e) of this act, report by January 1, 2022, and quarterly thereafter,
9 to the Joint Legislative Oversight Committee on Transportation, the House of Representatives
10 Appropriations Committee, and the Senate Committee on Appropriations/Base Budget on the
11 projects funded from education and transportation general obligation bonds authorized by
12 Section 1 of this act. Each report shall include the total project costs, the amount to be funded
13 from the bonds, the expenditures to date from the bonds and other sources, and the percentage of
14 each project completed.

15 **SECTION 3.(a)** Projects funded in whole or in part with the proceeds of education
16 and transportation bonds and notes, including premium thereon, if any, issued pursuant to this
17 act, and that portion of funds estimated to be needed for escalation of costs shall remain with the
18 Office of State Budget and Management and shall be disbursed only for the following purposes:

19 (1) To address unforeseen contingencies related to the specific project for which
20 the funds were made available.

21 (2) To address inflation costs related to that specific project.

22 **SECTION 3.(b)** Any funds retained by the Office of State Budget and Management
23 pursuant to subsection (a) of this section at the time a project is completed shall be retained by
24 the Office of State Budget and Management. The Office of State Budget and Management shall
25 report on any funds retained pursuant to this subsection within 90 days of a project's completion.

26 **SECTION 4.** Any funds from the Education and Transportation Bonds authorized
27 by this act that are expended for school technology for public schools shall be reported to the
28 State Board of Education and shall be credited against the judgment in *N.C. Sch. Bds. Ass'n. v.*
29 *Moore*, No. 98-CVS-14159 (N.C. Super. Ct.).

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

c) S. 156: Superseding Orders/Domestic Violence/ALE Weapon Bill

In its original form, this bill would have allowed a person with a weapon to cross educational property. "Weapon" is statutorily defined to include the following: any dynamite cartridge, bomb, grenade, mine, powerful explosive gun, rifle, pistol, or other firearm, BB gun, stun gun, air rifle, air pistol, bowie knife, dirk, dagger, slungshot, leaded cane, switchblade knife, blackjack, metallic knuckles, razors, and razor.

The PCS was pulled before it ever made it to House Rules. The bill was later used as a vehicle to assist in the swift passing of S. 208: COVID-19 Immunity/Institutions of Higher Education, now Session Law 2020-70.

PCS text: none available online, due to it being pulled before making it to House Rules. PDF of bill language is on the following page.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

S

D

SENATE BILL 156
Judiciary Committee Substitute Adopted 3/19/19
PROPOSED HOUSE COMMITTEE SUBSTITUTE S156-CSSAa-76 [v.5]
6/21/2020 2:37:16 PM

Short Title: 2nd Amendment Protection Act.

(Public)

Sponsors:

Referred to:

February 28, 2019

A BILL TO BE ENTITLED
AN ACT TO ENACT THE SECOND AMENDMENT PROTECTION ACT OF 2019.
The General Assembly of North Carolina enacts:

PART I. CONCEALED HANDGUN PERMIT LAPSE

SECTION 1.(a) G.S. 14-415.16(e) reads as rewritten:

"(e) If the permittee does not apply to renew the permit prior to its expiration date, but does apply to renew the permit within no more than 60 days after the permit expires, the sheriff ~~may shall~~ waive the requirement of taking another firearms safety and training course. If the permittee applies to renew the permit more than 60 days after the permit expires, but no more than 180 days after the permit expires, the sheriff shall waive the requirement of taking another firearms and safety training course if the permittee (i) completes a refresher course on the laws governing the use or carry of firearms in this State that is certified or sponsored by at least one of the entities listed in G.S. 14-415.12(a)(4) and (ii) submits documentation to the sheriff confirming the permittee completed the refresher course. This subsection does not extend the expiration date of the permit."

SECTION 1.(b) This part becomes effective October 1, 2020, and applies to renewal applications submitted on or after that date.

PART II. CONCEALED CARRY FOR CERTAIN LAW ENFORCEMENT FACILITY EMPLOYEES

SECTION 2.(a) G.S. 14-415.27 reads as rewritten:

"§ 14-415.27. Expanded permit scope for certain persons.

Notwithstanding G.S. 14-415.11(c), any of the following persons who has a concealed handgun permit issued pursuant to this Article or that is considered valid under G.S. 14-415.24 is not subject to the area prohibitions set out in G.S. 14-415.11(c) and may carry a concealed handgun in the areas listed in G.S. 14-415.11(c) unless otherwise prohibited by federal law:

...

(10) For only a law enforcement facility covered under G.S. 14-415.11(c)(5), a person employed by a law enforcement agency who (i) is not a law enforcement officer sworn and certified pursuant to Article 1 of Chapter 17C or 17E of the General Statutes, (ii) has been designated in writing by the head of the law enforcement agency in charge of the facility, (iii) has in the person's possession written proof of the designation, and (iv) has not had the designation rescinded by the head of the law enforcement agency in charge of the facility. Nothing in this subdivision shall be construed as prohibiting the



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head of the law enforcement agency in charge of a facility from rescinding any written designation described in this subdivision."

SECTION 2.(b) This part becomes effective July 1, 2020, and applies to offenses committed on or after that date.

PART III. CONCEALED CARRY FOR CERTAIN EMERGENCY MEDICAL SERVICES PERSONNEL

SECTION 3.(a) G.S. 14-269 reads as rewritten:

"§ 14-269. Carrying concealed weapons.

(a) It shall be unlawful for any person willfully and intentionally to carry concealed about his or her person any bowie knife, dirk, dagger, slung shot, loaded cane, metallic knuckles, razor, shuriken, stun gun, or other deadly weapon of like kind, except when the person is on the person's own premises.

...

(b) This prohibition shall not apply to the following persons:

...

(10) Emergency medical services personnel, as defined in G.S. 131E-155, while on duty, who are deployed as part of their official duties providing tactical medical assistance to law enforcement in an emergency situation, including a Special Weapons and Tactics (SWAT) operation. In order to qualify under this subdivision, emergency medical services personnel shall have completed an approved tactical medical assistance course for supporting tactical law enforcement operations. An approved course shall (i) include an element on firearms safety and training, (ii) include instruction in the laws of this State governing the use of deadly force, and (iii) require training and qualification on all weapons systems, both lethal and less than lethal, deemed necessary by any law enforcement agency the emergency medical services personnel supports. For purposes of this subdivision, an approved course shall be any course which satisfies the requirements of this subdivision and is certified or sponsored by one or more of the following organizations:

a. The North Carolina Criminal Justice Education and Training Standards Commission.

b. The National Rifle Association.

c. A law enforcement agency, college, private or public institution or organization, or firearms training school, taught by instructors certified by the North Carolina Criminal Justice Education and Training Standards Commission or the National Rifle Association.

Every instructor of an approved course shall file a copy of the course description, outline, and proof of certification annually, or upon modification of the course if more frequently, with the North Carolina Criminal Justice Education and Training Standards Commission.

...."

SECTION 3.(b) This part becomes effective December 1, 2020, and applies to offenses committed on or after that date.

PART IV. CONCEALED CARRY ON ROADS THROUGH EDUCATIONAL PROPERTY

SECTION 4.(a) G.S. 14-269.2 is amended by adding a new subsection to read:

"(k2) The provisions of this section shall not apply to a person in a vehicle on a road not maintained by the school that crosses the educational property if the person has a weapon, including an open or concealed handgun, within the locked vehicle, and the person remains

1 within the locked vehicle while crossing the educational property and only unlocks the vehicle
2 to allow the entrance or exit of another person."

3 **SECTION 4.(b)** This part becomes effective December 1, 2020, and applies to
4 offenses committed on or after that date.

5
6 **PART V. DEVELOP COMPREHENSIVE FIREARM EDUCATION AND WILDLIFE**
7 **CONSERVATION COURSES**

8 **SECTION 5.(a)** Article 8 of Chapter 115C of the General Statutes is amended by
9 adding a new section to read:

10 **"§ 115C-81.90. Firearm Safety Elective Course.**

11 The State Board of Education, in consultation with law enforcement agencies and firearms
12 associations, shall develop a comprehensive firearm education course that can be offered as an
13 elective at the high school level to facilitate the learning of science, technology, engineering, and
14 mathematics (STEM) principles. The firearm safety course shall include history, mathematics,
15 and firearms functions and applications. Firearm safety shall be a key component of the course
16 of study. The course shall rely on input from law enforcement agencies and firearms associations
17 as well as related scientific engineering and design-related educational sources. The course of
18 instruction shall not permit the use or presence of live ammunition. The course shall be conducted
19 under the supervision of an adult who has been approved by the school principal in accordance
20 with G.S. 14-269.2(g)(1)."

21 **SECTION 5.(b)** Article 8 of Chapter 115C of the General Statutes is amended by
22 adding a new section to read:

23 **"§ 115C-81.95. Wildlife Conservation Elective Course.**

24 The State Board of Education, in consultation with the Wildlife Resources Commission, the
25 Division of Marine Fisheries, and the Wildlife Management Institute, shall develop a
26 comprehensive course on the North American Model for Wildlife Conservation that can be
27 offered as an elective at the high school level."

28 **SECTION 5.(c)** There is appropriated from the General Fund to the Department of
29 Public Instruction the sum of twenty-five thousand dollars (\$25,000) for the 2020-2021 fiscal
30 year to develop a curriculum for the elective courses established in subsections (a) and (b) of this
31 section.

32 **SECTION 5.(d)** This part is effective when it becomes law. Subsections (a) and (b)
33 of this part apply beginning with the 2020-2021 school year.

34
35 **PART VI. RESTORE CERTAIN FIREARM RIGHTS**

36 **SECTION 6.(a)** G.S. 14-415.1 is amended by adding two new subsections to read:

37 **"(f) This section does not apply to, there is no disentanglement under this section for, and**
38 **the firearms rights as defined in G.S. 14-415.4 are restored to, any person who satisfies all of the**
39 **following criteria:**

- 40 **(1) The person's firearms rights were restored prior to December 1, 1995, and the**
41 **forfeiture of the person's firearms rights on December 1, 1995, occurred only**
42 **because amendments to G.S. 14-415.1, enacted by S.L. 1995-487 and further**
43 **amended by S.L. 2004-186 and applicable to any person convicted of a felony**
44 **before December 1, 1995, became effective.**
- 45 **(2) The person's felony convictions prior to December 1, 1995, are only for**
46 **nonviolent felonies as defined in G.S. 14-415.4.**
- 47 **(3) The person has not been convicted of any subsequent felony on or after**
48 **December 1, 1995, that would require forfeiture of the person's firearms rights**
49 **and cause the person to be disentitled under this section.**

(g) Notwithstanding G.S. 15A-173.3(2), this section does not apply to, there is no disenfranchisement under this section for, and the firearms rights as defined in G.S. 14-415.4 are restored to, any person who satisfies all of the following criteria:

(1) The person's felony conviction is for a Class H or I felony.

(2) The person's felony conviction is for a nonviolent felony as defined in G.S. 14-415.4(a)(2).

(3) The person has a valid Certificate of Relief issued pursuant to Article 6 of Chapter 15A.

(4) The person has not had a previously issued Certificate of Relief revoked."

SECTION 6.(b) G.S. 14-404(c) reads as rewritten:

"(c) A permit may not be issued to the following persons:

(1) One who is under an indictment or information for or has been convicted in any state, or in any court of the United States, of a felony (other than an offense pertaining to antitrust violations, unfair trade practices, or restraints of trade). However, a person who has been convicted of a felony in a court of any state or in a court of the United States and (i) who is later pardoned, ~~or~~ (ii) whose firearms rights have been restored pursuant to G.S. 14-415.4, or (iii) who is exempted from G.S. 14-415.1 by subsection (f) or (g) of that section, may obtain a permit, if the purchase or receipt of a pistol permitted in this Article does not violate a condition of the pardon or restoration of firearms rights.

...."

SECTION 6.(c) G.S. 14-415.12(b) reads as rewritten:

"(b) The sheriff shall deny a permit to an applicant who:

...

(3) Has been adjudicated guilty in any court of a felony, unless: (i) the felony is an offense that pertains to antitrust violations, unfair trade practices, or restraints of trade, ~~or~~ (ii) the person's firearms rights have been restored pursuant to ~~G.S. 14-415.4~~ G.S. 14-415.4, or (iii) the person is exempted from G.S. 14-415.1 by subsection (f) or (g) of that section.

...."

SECTION 6.(d) There is appropriated from the General Fund to the Administrative Office of the Courts, the sum of one thousand dollars (\$1,000) in nonrecurring funds for the 2020-2021 fiscal year to be used to develop and provide educational materials to the public on the provisions of this section.

SECTION 6.(e) Subsection (d) of this section is effective when it becomes law. The remainder of this section becomes effective December 1, 2020, and applies to violations of G.S. 14-415.1 occurring on or after that date. Prosecutions for offenses committed before the effective date of this section are not abated or affected by this section, and the statutes that would be applicable but for this section remain applicable to those prosecutions.

PART VII. EFFECTIVE DATE

SECTION 7. Except as otherwise provided, this act is effective when it becomes law.

d) S. 847: UNC Laboratory School Modifications (included in H 1096)

This bill was filed on May 26, 2020 by Senators Ballard and Hise, with whom we worked closely to amend the original language. The State Board of Education liaisons pointed out the bill as originally crafted may hinder our Lab Schools from obtaining other funding streams, such as federal Exceptional Children funding. The bill was pulled from committee.

The language requested amended language was included in Part 2 of H. 1096, now Session Law 2020- 56.

Bill text: <https://www.ncleg.gov/Sessions/2019/Bills/Senate/PDF/S847v1.pdf>

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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SENATE BILL 847

Short Title: UNC Laboratory School Modifications. (Public)

Sponsors: Senators Hise and Ballard (Primary Sponsors).

Referred to: Rules and Operations of the Senate

May 27, 2020

A BILL TO BE ENTITLED
AN ACT TO MAKE MODIFICATIONS RELATED TO THE UNIVERSITY OF NORTH
CAROLINA LABORATORY SCHOOLS AND TO APPROPRIATE FUNDS FOR THEIR
OPERATION.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 116-239.5 is amended by adding a new subsection to read:

"(e) In addition to all other immunities provided to them by applicable State law, the Subcommittee, chancellor, the constituent institution, an advisory board, and a laboratory school, and their members, employees, and agents shall be entitled to the specific immunities provided for in Chapter 115C of the General Statutes applying to the State Board of Education, Superintendent of Public Instruction, a local board of education, a local school administrative unit, and their members and employees. Any such immunity to liability established by this subsection shall not extend to gross negligence, wanton conduct, or intentional wrongdoing that would otherwise be actionable. Immunity established by this subsection shall be deemed to be waived to the extent of indemnification under Article 31A and Article 31B of Chapter 143 of the General Statutes and to the extent sovereign immunity is waived under the Tort Claims Act, as set forth in Article 31 of Chapter 143 of the General Statutes."

SECTION 2. G.S. 116-239.7(b) reads as rewritten:

"(b) Resolution by the Subcommittee to Approve a Laboratory School. – The Subcommittee shall adopt a resolution upon the approval of each laboratory school, which shall include the following:

- (1) Name of the laboratory school.
- (2) The local school administrative unit in which the laboratory school shall be located.
- (3) A term of operation for the laboratory school of five years from the date of initial operation. At the end of the initial five years of operation, the Subcommittee shall renew the term of operation for additional five-year periods under the resolution if the laboratory school is still located in a local school administrative unit that has twenty-five percent (25%) or more of the schools located in the unit identified as low-performing under G.S. 115C-105.37, or if the Subcommittee renews a waiver of this requirement under subsection (a2) of this ~~section, the resolution may be renewed by the Subcommittee at the end of the term for an additional five years.~~ section. If the laboratory school is no longer (i) located in a qualifying local school administrative unit or (ii) meeting the purposes of this Article under a waiver at the end of five years, the Subcommittee ~~shall~~ may renew the



term of operation for additional five-year periods under the resolution if the Subcommittee finds the school is successfully meeting its mission to improve student performance and provide valuable exposure and training for teachers and principals in the constituent institution's educator preparation program. The Subcommittee may terminate operation of any laboratory school during the initial term of operation or during a five-year renewal period if the Subcommittee finds it is failing to meet expected progress toward meeting the mission of the school consistent with the requirements of this Article. The Subcommittee shall notify the Board of Governors of the end of the term of operation of a laboratory school and request designation of additional constituent institutions with educator preparation programs to establish a laboratory school in accordance with the provisions of this Article."

SECTION 3. G.S. 116-239.8(b)(4) reads as rewritten:

"(4) ~~Food and transportation services.~~—Operation and Maintenance of Laboratory Schools. – The chancellor and the local school administrative unit shall do the following for the operation and maintenance of the laboratory school:

a. Facilities and leases. – The local school administrative unit in which the laboratory school is located shall lease adequate facilities to the constituent institution for use as a laboratory school. The lease shall include use of or access to any existing buildings, parking areas, playgrounds, driveways required for ingress and egress, furniture, classroom space, a cafeteria or multipurpose room, moveable equipment, appliances, playground materials, including a library collection, instructional materials and classroom and other technology equipment necessary to operate the laboratory school. Lease payments by the constituent institution shall not exceed one dollar (\$1.00), and the lease term shall be terminated if the laboratory school ceases operation. It is the obligation of the local school administrative unit to maintain the facilities and premises of the laboratory school, at its cost, and to keep them in good repair and tenantable condition by providing, at its cost, all routine custodial services and routine facilities maintenance services, including routine indoor maintenance, routine mowing, trimming, and maintenance of exterior landscaping and snow removal, and timely repair of the facilities and premises. The chancellor is authorized to execute the lease agreement and memoranda of agreement for the operation of a laboratory school, but in no event shall any of the agreements expand the costs to be borne by the constituent institution for the operation of a laboratory school beyond those expressly provided for in this Article.

b. Technology. – In the event a constituent institution provides technological upgrades to a laboratory school, the local school administrative unit may purchase a technology upgrade from the constituent institution upon the closure of the laboratory school. The local school administrative unit in which the laboratory school is located shall provide, at its cost, technology support for the PowerSchool application as provided by the State Board of Education pursuant to G.S. 115C-12(18), systems administration, service desk support, and technician support related to the operation of the laboratory school. The chancellor shall arrange for the provision of these services from the local school administrative unit.

- c. Transportation. – The local school administrative unit in which the laboratory school is located shall ~~provide food services and~~ provide, at its cost, transportation to students ~~attending who reside in the local school administrative unit and attend the laboratory school.~~ school, including any students who are homeless and require assistance pursuant to 42 U.S.C. § 11301, et seq., the McKinney-Vento Homeless Assistance Act. The requirement to provide transportation to students residing in the local school administrative unit shall (i) apply regardless of where a laboratory school student resides in the unit or how the unit's transportation policies and practices are applied to other students and (ii) include providing transportation of students and personnel for laboratory school extracurricular activities and educational trips in the same manner as other schools in the unit for that school year. The chancellor shall arrange for the provision of these services from the local school administrative unit.
- d. Food services. – The local school administrative unit in which the laboratory school is located shall ~~administer~~ administer, at its cost, the National School Lunch Program for the laboratory school in accordance with G.S. 115C-264. The chancellor shall arrange for the provision of these services from the local school administrative unit.
- e. Student support services. – The local school administrative unit in which the laboratory school is located shall provide, at its cost, all student support services for the operation of the laboratory school, including (i) services required by the Department of Public Instruction for children with disabilities, (ii) children and family support services, including social worker and school nurse services, (iii) other health services, including dental screenings, vision screenings, and similar health services that apply to other students enrolled in the local school administrative unit, (iv) parent involvement coordinator services, and (v) school counselor services. The chancellor shall arrange for the provision of these services from the local school administrative unit."

SECTION 4. G.S. 116-239.9 reads as rewritten:

"§ 116-239.9. Student admissions and assignment.

(a) A child shall be eligible to attend a laboratory school if the child resides in the local school administrative unit in which a laboratory school is located and meets at least one of the following criteria:

- (1) Is assigned to a low-performing school, as defined by G.S. 115C-105.37 at the time of the student's application.
- (2) Did not meet expected growth in the prior school year based on one or more indicators listed in subsection (c1) of this section.
- (3) Is the sibling of a child who is eligible under subdivision (1) or (2) of this subsection.
- (4) Is the child of a laboratory school employee.

(b) No local board of education shall require any student enrolled in the local school administrative unit to attend a laboratory school.

(c) During each period of enrollment, the laboratory school shall enroll an eligible student under subsection (a) of this section who submits a timely application, up to the capacity of a program, class, grade level, or building, in the order in which applications are received. Once enrolled, students are not required to reapply in subsequent enrollment periods. The laboratory school may give enrollment priority to the sibling of an enrolled student who attended the laboratory school in the prior school year.

(c1) For the purposes of this Article, any of the following shall serve as indicators that a student did not meet expected student growth in the prior school year: (i) grades, (ii) observations, (iii) diagnostic and formative assessments, (iv) State assessments, or (v) other factors, including reading on grade level.

(c2) Notwithstanding the requirements of subsection (a) of this section, if a laboratory school has not reached enrollment capacity in a program, class, grade level, or building by March 1, prior to the start of the next school year, the laboratory school may enroll children who reside in the local school administrative unit in which the laboratory school is located but do not meet one of the criteria set forth in subdivisions (1) through (4) of subsection (a) of this section for up to twenty percent (20%) of the total capacity of the program, class, grade level, or building.

(d) Notwithstanding any law to the contrary, a laboratory school may refuse admission to any student who has been expelled or suspended from a public school under G.S. 115C-390.5 through G.S. 115C-390.11 until the period of suspension or expulsion has expired.

(e) Within one year after a laboratory school begins operation, the laboratory school shall make reasonable efforts in the recruitment process for the population of the school to reasonably reflect the racial, ethnic, and socioeconomic composition of the general population of the students residing within the local school administrative unit in which the school is located. A laboratory school shall not unlawfully discriminate when making admissions determinations."

SECTION 5. Section 11.6(d) of S.L. 2016-94, as amended by Section 4 of S.L. 2017-117, reads as rewritten:

"SECTION 11.6.(d) Notwithstanding G.S. 116-239.5, (i) at least ~~nine~~six laboratory schools shall be established pursuant to Article 29A of Chapter 116 of the General Statutes, as enacted by this section, and in operation by the beginning of the ~~2019-2020-2020-2021~~ school year and (ii) at least an additional three laboratory schools shall be established pursuant to Article 29A of Chapter 116 of the General Statutes and in operation by the beginning of the ~~2022-2023~~ school year."

SECTION 6. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of eight hundred ninety-five thousand dollars (\$895,000) in nonrecurring funds for the 2020-2021 fiscal year to be allocated to constituent institutions operating laboratory schools pursuant to Article 29A of Chapter 116 of the General Statutes during the 2020-2021 school year on a pro rata basis to be used for laboratory school lease and facilities maintenance costs, technology costs, transportation services costs, food services costs, and student support services costs incurred by the laboratory schools.

SECTION 7. Section 6 of this act becomes effective July 1, 2020. The remainder of this act is effective when it becomes law. Section 1 of this act applies to an action or omission of an action occurring on or after the date this act becomes law. Section 4 of this act applies beginning with the 2020-2021 school year. Section 3 of this act applies to a memorandum of understanding entered into on or after the date this act becomes law and applies beginning with the 2021-2022 school year and subsequent school years.

e) S. 730: The No Patient Left Alone/Collaboratory Funds.

Section 6 of this bill would appropriate \$10,000,000 in nonrecurring funds from the Coronavirus Relief Fund to the Office of State Budget and Management for the 2020-2021 fiscal year to be allocated to the University of North Carolina at Chapel Hill for the North Carolina Policy Collaboratory. It instructs the Collaboratory to carry out a statewide testing, tracking, and tracing initiative for COVID-19 to provide the necessary data for businesses across North Carolina to safely reopen and remain open in a manner that facilitates economic activity while, at the same time, protecting the public health of the employees and customers of businesses in the state.

The bill passed the House on June 25, 2020 and was sent to Senate, but Senate failed to concur with House Committee Substitute. Failed motion to concur in the Senate 6-46 on June 25, 2020.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/Senate/PDF/S730V6.pdf>

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

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6

**SENATE BILL 730
Health Care Committee Substitute Adopted 6/11/20
Appropriations/Base Budget Committee Substitute Adopted 6/17/20
Fourth Edition Engrossed 6/19/20
House Committee Substitute Favorable 6/24/20
Sixth Edition Engrossed 6/25/20**

Short Title: The No Patient Left Alone/Collaboratory Funds.

(Public)

Sponsors:

Referred to:

May 14, 2020

1 A BILL TO BE ENTITLED
2 AN ACT PROVIDING PATIENT VISITATION RIGHTS AND APPROPRIATING FUNDS
3 TO THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, DIVISION OF
4 HEALTH SERVICE REGULATION, TO DEVELOP AND DISSEMINATE TO
5 HOSPITALS FREE INFORMATIONAL MATERIALS EXPLAINING THESE RIGHTS,
6 AND TO APPROPRIATE FUNDS FROM THE CORONAVIRUS RELIEF FUND FOR
7 THE NORTH CAROLINA POLICY COLLABORATORY TO CARRY OUT A
8 STATEWIDE TESTING, TRACKING, AND TRACING INITIATIVE FOR COVID-19
9 RESEARCH AND BUSINESS REOPENING PURPOSES AND TO PROVIDE GRANTS
10 FOR BUSINESSES THAT CLOSED AS A RESULT OF THE COVID-19 PANDEMIC.

11 Whereas, the COVID-19 pandemic has caused great uncertainty and anxiety across
12 our State and has significantly affected the medical community, including hospitals; and

13 Whereas, hospitals have made many efforts to keep patients and employees in a safe
14 environment and have endeavored to minimize, to the extent possible, the risk of spread of the
15 coronavirus disease; and

16 Whereas, as a result of COVID-19 prevention measures, many unintended
17 consequences have occurred to hospital patients who were not diagnosed with COVID-19; and

18 Whereas, the General Assembly has become aware of numerous patients across our
19 State who were not diagnosed with COVID-19, but as a result of hospital visitation policies have
20 been prohibited from having any visitors, including a spouse, parent, close family member,
21 guardian, health care agent, or caregiver; and

22 Whereas, as a result, many patients not diagnosed with COVID-19 have been forced
23 to be alone during their treatment for serious conditions, traumas, illnesses, heart attacks, and
24 routine and emergency surgeries; and

25 Whereas, some of these patients have been forced to be alone for the entire course of
26 their treatment and in some cases have died alone; and

27 Whereas, many families have been unable to be physically present with their loved
28 ones while in the hospital setting and have been limited to electronic video communications, if
29 any, with the patient; and

30 Whereas, the patients who have been affected in the above-described manner have
31 included adults, minors, and individuals with intellectual or developmental disabilities; and



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1 Whereas, the General Assembly finds that it is in the interest of the State and its
2 residents that hospital patients be allowed at least one immediate family member, designated
3 health care agent, guardian, or person standing in loco parentis physically present at reasonable
4 times throughout the hospitalization; Now, therefore,
5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** This act shall be known as "The No Patient Left Alone Act."

7 **SECTION 2.** Article 5 of Chapter 131E of the General Statutes is amended by adding
8 a new section to read:

9 **"§ 131E-79.3. Visitation rights of hospital patients.**

10 (a) A hospital shall allow a support person of the patient's choice to be present during the
11 patient's stay, unless the individual's presence infringes on others' rights or safety or is medically
12 or therapeutically contraindicated. The individual support person may or may not be the patient's
13 surrogate decision-maker or legally authorized representative.

14 (b) A hospital must have written policies and procedures regarding the visitation rights
15 of patients, including those setting forth any clinically necessary or reasonable restriction or
16 limitation that the hospital may need to place on such rights and the reasons for the clinical
17 restriction or limitation. A hospital must inform each patient, or support person where
18 appropriate, of his or her visitation rights, including any clinical restriction or limitation on such
19 rights, and shall ensure that all visitors enjoy full and equal visitation privileges consistent with
20 patient preferences."

21 **SECTION 3.** The Department of Health and Human Services, Division of Health
22 Service Regulation, shall develop and disseminate to hospitals licensed under Article 5 of
23 Chapter 131E of the General Statutes free informational materials explaining the rights specified
24 in G.S. 131E-79.3, as enacted by Section 2 of this act.

25 **SECTION 4.** There is appropriated from the General Fund to the Department of
26 Health and Human Services, Division of Health Service Regulation, the sum of five thousand
27 dollars (\$5,000) in nonrecurring funds for the 2020-2021 fiscal year, to develop and disseminate
28 to hospitals licensed under Article 5 of Chapter 131E of the General Statutes free informational
29 materials about the patient rights specified in G.S. 131E-79.3, as enacted by Section 2 of this act.

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

33 **SECTION 4.1.(b)** Except where expressly repealed or amended by this act, the
34 provisions of any other legislation enacted during the 2019 Regular Session of the General
35 Assembly expressly appropriating funds to an agency, a department, or an institution covered
36 under this act shall remain in effect.

37 **SECTION 5.** Transfer of Funds from Reserves to Relief Fund. – The State Controller
38 shall transfer ten million dollars (\$10,000,000) for the 2020-2021 fiscal year from the
39 Coronavirus Relief Reserve established in Section 2.1 of S.L. 2020-4 to the Coronavirus Relief
40 Fund established in Section 2.2 of S.L. 2020-4.

41 **SECTION 6.** Appropriation of Funds from Relief Fund. – There is appropriated from
42 the Coronavirus Relief Fund to the Office of State Budget and Management the sum of ten
43 million dollars (\$10,000,000) in nonrecurring funds for the 2020-2021 fiscal year to be allocated
44 to the University of North Carolina at Chapel Hill for the North Carolina Policy Collaboratory
45 (Collaboratory) at the University of North Carolina at Chapel Hill to carry out a statewide testing,
46 tracking, and tracing initiative for the coronavirus disease 2019 (COVID-19) to provide the
47 necessary data for businesses across North Carolina to safely reopen and remain open in a manner
48 that facilitates economic activity while, at the same time, protecting the public health of the
49 employees and customers of businesses in the State.

50 **SECTION 7.** Use of Funds. – The funds shall be used for (i) creating an
51 Internet-based portal for businesses based in North Carolina with an interest in utilizing testing,

tracking, and tracing initiatives to sign up as candidates for participation in the program, (ii) selecting a geographically balanced representation of businesses based on the economic tier of the county in which they operate and the State's economic opportunity zones, (iii) selecting a diverse sampling of businesses based on their sector, including agriculture, manufacturing, restaurants, lodging, retail, and entertainment, (iv) selecting technologies to be deployed in businesses to carry out an effective testing, tracking, and tracing program, (v) collecting, synthesizing, analyzing, visualizing, and reporting data to show the efficacy of public health best practices in conjunction with businesses remaining open, and (vi) any other research or activity related to monitoring, assessing, or addressing the public health and economic impacts of COVID-19.

SECTION 8. Reporting Requirements. – The Collaboratory shall report on the progress of the use of the appropriated funds received pursuant to this act to the Joint Legislative Oversight Committee on Health and Human Services by no later than September 1, 2020.

SECTION 9. Exemptions. – The provisions of Article 3 of Chapter 143 of the General Statutes, G.S. 143-129, and G.S. 116-31.10 shall not apply to the purchase of apparatus, supplies, material, or equipment with any of the funds appropriated under this act.

SECTION 10. Limitations. – Of the funds appropriated from the Coronavirus Relief Fund by this act, funds shall only be used for necessary eligible expenditures incurred during the period that begins on March 1, 2020, and ends on December 30, 2020. The funds appropriated by this act shall not revert at the end of the 2019-2020 fiscal year but shall remain available to expend until December 30, 2020. If the Coronavirus Aid, Relief, and Economic Security (CARES) Act, P.L. 116-136, is amended to allow the use of federal funds beyond December 30, 2020, the funds appropriated by this act shall not revert until the later date authorized by that act or until June 30, 2022, whichever occurs first.

SECTION 10.6.(a) Transfer; Appropriation. – The State Controller shall transfer the sum of one hundred million dollars (\$100,000,000) for the 2020-2021 fiscal year from the Reserve established in Section 2.1 of S.L. 2020-4 to the Fund established in Section 2.2 of S.L. 2020-4, and there is appropriated from that Fund to OSBM the sum of one hundred million dollars (\$100,000,000) to be allocated to the Department of Commerce and used as provided in this section.

SECTION 10.6.(b) Purpose. – The purpose of this section is to use funds from the Coronavirus Relief Fund to help businesses in North Carolina that closed during the COVID-19 pandemic by providing grants awarded by the Economic Investment Committee for costs of COVID-19 related preventative measures to protect staff and patrons upon re-opening.

SECTION 10.6.(c) Safe Business Program. – There is created the COVID-19 Safe Business Program to be administered by the Economic Investment Committee. The Committee may provide a one-time grant to each qualifying business. The Committee shall prioritize grants to qualifying businesses that (i) did not participate in the Paycheck Protection Program, the Main Street Lending Program, or the Rapid Recovery Loan Program and have not applied for the Job Retention Grant program created in Section 4.2B of S.L. 2020-4, as enacted by this act and (ii) employed no more than 100 full-time employees, or full-time equivalent employees, for the pay period ending on or about February 28, 2020.

SECTION 10.6.(d) Grant Program Application; Limitations. – A qualifying business must apply to the Economic Investment Committee for a grant on a form prescribed by the Committee and must include any supporting documentation required by the Committee. The application must be filed with the Committee on or before September 1, 2020. The Committee may not accept late applications. The grant amount to a qualifying business may not exceed fifty thousand dollars (\$50,000), and the total of all funds granted under this Program may not exceed one hundred million dollars (\$100,000,000). The Committee's grant determinations based on applications timely filed are final.

SECTION 10.6.(e) Definitions. – The following definitions apply in this section:

- (1) CARES Act. – The federal Coronavirus Aid, Relief, and Economic Security Act, P.L. 116-136.
- (2) COVID-19 period. – The period beginning on March 1, 2020, and ending on August 31, 2020.
- (3) Economic Investment Committee. – Defined in G.S. 143B-437.51.
- (4) Full-time employee. – Defined in G.S. 143B-437.51.
- (5) Main Street Lending Program. – Defined in section 4027 of the CARES Act.
- (6) Paycheck Protection Program. – Defined in sections 1102 and 1106 of the CARES Act.
- (7) Qualifying business. – An entity subject to income tax under Article 4 of Chapter 105 of the General Statutes that ceased business operations as a result of the COVID-19 pandemic during the COVID-19 period.
- (8) Rapid Recovery Loan Program. – Loans provided under Section 4.2 of S.L. 2020-4.

SECTION 11. Section 4 of this act becomes effective July 1, 2020. The remainder of this act is effective when it becomes law.

f) S. 853: UNC Study/Accelerated Degree Completion (included in H 1096)

This bill would direct the Board of Governors to study the feasibility of offering accelerated undergraduate degree programs at constituent institutions that are effective and efficient for students. Such programs would be consistent with the access and affordability goals of the Strategic Plan for The University of North Carolina, adopted by the Board of Governors. In conducting the study, the Board of Governors shall consider at least the following factors:

- (1) The use of online education for certain courses to shorten time to degree completion, particularly for general education requirements
- (2) The feasibility of increasing summer term options or flexible calendar scheduling to accelerate degree completion
- (3) The potential for piloting specific accelerated degree program models, such as three-year degree programs, combined bachelor's and master's degree programs, and competency-based programs. In reviewing potential pilot programs, the Board of Governors shall determine (i) whether a pilot program would be required or optional for constituent institutions, (ii) the type of flexibility that would be allowed during a pilot program, and (iii) whether incentive funding through the funding formula should be tied to constituent institutions relative to such a program
- (4) Any obstacles or needed changes to State financial aid programs or the university funding model to incentivize accelerated paths to a degree
- (5) The potential cost savings to students who enroll in accelerated degree programs, including any reduction to tuition and fees
- (6) Any possible shifts in curriculum design to focus on specialized skills earlier in the degree program.
- (7) Issues related to student support to facilitate successful completion of requirements, selection of majors early in programs, and the management of increased student coursework loads in accelerated degree programs
- (8) The importance of credit transfers from college level high school courses, community college courses, or courses from other institutions to maximize accelerated degree program efficiency
- (9) The level of student interest and demand for accelerated degree programs

By March 1, 2021, the Board of Governors shall report on the results of the study and any recommendations to the Joint Legislative Education Oversight Committee.

This bill does appropriate \$50,000 in nonrecurring funds for the 2020-2021 fiscal year for the purpose of conducting the study.

This bill was introduced on May 26, 2020 by Senators Rob Bryan, Ballard, and Johnson. It was referred to Senate Rules where it awaits further action.

This bill text was included in H. 1096, now Session Law 2020- 56, section 8A.(a).

Bill text: <https://www.ncleg.gov/Sessions/2019/Bills/Senate/PDF/S853v1.pdf>

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

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SENATE BILL 853

Short Title: UNC Study/Accelerated Degree Completion. (Public)

Sponsors: Senators Bryan, Ballard, and Johnson (Primary Sponsors).

Referred to: Rules and Operations of the Senate

May 27, 2020

A BILL TO BE ENTITLED
AN ACT TO DIRECT THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH
CAROLINA TO STUDY THE FEASIBILITY OF OFFERING ACCELERATED
UNDERGRADUATE DEGREE PROGRAMS AT CONSTITUENT INSTITUTIONS AND
TO APPROPRIATE FUNDS FOR THE STUDY.

The General Assembly of North Carolina enacts:

SECTION 1. The Board of Governors of The University of North Carolina shall study the feasibility of offering accelerated undergraduate degree programs at constituent institutions that are effective and efficient for students while remaining consistent with the access and affordability goals of the Strategic Plan for The University of North Carolina adopted by the Board of Governors. In conducting the study, the Board of Governors shall consider at least the following factors:

- (1) The use of online education for certain courses to shorten time to degree completion, particularly for general education requirements.
- (2) The feasibility of increasing summer term options or flexible calendar scheduling to accelerate degree completion.
- (3) The potential for piloting specific accelerated degree program models, such as three-year degree programs, combined bachelor's and master's degree programs, and competency-based programs. In reviewing potential pilot programs, the Board of Governors shall determine (i) whether a pilot program would be required or optional for constituent institutions, (ii) the type of flexibility that would be allowed during a pilot program, and (iii) whether incentive funding through the funding formula should be tied to constituent institutions relative to such a program.
- (4) Any obstacles or needed changes to State financial aid programs or the university funding model to incentivize accelerated paths to a degree.
- (5) The potential cost savings to students who enroll in accelerated degree programs, including any reduction to tuition and fees.
- (6) Any possible shifts in curriculum design to focus on specialized skills earlier in the degree program.
- (7) Issues related to student support to facilitate successful completion of requirements, selection of majors early in programs, and the management of increased student coursework loads in accelerated degree programs.
- (8) The importance of credit transfers from college level high school courses, community college courses, or courses from other institutions to maximize accelerated degree program efficiency.



(9) The level of student interest and demand for accelerated degree programs.

SECTION 2. By March 1, 2021, the Board of Governors shall report on the results of the study and any recommendations to the Joint Legislative Education Oversight Committee.

SECTION 3. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of fifty thousand dollars (\$50,000) in nonrecurring funds for the 2020-2021 fiscal year for the purpose of conducting the study required by Section 1 of this act. The Board of Governors may use these funds to contract with an independent research organization to conduct the study.

SECTION 4. This act becomes effective July 1, 2020.

Section Two 2020 Short Session, May 18 – July 11, 2020

e) Other legislation introduced

- a) H. 1052: PED Report/Student Financial Assistance
- b) H. 1084: Bob Jordan Teaching Fellows Restoration Act
- c) H. 1101: UNCG/NC A&T/Guilford County Funds/UNC
- d) H. 1107: NCSSM Tuition Grant Program
- e) H. 1111: Sunshine Amendment
- f) H. 1118: Study Fixed In-State Tuition Plan for UNC
- g) H. 1119: Food Waste Reduction Act
- h) H. 1120: UNC/CC/Hunger Free Campus Initiative
- i) H. 1125: WSSU/Online Education/Cares Act Funds
- j) H. 1127: UNC Student Lease Hold Harmless
- k) H. 1128: Student-Athlete Compensation/Study
- l) H. 1130: Invest In A Sound Basic Education
- m) H. 1181: Certain Appropriations for Education/COVID
- n) H. 1182: Funds for Educational Entities/COVID
- o) H. 1190: UNC-TV/At-Home Learning Initiative
- p) H. 1191: ECU Brody School of Medicine Funds
- q) H. 1198: Prohibit Confucius Institute/Higher Ed
- r) H. 1212: NC Teacher Support Programs Funds
- s) H. 1217: HBCU/HMSI Funds/Doctorial Program/Teaching Fellows
- t) H. 1218: Salary-Related Contributions/Debt Service Funds
- u) H. 1219: Collaboratory Funds/COVID-19 Economic Impacts
- v) H. 1221: Funds for NCCU Programs
- w) H. 1222: Various State Capital Appropriations
- x) S. 721: NC. A&T State University/AG/Doctorial Funds
- y) S. 722: Umstead Exempt Dairy/N.C. A&T State University
- z) S. 759: Student-Athlete Compensation/Study
- aa) S. 776: COVID-19 Small Farmer Relief
- bb) S. 778: UNC/CC/Hunger Free Campus Initiative
- cc) S. 780: Study on Fixed In-State Tuition Plan for UNC
- dd) S. 783: Funds for NCSSM-Morganton Campus
- ee) S. 789: HBCU/HMSI Funds/Doctorial Program/Teaching Fellows
- ff) S. 790: HBCU/HMSI Funds/Doctorial Program/Teaching Fellows
- gg) S. 815: Funds for NCSSM-Morganton Campus/FY 2020-2021
- hh) S. 835: UNC Pay/Five Percent Increase
- ii) S. 841: UNCG/Jackson Library Funds

a) H. 1052: PED Report/Student Financial Assistance

H. 1052 would detail increased reporting requirements for the State Education Assistance Authority (SEAA) regarding multiple need-based and service-repayment loan programs. The bill would also require the SEAA to develop a strategic plan with performance goals and assessment measures, and it would appropriate funds to assist with administrative costs

Bill text: <https://www.ncleg.gov/Sessions/2019/Bills/House/PDF/H1052v2.pdf>

b) H. 1084: Bob Jordan Teaching Fellows Restoration Act

H. 1084 would enact the Bob Jordan Teaching Fellows Restoration Program Act and appropriate funds to implement the act.

Bill text: <https://www.ncleg.gov/Sessions/2019/Bills/House/PDF/H1084v1.pdf>

c) H. 1101: UNCG/NC A&T/Guilford County Funds/UNC

H. 1101 would make various changes to related to the UNC System and appropriate funds related to N.C. A&T, UNC G and Guilford County. This bill was introduced by the Guilford County Delegation.

Bill text: <https://www.ncleg.gov/Sessions/2019/Bills/House/PDF/H1101v1.pdf>

d) H. 1107: NCSSM Tuition Grant Program

H. 1107 would establish tuition grants for graduates of NCSSM.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/House/PDF/H1107V1.pdf>

e) H. 1111: Sunshine Amendment

H. 1111 would provide for government in the Sunshine by amending the NC Constitution. Sec. 7, addresses access to public records and meetings.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/House/PDF/H1111V1.pdf>

f) H. 1118: Study Fixed In-State Tuition Plan for UNC

H. 1118 would study the impact of establishing a reduced fixed four-year tuition plan for UNC System Institutions. It would appropriate \$100,000 to The Friday Institute for the study.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/House/PDF/H1118V1.pdf>

g) H. 1119: Food Waste Reduction Act

H. 1119 would enact the food recovery and recycling act.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/House/PDF/H1119V1.pdf>

h) H. 1120: UNC/CC/Hunger Free Campus Initiative

H. 1120 would appropriate \$1,600,000 in recurring funds for the 2020-2021 fiscal year to be allocated to each constituent institution in the amount of \$100,000 each fiscal year to implement the Hunger Free Campus Initiative.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/House/PDF/H1120V1.pdf>

i) H. 1125: WSSU/Online Education/Cares Act Funds

H. 1125 would appropriate funds from the Coronavirus Relief Fund to WSSU to support infrastructure for moving courses online in response to the impact of COVID-19.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/House/PDF/H1125V1.pdf>

j) H. 1127: UNC Student Lease Hold Harmless

H. 1127 would appropriate \$50,000,000 in nonrecurring funds to the UNC System for the purpose of providing emergency scholarship grants to eligible postsecondary students.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/House/PDF/H1127V1.pdf>

k) H. 1128: Student-Athlete Compensation/Study

H. 1128 would permit student-athletes to receive compensation for the use of their name, image, and likeness in relation to an athletic program. It would also establish the study committee on student-athlete compensation and fund consultant services for the committee.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/House/PDF/H1128V1.pdf>

l) H. 1130: Invest In A Sound Basic Education

H. 1130 would address issued in the Educator Preparation Program on racial bias and the NC Teaching Fellows program.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/House/PDF/H1130V1.pdf>

m) H. 1181: Certain Appropriations for Education/COVID

H. 1181 would appropriate funds to education entities in response to the COVID-19 crisis.

(5) \$15,000,000 to be allocated to constituent institutions to cover necessary eligible expenses for resources and supports for students impacted by COVID-19.

(6) \$60,000,000 to be allocated to constituent institutions to provide institutional support for necessary eligible expenses related to COVID-19 impacts.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/House/PDF/H1181V1.pdf>

n) H. 1182: Funds for Educational Entities/COVID

H. 1182 would appropriate funds to the BOG to provide services and cover costs necessary to assist constituent institutions and students affected by COVID-19.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/House/PDF/H1182V1.pdf>

o) H. 1190: UNC-TV/At-Home Learning Initiative

H. 1190 would appropriate \$1,932,758 in nonrecurring funds for the 2019-2020 fiscal year to be allocated to the University of North Carolina Center for Public Media for the At-Home Learning Initiative.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/House/PDF/H1190V1.pdf>

p) H. 1191: ECU Brody School of Medicine Funds

H. 1191 would appropriate funds for the planning and construction of a new Brody School of Medicine at ECU.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/House/PDF/H1191V1.pdf>

q) H. 1198: Prohibit Confucius Institute/Higher Ed

This bill would direct the Board of Governors to adopt a policy prohibiting any constituent institution from hosting a Confucius Institute.

It would also appropriate \$150,000 in nonrecurring funds for the 2020-2021 fiscal year to be allocated to any constituent institution that is transitioning from hosting a Confucius Institute to developing an alternative curriculum program for Chinese language instruction in compliance with this act.

H. 1198 was filed on 5/26/2020 by Rep. Jason Saine and awaits further action in House Appropriations Committee.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/House/PDF/H1198V1.pdf>

r) H. 1212: NC Teacher Support Programs Funds

H. 1212 would appropriate \$4,000,000 in nonrecurring funds for the 2020-2021 fiscal year for the North Carolina New Teacher Support Program (NC NTSP) to enable approximately 1,700 2020 graduates of the traditional pathway NC educator preparation programs (EPP) who will begin their teaching career in North Carolina public schools in 2020 to participate in NC NTSP without cost to local school administrative units.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/House/PDF/H1212V1.pdf>

s) H. 1217: HBCU/HMSI Funds/Doctorial Program/Teaching Fellows

H. 1217 would allocate additional funding to HBCU's to address underfunding; allocate additional funding to N.C. A&T and NCCU to support their doctoral programs; and add certain institutions to the Teaching Fellows Program.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/House/PDF/H1217V1.pdf>

t) H. 1218: Salary-Related Contributions/Debt Service Funds

H. 1218 would make adjustments to the state employer salary-related contributions.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/House/PDF/H1218V5.pdf>

u) H. 1219: Collaboratory Funds/COVID-19 Economic Impacts

H. 1219 would appropriate \$10,000,000 in nonrecurring funds for the 2019-2020 fiscal year to be allocated to the University of North Carolina at Chapel Hill for the North Carolina Policy Collaboratory (Collaboratory) to carry out a statewide testing, tracking, and tracing initiative. This effort would provide the necessary data for businesses across North Carolina to safely reopen and remain open in a manner that facilitates economic activity while, at the same time, protects the public health of the employees and customers of businesses in the State.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/House/PDF/H1219V1.pdf>

v) H. 1221: Funds for NCCU Programs

H. 1221 would appropriate \$1,100,000 in nonrecurring funds for the 2019-2020 fiscal year to be allocated to NCCU to respond to the impacts of COVID-19 on its students.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/House/PDF/H1221V1.pdf>

w) H. 1222: Various State Capital Appropriations

H. 1222 would fund and give project codes to various capital improvements. It allocates the following in NR funds for the 2020-2021 FY:

WCU - Steam Plant Project - 2020-2021 FY \$16,500,000

ECU - Brody School of Medicine - Total Project Authorization \$215,000,000, 2020-2021 FY \$15,000,000

NC State - S.T.E.M. Building - Total Project Authorization \$80,000,000, 2020-2021 FY \$14,000,000

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/House/PDF/H1222V1.pdf>

x) S. 721: N.C. A&T State University/AG/Doctorial Funds

S. 721 would appropriate \$2,500,000 in additional recurring funds for the 2020-2021 fiscal year to be allocated to N.C. A&T to support its agricultural research and cooperative extension activities by matching federal funds awarded to NC A&T State University as a land-grant university. It would also appropriate \$7,500,000 in additional recurring funds for the 2020-2021 fiscal year to be allocated to support its doctoral programs.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/Senate/PDF/S721V1.pdf>

y) S. 722: Umstead Exempt Dairy/N.C. A&T State University

S. 722 would permit N.C. A&T to sell dairy products at university-owned facilities.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/Senate/PDF/S722V1.pdf>

z) S. 759: Student-Athlete Compensation/Study

S. 759 would permit student-athletes to receive compensation for the use of their name, image, and likeness in relation to an athletic program. It would also establish the study committee on student-athlete compensation and fund consultant services for the committee.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/Senate/PDF/S759V1.pdf>

aa) S. 776: COVID-19 Small Farmer Relief

S. 776 would appropriate \$2,000,000 to NC State for the Food Processing Innovation Center (Center) housed at the North Carolina Research Campus. It would also appropriate \$5,000,000 to N.C. A&T for the College of Agriculture and Environmental Sciences Extension and Farm Pavilion, part of the College's Community and Urban Food complex.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/Senate/PDF/S776V1.pdf>

bb) S. 778: UNC/CC/Hunger Free Campus Initiative

S. 778 would appropriate \$1,600,000 in recurring funds for the 2020-2021 fiscal year to be allocated to each constituent institution in the amount of \$100,000 each fiscal year to implement the Hunger Free Campus Initiative.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/Senate/PDF/S778V1.pdf>

cc) S. 780: Study on Fixed In-State Tuition Plan for UNC

S. 780 would study the impact of establishing a reduced fixed four-year tuition plan for UNC System Institutions. It would appropriate \$100,000 to The Friday Institute for the study.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/Senate/PDF/S780V1.pdf>

dd) S. 783: Funds for NCSSM-Morganton Campus

S. 783 would appropriate funds to establish and operate the Morganton Campus of NCSSM.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/Senate/PDF/S783V1.pdf>

ee) S. 789: HBCU/HMSI Funds/Doctorial Program/Teaching Fellows

S. 789 would allocate additional funding to HBCU's to address underfunding, allocate additional funding to N.C. A&T and NCCU to support their doctoral programs, and add certain institutions to the Teaching Fellows Program.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/Senate/PDF/S789V1.pdf>

ff) S. 790: HBCU/HMSI Funds/Doctorial Program/Teaching Fellows

S. 790 would allocate additional funding to HBCU's to address underfunding, allocate additional funding to N.C. A&T and NCCU to support their doctoral programs, and add certain institutions to the Teaching Fellows Program.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/Senate/PDF/S790V1.pdf>

gg) S. 815: Funds for NCSSM-Morganton Campus/FY 2020-2021

S. 815 would appropriate funds for the Morganton Campus of NCSSM.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/Senate/PDF/S815V1.pdf>

hh) S. 835: UNC Pay/Five Percent Increase

S. 835 would appropriate funds for the 2020-2021 FY to award a five percent legislatively mandated salary increase to employees of the UNC System.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/Senate/PDF/S835V1.pdf>

ii) S. 841: UNCG/Jackson Library Funds

S. 841 would appropriate \$10,000,000 for the 2020-2021 FY to be allocated for the renovation and expansion of Jackson Library at UNC G. The total amount authorized for the project is \$84,000,000.

Bill text: <https://www.ncleg.net/Sessions/2019/Bills/Senate/PDF/S841V1.pdf>

Section Three Special Session, September 2-3, 2020

- a) Coronavirus Relief Fund Availability per Fiscal Research Division
- b) UNC System COVID 19 ask
 - UNC System Supplemental Coronavirus Relief Fund Request
 - University of North Carolina - Supplemental COVID Cost Estimates
 - UNC System Supplemental Coronavirus Relief Fund Request – Additional Detail
- c) H. 1105: Coronavirus Relief Act 3.0, Session Law 2020-97
- d) S. 872: Additional 2020 Appointments, Session 2020-95
- e) Senate Joint Resolution 873: Amend Adjournment Resolution, Resolution 2020-7

Coronavirus Relief Fund (CRF) Update		
1	Total Allocation	\$4,066,866,178
2	Direct Local Government	\$481,475,001
3		
4	State Allocation	\$3,585,391,176
5		
6	S.L. 2020-4 (HB 1043) State Appropriations/Reserves	
7	Total for State & Local Entities	\$1,105,988,029
8	DOT for General Maintenance ¹	\$300,000,000
9	Buffer Revenue Losses for Fee-Supported State Operations ¹	\$20,000,000
10	S.L. 2020-4 Total	\$1,425,988,029
11		
12	S.L. 2020-80 (HB 1023) CRF/Additions & Revisions	
13	Local Government Reserve ²	\$150,000,000
14	Additional Items	\$100,000,000
15	FEMA Match	\$120,000,000
16	S.L. 2020-80 Total	\$370,000,000
17		
18	Additional Appropriations	
19	Fund VIPER Tower Hardware Upgrades (S.L. 2020-14)	\$19,800,530
20	Funds to DPI for ADM Growth (S.L. 2020-27)	\$22,000,000
21	State Operations/Increase Federal Funds Use (S.L. 2020-32)	\$300,000,000
22	Unemployment Insurance Program Integrity (S.L. 2020-53)	\$2,000,000
23	CC Funds/CIHS Funds/CR Funds and Offsets (S.L. 2020-64)	\$686,900,000
24	Water/Wastewater Public Enterprise Reform (S.L. 2020-79)	\$4,800,000
25	Capital Appropriations/R&R/DIT/Cybersecurity (S.L. 2020-81) ¹	\$31,500,000
26	Medicaid Funding Act (S.L. 2020-88)	\$170,000,000
27	Total Additional Appropriations	\$1,237,000,530
28		
29	Total CRF Appropriations	\$3,032,988,559
30		
31	CRF Funds Remaining³	\$552,402,617
32		
33	Contingent CRF Funds	\$351,500,000
34		
35	Total CRF Funds, including Contingent Funds	\$903,902,617

¹Funding of \$351.5 million cannot be spent until the Federal Government amends the CARES Act to allow revenue replacement as a permissible use of funds.

²The Local Government Reserve was included in S.L. 2020-4, but not appropriated, S.L. 2020-80 appropriates the funds.

³S.L. 2020-80, Section 3.2, requires any remaining funds to be deposited into the General Fund as nontax revenue in FY 2020-21 if federal law or guidance is amended to allow the funds to be used for revenue replacement.



UNC System Supplemental Coronavirus Relief Fund Request

Total Funds Requested

\$100,000,000

Even with the significant emergency funding that has been provided through the CARES Act, including and the Coronavirus Relief Fund (CRF), there are still significant unfunded expenses related to COVID-19. **The UNC System needs flexible funding to support its response to this evolving crisis:**

Implementing Public Health Protocols

The UNC System will use requested funding to help pay for COVID-19 testing conducted in compliance with CDC and state protocols for students, faculty, and staff identified as a result of contact tracing. Funds would also support other costs of implementing public health protocols, such as supplemental contact tracing staff, additional quarantine/isolation space, etc.

Additional Costs Associated with Reopening

Expenses related to reopening for fall on-campus instruction continue to grow. Additional funding is needed to support modifications of classrooms and other buildings to comply with social distancing recommendations, install physical barriers and additional signage, and ensure proper ventilation. In addition, the maintenance and repair of faulty or obsolete HVAC, plumbing, electrical and other infrastructure is required to improve the health and safety conditions of critical building systems during the pandemic.

Ongoing Costs of Additional Cleaning and Operating Safe Facilities

The CDC provides guidance related to cleaning, disinfecting, and operating buildings and services as a part of a reopening plan. All buildings must have enhanced cleaning standards and provide additional cleaning and disinfecting supplies. Transportation services require frequent cleaning and disinfection. Food services must convert to grab-and-go options and provide disposable food service items only. The UNC System requests supplemental funding to cover these additional operating costs directly related to preventing the spread of COVID-19. The UNC System also needs to provide community protective equipment (CPE) to the students, faculty, and staff that are on campus.

Continued Student Supports and Financial Assistance

As many of our students have elected online learning throughout the fall, it is important that we continue to make remote student supports available. In addition to support services for students such as virtual tutoring and advising, students must have the necessary technology to continue their studies. Given the volatility of the current environment, students also have greater need for financial assistance to cover unexpected expenses.

University of North Carolina - Supplemental COVID Cost Estimates

COVID Supplemental Budget Requests		Annual	Through Dec. 30
Testing, Contact Tracing, Quarantining	\$	43,727,000	\$ 21,863,500
Testing			
# of Tests	211,000		
Cost per test	\$125		
Total Cost	\$	26,375,000	\$ 13,187,500
Contact Tracing			
# of students	240,000		
Students per tracer	3,333		
# of tracers	72		
Avg. Salary	\$60,000		
Benefits	35%		
Total Cost	\$	5,832,000	\$ 2,916,000
Quarantining			
	Increase capacity to the equivalent of 5% of beds.		
Add'l beds	1,600		
Cost/per night	\$60		
Days	120		
Total Cost	\$	11,520,000	\$ 5,760,000
PPE/Sanitation	\$	42,580,905	\$ 21,290,453
Housekeeping Supplies			
	Assumes supply needs increase by 50%		
Cost per square foot	\$ 0.18	Cost based on building reserve model	
Additional	50%		
Additional Cost	\$ 0.09		
Square Feet	89,000,000		
Total Cost	\$	7,921,000	\$ 3,960,500
Housekeeping Staff			
	Assumes housekeeping staffing needs to increase by 15%		
Square Feet	89,000,000		
Sq Ft. per 1 Staff	18,000	Ratio based on building reserve model	
Percentage Increase	15%		
Additional staff	742		
Avg. Salary	31,200		
Benefits	35%		
Cost	\$	31,253,040	\$ 15,626,520
Staff:Supervisor	12		
Add'l Supervisors	62		
Avg. Salary	40,813		
Benefits	35%		
Cost	\$	3,406,865	\$ 1,703,433
Student Supports	\$	13,692,095	\$ 6,846,047
TOTAL	\$	100,000,000	\$ 50,000,000

UNC System Supplemental Coronavirus Relief Fund Request – Additional Detail

Implementing Public Health Protocols: \$26.4 m (annual); \$13.2 m (through Dec. 30)

Campuses are implementing various public health protocols to quickly identify and isolate individuals exposed to COVID-19. Our student health operational costs have increased quickly, particularly as campuses experience spikes in infection. Additional CRF funds would be used to help cover these costs, including:

- **COVID Testing.** Originally campuses estimated the need for approximately 50,000 tests per semester – however, they have already administered over 10,000 tests since August 14th. The testing that has occurred to date has primarily focused on symptomatic individuals and their close contacts. We are reviewing the need for expanding surveillance testing to proactively protect students, faculty, and staff.
- **Contact tracing.** It was expected that symptomatic individuals would typically interact with 6-8 close contacts. However, campuses have reported that students often have 12-16 close contacts. This significantly increases the contact tracing workload. Contact tracing is being provided through various mechanisms, including hiring contact tracing staff, retraining existing staff that would otherwise be furloughed, and third-party vendors.
- **Quarantine/isolation space.** Campuses have reserved on-campus beds to provide isolation and quarantine space for students who are symptomatic or have been exposed. However, additional beds are needed to ensure adequate capacity, including off-campus surge capacity. Almost 600 isolation/quarantine beds are currently in use and additional 5000 off-campus students have been directed to self-isolate/self-quarantine.
- **Expanded Student Health operational hours.** Campuses have been directed to expand student health hours of operation, including weekends. Previously, many campus student health operations were closed on the weekend and will have to add staffing.

Maintaining Clean and Safe Facilities: \$42.6 m (annual); \$21.3 m (through Dec. 30)

To prevent spread of the virus and protect faculty, staff, and students, campuses have implemented enhanced cleaning protocols, resulting in increased cleaning and PPE costs. COVID-related expenses for custodial services, sanitation, PPE, and supplies in the three months between March and June exceeded \$15 million. We expect even higher costs for the academic year, given the increased occupancy of our buildings. Campuses are often contracting with third-party vendors to clean isolation, quarantine, and other COVID-infected spaces. For spaces that cannot be temporarily closed, emergency disinfection services are extremely costly. Campuses have experienced costs ranging from \$200-400 for the initial hour and \$50-100 per additional hour.

In preparation for the fall term, campuses have incurred costs associated with modifying classrooms and other buildings to comply with social distancing recommendations, install physical barriers and additional signage, and ensure proper ventilation.

Continued Student Supports & Financial Assistance: \$13.7 m (annual); \$6.8 (through Dec. 30)

As many of our students have elected online learning throughout the fall, it is important that we continue to make remote student supports available. Funds would be allocated campuses to support contracts for virtual tutoring and advising costs. Also, many online courses require virtual proctoring. These costs run \$20-25 per course for machine-based (AI) proctoring and \$50-100 per course for “live” virtual proctoring. Campuses would also like to have the flexibility to provide assistance to students who do not have the necessary technology to be successful in hybrid/online coursework or who face unexpected expenses that threaten their ability to stay enrolled and complete their degree.

c) H. 1105: Coronavirus Relief Act 3.0 (Session Law 2020-97)

This bill provides additional and revised uses for federal coronavirus relief funds, provide funding for disaster recovered, and make other revisions of law.

UNC System highlights from the bill include:

Page 5, #35b. Funds allocated to the BOG for

Testing, Tracing, enforcement, health care services (\$5 million)

Page 9, #84. UNC Charlotte for Bioinformatics Research Center (\$9 million)

- \$4 million for development and analysis of data to address viral spread

- \$5 million for development of COVID-19 wastewater and public transportation monitoring program

Page 10, #85. Funds to purchase PPE to be allocated to institutions (\$13 million)

Page 12, #96. New Teacher Support Program (\$1 million)

Page 12, #97. UNC-Chapel Hill for SRAHEC COVID related expenses (\$500,000)

Page 12, #98. ECU research (\$500,000)

Page 12, #99. FSU (\$5 million)

- \$2 million for equipment to perform research and development

- \$3 million to develop virtual infrastructure

Page 31, Section 1.8. Use of CARES Funds for Capital

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 \$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

Page 39, Section 3.6. Expansion of Authority for the UNC System to designate counsel

This bill passed the Senate on September 2, 2020, and the House on September 3, 2020. The Governor signed this bill on September 4, 2020.

H. 1105 Bill Summary, [found here](#).

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/House/PDF/H1105v7.pdf>

**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.

(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 (NHCFA), 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, NHCFA, 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, NHCFA, 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

- (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.

- (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.

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.

- 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."

- (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

d) S. 872: Additional 2020 Appointments (Session Law 2020-95)

SECTION 1.7. Catherine B. Mitchell of Buncombe County is appointed to the North Carolina School of Science and Mathematics Board of Trustees for a term expiring on June 30, 2021.

This bill passed the Senate on September 2, 2020 and the House on September 3, 2020. The bill was ordered enrolled upon passage by both chambers.

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/Senate/PDF/S872v3.pdf>

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

**SESSION LAW 2020-95
SENATE BILL 872**

AN ACT TO APPOINT PERSONS TO VARIOUS PUBLIC OFFICES UPON THE
RECOMMENDATION OF THE PRESIDENT PRO TEMPORE OF THE SENATE AND
TO MAKE FURTHER MODIFICATIONS TO APPOINTMENTS MADE IN THE 2020
APPOINTMENTS BILL.

The General Assembly of North Carolina enacts:

PART I. PRESIDENT PRO TEMPORE'S RECOMMENDATIONS

SECTION 1.1. Effective January 1, 2021, Brian T. Drew of Wake County is appointed to the 911 Board for a term expiring on December 31, 2024.

SECTION 1.2. Walter D. Giese of Onslow County is appointed to the North Carolina Board for Licensing of Soil Scientists for a term expiring on June 30, 2023.

SECTION 1.3. Brooke L. Child of Davidson County is appointed to the North Carolina Child Care Commission for a term expiring on June 30, 2022.

SECTION 1.4. Lauren T. Pruett of Davidson County is appointed to the North Carolina Interpreter and Transliterator Licensing Board for a term expiring on June 30, 2023.

SECTION 1.5. Effective October 1, 2020, Jonathan H. Freeman of Forsyth County and Peter C. Milner of Wake County are appointed to the North Carolina State Board of Examiners of Fee-Based Practicing Pastoral Counselors for terms expiring on September 30, 2024.

SECTION 1.6. Travis K. Morehead of Stanly County is appointed to the North Carolina Mining Commission for a term expiring on December 31, 2022.

SECTION 1.7. Catherine B. Mitchell of Buncombe County is appointed to the North Carolina School of Science and Mathematics Board of Trustees for a term expiring on June 30, 2021.

PART II. CORRECTIONS

SECTION 2.1. Section 2.24 of S.L. 2020-39 reads as rewritten:

"**SECTION 2.24.** Effective July 1, 2020, the Honorable William Brawley of Mecklenburg County is appointed to the North Carolina Medical Board for a term expiring on ~~June 30, 2023~~October 31, 2023."

SECTION 2.2. Section 2.33 of S.L. 2020-39 reads as rewritten:

"**SECTION 2.33.** Effective July 1, 2020, Thomas R. Lawing, Jr., of Mecklenburg County is appointed to the North Carolina Real Estate Commission for a term expiring on ~~June 30, 2023~~July 31, 2023."

PART III. EFFECTIVE DATE

SECTION 3.1. Unless otherwise provided, appointments shall begin upon the effective date of this act.



SECTION 3.2. 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/ Harry Brown
Presiding Officer of the Senate

s/ Tim Moore
Speaker of the House of Representatives

e) Senate Joint Resolution 873: Amend Adjournment Resolution, Resolution 2020-7

This is the joint resolution amending the resolution adjourning the 2019 regular session of the General Assembly sine die.

This bill passed both the Senate and House on September 2, 2020. It was ordered enrolled.

Final bill text: <https://www.ncleg.gov/Sessions/2019/Bills/Senate/PDF/S873v2.pdf>

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019
RATIFIED BILL

RESOLUTION 2020-7
SENATE JOINT RESOLUTION 873

A JOINT RESOLUTION AMENDING THE RESOLUTION ADJOURNING THE 2019 REGULAR SESSION OF THE GENERAL ASSEMBLY SINE DIE.

Be it resolved by the Senate, the House of Representatives concurring:

SECTION 1. Section 2 of Resolution 2020-5 reads as rewritten:

"SECTION 2. During the regular session that reconvenes on Wednesday, September 2, 2020, only the following matters may be considered:

- (1) Bills that (i) appropriate or allocate or both federal funds received in response to the COVID-19 pandemic or associated ~~matching State funds, funds and~~ (ii) are in accordance with federal law, regulations, and published guidance in effect on that ~~date, and (iii) contain no other matters.~~ date.
- (2) Bills that (i) provide for action on appointments by the General Assembly pursuant to G.S. 120-121 or provide for the selection, election, appointment, or confirmation, including the filling of vacancies, by one or both houses as required by law and (ii) contain no other matters.
- (3) Bills that (i) provide for action on gubernatorial nominations or appointments and (ii) contain no other matters.
- (4) Bills that (i) amend the Site Infrastructure Development Fund created pursuant to G.S. 143B-437.02, (ii) transfer funds to the Site Infrastructure Development Fund, and (iii) contain no other matters."

SECTION 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 2nd day of September, 2020.

s/ Daniel J. Forest
President of the Senate

s/ Tim Moore
Speaker of the House of Representatives



Section Four Governor's Budget

- a) Governor's Recommended Budget Adjustments for FY 2020-21, August 26, 2020
- b) GEER Funding Press Release
 - \$566,000 to the NC School of Science and Mathematics and the UNC School of the Arts, each of which received limited to no federal higher education funding from the CARES Act because of the size of their high school student populations.

Governor Cooper's Recommended Budget Adjustments for FY 2020-21

August 26, 2020 Full request: https://files.nc.gov/ncosbm/documents/files/BudgetBook_web2020.pdf

Please find relevant highlights of UNC System-specific issues or where UNC System investments are a part of a larger bucket, such as bond proposals. The budget is very scaled-down from past budget proposals.

UNC System Highlights:

General Fund Appropriations

- UNC System Bonuses (\$1,500/employee)
- Building Reserves (remaining UNC Connect NC Bond Projects plus two non-UNC projects) (\$14.5m)
- Expansion of Teaching Fellows (\$1m)

CRF Fund

- UNC System testing, PPE, sanitation, quarantining (\$75m)
- UNC-Chapel Hill Rapid Testing for Large Populations (Innovations in Testing/Vaccine R&D) (\$25m)

Bond

- **Health Infrastructure (\$998m)**
 - Vaccine Development & Public Health (\$275m)
 - UNC-Chapel Hill Clinical/Translational Research Center UNC SOM (\$180m)
 - N.C. A&T State University Drug Discovery Lab & Science Research Unit (\$50m)
 - UNC Charlotte Public Health Research Center (\$40m)
 - WSSU Center for Excellence for Elimination of Health Disparities (\$5m)
- **Education/Infrastructure (\$4.3b)**
 - UNC System Facilities (\$500m)
 - K-12 (\$2b)
 - Water/Sewer (\$800m)
 - NCCCS (\$500m)
 - Affordable Housing (\$500m)

Governor Cooper Directs \$95.6 Million to Support Students Impacted by the COVID-19 Pandemic

RALEIGH: Today, Governor Roy Cooper directed \$95.6 million in new funding to help support K-12 and postsecondary students most impacted by the COVID-19 pandemic who can benefit from support during the upcoming school year. The funding is North Carolina’s share of the Governor’s Emergency Education Relief (GEER) Fund, a part of the federal CARES Act. The GEER funds are intended to provide emergency support to school districts, postsecondary institutions, or other education-related entities for addressing the impact of the COVID-19 pandemic.

“Learning during a pandemic is an unprecedented challenge for students and staff, whether in the classroom or remotely. This funding should help protect the physical and mental health at schools, and help bridge the gap for students with unique learning needs,” Governor Cooper said.

The Governor is directing the following investments to support K-12 students across North Carolina:

- \$40 million to the State Board of Education and the Department of Public Instruction (DPI) to hire more school nurses, counselors, social workers, and psychologists in our public schools.
- \$20 million to the State Board of Education and DPI to support the academic needs of at-risk students and students with disabilities through additional in-school supports, such as after-school programming, tutoring, or hiring more teachers or teacher assistants.

The investments in K-12 education will help students continue learning despite the pandemic and also align closely with efforts to help North Carolina meet its [constitutional obligation to provide all students with access to a sound, basic education](#) and resolve the *Leandro* case. In 2017, Governor Cooper helped convene the parties in the long-running *Leandro* case to come to a specific resolution that will benefit all North Carolina students.

In addition to funds for K-12 schools, the Governor is also directing the following investments to support students in postsecondary institutions across North Carolina:

- \$15 million to the NC Community College System to provide tuition assistance to students enrolled in short-term workforce training programs leading to a state or industry-recognized credential in a high-demand field.
- \$6 million to the UNC System for institutions to provide emergency assistance to North Carolina students whose ability to complete their degree has been impacted by the pandemic.
- \$4 million to the State Education Assistance Authority for independent colleges and universities to provide emergency assistance to North Carolina students whose ability to complete their degree has been impacted by the pandemic.
- \$566,000 to the UNC System for the NC School of Science and Mathematics and the UNC School of the Arts, each of which received limited to no federal higher education funding from the CARES Act because of the size of their high school student populations.

“To boost our economic recovery from this pandemic, we need to make sure that students are able to complete their postsecondary degrees or credentials,” Governor Cooper said. “This funding will help current students stay on track towards completing their degrees and will help more North Carolinians get access to the workforce training they need to be job ready.”

The remaining \$10 million will be held in reserve to address additional K-12 and postsecondary needs that may arise later this year or next year. The Governor has until May 2021 to allocate the funds. Recipients have until September 30, 2022 to spend the funds.

North Carolina education leaders joined in supporting the Governor’s allocation of GEER funding.

Eric Davis, Chair, NC State Board of Education: COVID-19 has exposed and increased opportunity gaps for NC students. We appreciate Governor Cooper providing a significant amount of his GEER funding for K-12 students consistent with the State Board of Education's strategic initiatives. Increasing school-based health professionals, providing for the needs of our exceptional children, and expanding access to digital resources are critical in fulfilling our State's constitutional responsibility to educate all of our children. As we anxiously await returning to school, these resources are important initial steps in meeting the needs of every student impacted by COVID-19.

Mark Johnson, Superintendent, NC Department of Public Instruction: We are grateful for this funding from the federal government and appreciate that so much of it will support our public school students.

Bill Carver, Interim President, NC Community College System: North Carolina Community Colleges are uniquely positioned to offer short term workforce preparation to assist in the State's economic recovery. This funding will be used for targeted programs providing cost effective, high quality opportunities for North Carolinians wanting credentials leading to career advancement.

Peter Hans, President, UNC System: Many of North Carolina's families are experiencing hardships right now. Supporting UNC students with additional financial aid at a critical point will allow them to complete their degree and launch their careers.

Hope Williams, President, NC Independent Colleges and Universities: On behalf of the 35,000 North Carolina students attending our 36 independent colleges and universities across the state, I want to thank Governor Cooper for allocating \$4 million in COVID-19 Relief funding to help students attend college this fall. For students whose families are facing unforeseen financial hardships due to the pandemic, this financial aid will keep the dream of a college degree alive.

BACKGROUND

This funding is the latest effort by Governor Cooper to mitigate the effects of the pandemic on our state's students and their families. When Governor Cooper closed K-12 public schools to in-person instruction on March 14, he created the [Governor's Education and Nutrition Working Group](#) to ensure access for frontline workers to safe, affordable child care and out-of-school-time care options; access to nutritious food for children while schools and child care programs were closed; and opportunities for structured learning while schools and child care programs were closed.

In addition, Governor Cooper provided \$50 million in flexible funding to school districts and charter schools in March to address COVID-19-related expenses and help them meet the needs of their students during remote learning.

To ensure that K-12 students are able to return to school safely for the upcoming school year, Governor Cooper, Secretary Cohen, and the state's K-12 education leaders announced in June the [StrongSchoolsNC Public Health Toolkit \(K-12\)](#), a comprehensive set of baseline health practices that public schools should follow to minimize the risk of exposure to COVID-19 for students, staff, and families. The Toolkit provides public health guidance to schools on developing a range of plans for in-person and remote learning, depending on the course of the pandemic.

###

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Section Five Appendices

- a) General Fund Revenue Consensus Forecast — May Revision, May 2020
https://www.ncleg.gov/FiscalResearch/generalfund_outlook/19-20/May%202020%20Revised%20Consensus%20Forecast%20Report.pdf
- b) NCGA 2020 Legislative Session Budget and Fiscal Policy Highlights – August 6, 2020
https://www.ncleg.gov/FiscalResearch/fiscal_briefs/2020_Session_Budget_Fiscal_Brief/2020_Session_Fiscal%20Brief.pdf
- c) NCGA 2019 Legislative Session Budget and Fiscal Policy Highlights – August 6, 2020
https://www.ncleg.gov/FiscalResearch/fiscal_briefs/2019_Session_Budget_Fiscal_Brief/2019_Session_Fiscal_Brief.pdf
- d) Reports and Studies



North Carolina General Fund

Revenue Consensus Forecast: May Revision

FORECAST HIGHLIGHTS

FY 2019-20 Collections

Collections are expected to fall below this year's certified revenue by \$1.64 billion.

FY 2020-21 Revenue

Revenue is expected to fall short of the certified amount for next year by \$2.57 billion.

Economic Outlook

The global coronavirus pandemic has sent the economy into a recession unlike anything seen before. Forecasts predict U.S. GDP to drop by 7% - 10% this quarter, compared to a 4% decline during the Great Recession.

Revenue Outlook

Due to the unprecedented nature of the public health crisis, this forecast was produced with greater uncertainty than usual.

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Fiscal Research Division
North Carolina General Assembly

The Fiscal Research Division and the Office of State Budget and Management (informally, the Consensus Forecasting Group) have reached consensus on a revised FY 2020-21 General Fund revenue forecast. The forecast for FY 2020-21 was revised downward by \$2.57 billion (9.9%) and now projects a \$1.64 billion (6.6%) under-collection for the current fiscal year. The forecast includes an estimated shift of \$1.01 billion out of FY 2019-20 and into FY 2020-21 due to delayed tax payments.

May 2020 Consensus Revenue Forecast (\$ in millions)

	FY 2019-20	FY 2020-21
Revised General Fund Revenue Forecast	\$23,426.7	\$23,466.3
Certified Revenue*	\$25,069.8	\$26,033.0
Shortfall	(\$1,643.1)	(\$2,566.9)

*Includes September 2019 revenue forecast plus session law changes

Forecast Summary: Uncharted Waters

Over the past two months, the response to the global coronavirus pandemic (COVID-19) has dramatically affected the economy. Unlike in prior downturns, the State and national economies entered a recession not because of structural economic problems but due to an external factor. Public health measures undertaken in response to COVID-19 resulted in shuttered businesses and the temporary or permanent loss of hundreds of thousands of jobs.

To put into perspective how dramatic this downturn in the economy has been, forecasts predict a drop of 7%-10% in U.S. Gross Domestic Product (a measure of economic activity) in this quarter, which compares to a 4% drop-off during the worst of the Great Recession.

Due to the unprecedented nature of the ongoing public health crisis, this forecast was produced with greater uncertainty than usual. The Consensus Forecasting Group looks to national macroeconomic forecasters who provide global, national, and state forecasts. These forecasters must try to judge how quickly the pandemic will recede and when consumers will participate in public events again. Forecasters must also grapple with how long the economy will take to rebuild and the extent to which federal relief programs will mitigate the economic damage.

For example, the recovery in consumer spending is uncertain. It will depend on consumer confidence related to both the trajectory of the pandemic and economic conditions. The pandemic and resulting economic stressors have caused consumers to shift their spending, foregoing non-essential purchases in favor of necessities. Some of this shift likely resulted from travel restrictions and the temporary closures of many businesses. But, in the wake of historic levels of unemployment and extraordinary stock market losses, fear stemming from financial uncertainty and

Economic Forecast Uncertainty

While some economic activity may resume rapidly as travel restrictions and business closures are lifted, it remains uncertain how continuing health and financial risks will affect spending behavior

Limited Collections Data

At the time of this forecast, only one month of data showing the pandemic's impact was available, and this data was incomplete due to a five-day shutdown in tax payment processing due to COVID-19.

Federal Tax Delays

Delaying the Federal tax deadline until July 15th affected State collections because the State waived penalties and interest if State payments were made by July.

Current Year Outlook Uncertain

There has been a drop-off in tax collections that is driven by economic conditions, but the delays and limited data make it difficult to determine the magnitude.

Economic Forecasts Vary

The macroeconomic forecasts we consult are usually very consistent in their predictions, differing by only fractions of a percent. This time is different.

employment insecurity may have changed consumer behavior to some degree. As restrictions are lifted and businesses are allowed to re-open, forecasters expect a rebound in spending on discretionary goods, but some of the change in spending behavior is likely to persist. Ultimately, all of these factors are unknowns.

Added Uncertainty

In addition, two delays limited our ability to assess the State's revenue situation:

- The impact of the pandemic did not begin to materialize until late March, leaving only one month of relevant data available to us (April). Moreover, the April data is incomplete because of a five-day shutdown in the State's tax payment processing due to COVID-19. Complete and reliable revenue collections data through April, including important information on final payments of income tax, is usually a cornerstone of the May forecast.
- In response to federal delays in tax payments, the Governor, the Department of Revenue, and the General Assembly took action to extend many tax payment due dates from April to July, including Individual Income, Corporate Income, and Franchise tax payments.

Due to the high degree of uncertainty, the data limitations, and our need to forecast State revenue now to facilitate the budget process, this forecast contains only a bottom line revenue estimate instead of the usual line-item estimates.

The Pandemic's Impact on Economic Conditions

The Current Fiscal Year

Certainly, there has been a drop-off in tax collections that was driven by economic conditions, but it is difficult to determine the magnitude. In April, North Carolina was \$1.2 billion below the revenue expectations for the month (31.5% yearly drop in revenue), but we do not know how much of the \$1.2 billion below-target was from economic conditions versus delayed payments. Ultimately, the forecast estimated that the shift in tax payments from the current fiscal year into FY 2020-21 totaled \$1.01 billion.

In addition to the revenue shift, all the forecasters we consult agree that the economy took a significant hit in the second quarter of this calendar year, and most predict a major drop-off in economic activity in May through June. However, the forecasts diverge with regard to the pace of the economic recovery beginning in the third quarter of this year (July–September) and continuing into 2021.

FY 2020-21

Typically, the macroeconomic forecasts we rely upon are very similar to one another, often differing by mere fractions of a percent. This time is different. Some forecasters expect consumers to adapt quickly, shifting their demand and preferences to address the risk of infection and beginning to spend again in the near term. Others expect a slow recovery, with only a small initial increase in activity as restrictions are lifted. In revising this forecast, we tried to balance the different scenarios projected for the national economy to produce a cautious forecast based on the information and data available to us now, in mid-May.

Revised Revenue Forecast

We attempt to balance the different forecast scenarios in order to produce a reasonably cautious forecast, given the uncertainty.

Planned August Revision

We plan to revise the forecast in early August once July collections have been tabulated, at which point we hope to have a stronger idea of how the pandemic is impacting the economy.

As a caveat, it is worth noting that none of the forecasts we consulted included a second wave of the pandemic hitting the U.S., which some public health experts believe could happen later in the year. That possibility represents an economic risk that is not contemplated in this consensus forecast.

Future Revenue Forecasts

"While the economic response has been both timely and appropriately large, it may not be the final chapter, given that the path ahead is both highly uncertain and subject to significant downside risks." - Jerome Powell, Federal Reserve Chair, May 2020

After delayed payments are made in July, we expect to have a better sense of how much the current economic conditions are affecting State revenue. We also will have three more months of collection data that, hopefully, will be less noisy than the current single month of data now available to us.

Therefore, we will revise this "bottom line only" forecast in early August, after July collections have been tabulated and we have a stronger idea of how the pandemic is impacting the economy. At that time we will produce a forecast for each line item revenue source.

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NCGA 2020 Legislative Session Budget and Fiscal Policy Highlights

Fiscal Brief

August 6, 2020

Executive Summary

In the 2019 Regular Session, the General Assembly enacted a series of bills that established a Base Budget plus various supplemental appropriations for the 2019-2021 fiscal biennium. When the General Assembly adjourned the Regular Session in January 2020, there was projected to be a \$2.3 billion Unappropriated Balance in the General Fund at the end of the 2019-20 fiscal year (FY). And, without additional enacted revenue or appropriations changes, a \$3.6 billion Unappropriated Balance was estimated at the end of FY 2020-21.

However, the quickly emerging COVID-19 pandemic has imperiled the original forecast of the State's revenue position. In May 2020, the Fiscal Research Division and Office of State Management and Budget (OSBM) released an initial consensus revenue forecast (May Consensus Forecast) that estimated a \$4.2 billion cumulative reduction to FY 2019-2021 budgeted revenues. The May Consensus Forecast further estimated that budgeted State revenues would be insufficient by nearly \$600 million to support the FY 2019-2021 enacted net General Fund appropriations. Given the unprecedented rate of decline in economic activity and budget uncertainty caused by the pandemic and the deferral of some State tax collections from federal and State legislation to shift tax filing deadlines from April to July, the May Consensus Forecast was considered an initial but uncertain estimate due to delayed receipt of final tax collections data. A revised Consensus Forecast is expected in mid-to-late August 2020 when the benefit of actual tax collection data and updated national macroeconomic forecasts are available to Fiscal Research Division and OSBM economists.

To ensure the FY 2020-21 State budget is balanced and that pressing funding priorities are addressed, the General Assembly reconvened on April 28, 2020 and enacted a series of bills appropriating federal and State funds in May and June. Thus far in 2020, 32 session laws have directly impacted State appropriations and/or revenues. A revised Availability Statement for FY 2020-21 reflecting the May Consensus Forecast and the appropriations bills affecting the General Fund can be found in Appendix A.

The General Assembly adjourned the Session on July 11, 2020 to reconvene on September 2, 2020 to consider a limited number of matters including appropriating additional federal COVID-19 funds provided they become available.

The following is a summary of the funding and revenue impacts made in each bill during the 2020 Short Session thus far. A list of the session laws with a link to the full bill text can be found in Appendix B. A summary of the session laws using the federal Coronavirus Relief Fund (federal CRF) created under the CARES Act, P.L. 116-136 can be found in Appendix C.



[S.L. 2020-4](#) (House Bill 1043), *2020 COVID-19 Recovery Act*, appropriates \$1.4 billion in nonrecurring funds to OSBM to be allocated to various State agencies and non-State entities for necessary expenditures incurred due to the public health emergency with respect to COVID-19. The source of funds for these expenditures is the federal CRF. Of the funds appropriated, OSBM is directed to retain the \$300 million allocated to the Department of Transportation (DOT) and \$20 million allocated to State agencies that have been negatively impacted by the loss of receipts until the federal law or guidance is amended to allow for revenue replacement. The session law also reserves \$150 million for local governments experiencing a revenue shortfall and expresses the General Assembly's intent to appropriate these funds for that purpose if the federal law or guidance is amended to allow for revenue replacement. Appendix D lists each of the allocations by purpose and amount.

The session law appropriates an additional \$1.2 billion in federal COVID-19 Recovery Legislation funds¹ to various State agencies to be used in accordance with the federal guidelines and laws. Appendix E lists each of the appropriations by purpose and amount.

The session law also creates a Coronavirus Relief Reserve to deposit the federal CRF funds and a State Coronavirus Relief Fund (CRF) from which federal CRF funds will be appropriated for COVID-19 related expenses and allocated to State agencies and non-State entities.

In addition to creating a mechanism for budgeting federal COVID-19 response funding and appropriating much of those funds, the session law also provides guidance on use of funds, sets out reporting and audit requirements, and directs OSBM to work with State agencies to ensure funds awarded in the session law comply with federal laws and regulations. It directs agencies to maximize the use of federal funds prior to using other State funds and also requires OSBM to create a time-limited Pandemic Recovery Office to oversee and coordinate COVID-19 federal funds.

[S.L. 2020-14](#) (House Bill 1063), *Fund VIPER Tower Hardware Upgrades*, appropriates \$19.8 million in nonrecurring funds to (OSBM) for FY 2020-21 to be allocated to the Department of Public Safety (DPS) to be used for tower hardware upgrades to the Voice Interoperability Plan for Emergency Responders (VIPER) network. The source of funds for this item is the CRF.

[S.L. 2020-15](#) (House Bill 1187), *Raise the Age Funding*, appropriates \$10.4 million in nonrecurring funds to DPS for FY 2020-21 to be used for the following Raise the Age renovations and construction projects:

- \$2.8 million for the Perquimans Youth Detention Center renovations;
- \$5.7 million for the C.A. Dillon Youth Development Center campus renovations in Granville County; and,
- \$2.0 million to support inmate construction projects for completing construction of the Youth Development Center in Rockingham County.

The source of funds for these items is the Statewide Misdemeanant Confinement Fund.

¹ As used in S.L. 2020-4, COVID-19 Recovery Legislation includes the following legislation enacted by Congress: Coronavirus Aid, Relief, and Economic Security (CARES) Act, P.L. 116-136, Families First Coronavirus Response Act, P.L. 116-127, Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020, P.L. 116-123, and Paycheck Protection Program and Health Care Enhancement Act, P.L. 116-139.

[S.L. 2020-17](#) (House Bill 1169), *Bipartisan Elections Act of 2020*, appropriates \$4.5 million in nonrecurring funds to the State Board of Elections for FY 2020-21 to be used for the following purposes:

- \$2.1 million for the required match for the Election Security Grants provided in the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, P.L. 116-136 to prevent, prepare for, and respond to the coronavirus pandemic during the 2020 federal election cycle; and
- \$2.3 million for the required match for the federal Help America Vote Act (HAVA) grant funds.

The source of funds for these items is the Job Development Investment Grant (JDIG) Special Revenue Fund.

[S.L. 2020-24](#) (Senate Bill 801), *Military Presence Stabilization Fund/Funding*, appropriates \$2.0 million in nonrecurring funds to the Department of Military and Veterans Affairs for FY 2020-21 to be used to sustain and maintain the State's military programs and activities by providing grants for local communities or military installations, updates to strategic planning, federal advocacy, and identification of measures to increase the military value of installations. The source of funds for this item is the Film and Entertainment Grant Fund.

[S.L. 2020-26](#) (House Bill 472), *NCSU/NC A&T Matching Funds/Umstead Act*, appropriates a total of \$5.0 million in nonrecurring funds to the Board of Governors of The University of North Carolina (UNC BOG) for FY 2020-21 to be allocated as follows:

- \$2.0 million to North Carolina State University (NCSU) to be used as matching funds for a federal grant from the National Institute of Standards and Technology. NCSU's Biomanufacturing Training and Education Center participates in a collaborative effort to accelerate the development of innovative manufacturing processes for biopharmaceutical products.
- \$3.0 million to NC A&T State University to be used to support its agricultural research and cooperative extension activities by matching federal funds awarded to the University as a land-grant university pursuant to the National Agricultural Research, Extension, and Teaching Policy Act of 1977, as amended, 7 U.S.C. § 3221, et seq.

The source of funds for these items is the School Bus Replacement Fund.

[S.L. 2020-27](#) (House Bill 1071), *Funds to DPI for ADM Growth*, appropriates \$100.9 million in nonrecurring funds to the Department of Public Instruction (DPI) for FY 2020-21 to be used to fund an increase in Average Daily Membership (ADM) for the 2020-2021 fiscal year, as reflected in the revised allotted 2020-2021 fiscal year ADM. The sources of funds for this item are \$75.0 million from the Civil Penalty and Forfeiture Fund (CPFF), \$3.9 million from the cash balance in the School Bus Replacement Fund, and \$22.0 million from the CRF.

[S.L. 2020-28](#) (House Bill 1208), *Funding for Workforce Housing Loan Program*, appropriates \$20.0 million in nonrecurring funds from the General Fund to the Housing Finance Agency for FY 2020-21 to be used for the Workforce Housing Loan Program in accordance with G.S. 122A-5.15. Funds are required to be fully allocated during the 2020 housing credit award cycle.

A total of \$20.0 million will be deposited in the General Fund in FY 2020-21 from the following sources:

- \$10.0 million from the cash balance in the Federal Insurance Contributions Act (FICA) Fund, and



- \$10.0 million of the proceeds of insurance regulatory charge levied during the 2020-2021 fiscal year.

S.L. 2020-31 (House Bill 1136), *Funds for NCSSM-Morganton Campus*, appropriates \$3.3 million in recurring funds from the General Fund to the UNC BOG for FY 2020-21 to be allocated to the North Carolina School of Science and Mathematics (NCSSM) for operating funds, purchase of equipment and supplies, and to establish 46 new positions at the Morganton campus of NCSSM established pursuant to G.S. 116-235.5.

To generate offsetting funds for this item, the State's employer contribution rates budgeted for retirement and related benefits were decreased across all applicable agencies, departments, and institutions in a like amount.

S.L. 2020-32 (Senate Bill 836), *State Operations/Increase Federal Funds Use*, amends S.L. 2020-4, *2020 COVID-19 Recovery Act*, by appropriating an additional \$300.0 million in nonrecurring funds from the CRF to OSBM to be used for necessary expenditures across State government incurred due to the public health emergency with respect to COVID-19.

S.L. 2020-33 (Senate Bill 806), *Capital Appropriation - Western Carolina Univ.*, appropriates \$16.5 million in nonrecurring funds to Western Carolina University (WCU) for FY 2020-21 for the steam plant project at WCU.

The sources of funds for this item are \$11.6 million from the cash balance in the Repairs and Renovations Reserve established pursuant to G.S. 143C-4-3 and \$4.9 million from the cash balance in the FICA Fund.

S.L. 2020-41 (House Bill 1218), *Salary-Related Contris/Debt Service Funds*, appropriates \$50.9 million in recurring General Fund funds as follows:

- \$45.9 million to increase the State retirement rate across all applicable agencies, departments, and institutions, and
- \$5.0 million to meet the State's General Fund debt service obligations.

To generate offsetting funds for these items, the State's employer contribution rates budgeted for the State Health Plan and related benefits were decreased across all applicable agencies, departments, and institutions in a like amount.

S.L. 2020-42 (Senate Bill 811), *Connect NC Park Facilities Operating Reserves*, appropriates \$1.8 million in recurring funds and \$750,000 in nonrecurring funds to the Department of Natural and Cultural Resources (DNCR) for FY 2020-21 to be used to fund up to 19 full-time equivalent positions and recurring and nonrecurring operational needs of the following parks expanded or improved through Connect NC bonds: Chimney Rock, Jordan Lake, New River, Raven Rock, Goose Creek, Gorges, Lake James, Pilot Mountain, and Lumber River.

The sources of funds for the park reserves are \$1.8 million from the Pay Plan Reserve and \$750,000 from the Parks and Recreation Trust Fund.

S.L. 2020-43 (Senate Bill 814), *NC Promise Tuition Plan Funds*, appropriates a total of \$15.0 million in nonrecurring funds to the UNC BOG for FY 2020-21 to be used for the NC Promise Tuition Plan established under G.S. 116-143.11, which sets tuition at \$500 per semester for North Carolina residents and \$2,500 per semester for nonresidents at Elizabeth City State University, the University of North Carolina at Pembroke, and WCU.

The sources of funds for this item are \$10.0 million from the cash balance in the Education Lottery Reserve Fund and \$5.0 million from the cash balance in the School Bus Replacement Fund.

S.L. 2020-44 (Senate Bill 812), *Agricultural Sciences Center Funds*, appropriates \$115,220 in recurring funds and \$10.0 million in nonrecurring funds to the Department of Agriculture and Consumer Service (DACS) for FY 2020-21 to be used for equipment, moving costs, and other nonrecurring expenses associated with the opening of the Department's Agricultural Sciences Center as well as to hire a full-time manager for the Center.

The sources of funds for this item are as follows:

- \$115,220 from the Pay Plan Reserve,
- \$3.8 million from the Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund (Shallow Draft Fund),
- \$1.2 million from the Agricultural Development and Farmland Preservation Trust Fund, and
- \$5.0 million from the Expanded Gas Products Service to Agriculture Fund.

S.L. 2020-45 (Senate Bill 818), *Compensation of Certain School Employees*, appropriates \$47.2 million in recurring funds and \$8.9 million in nonrecurring funds (\$56.2 million total in FY 2020-21) to DPI due to an increase in the average salary of public school positions funded in guaranteed position allotments. The recurring funding source supporting this increase is a reduction to the budgeted increase of employer contributions to the State Health Plan. The nonrecurring funding source is a transfer of available cash balance from the IT Reserve Fund.

The session law also makes several adjustments to the compensation of public school employees that does not require net appropriation adjustments. These changes include:

- Enacting the FY 2020-21 teacher salary schedule that mirrors the FY 2019-20 salary schedule. This action will allow employees paid according to the salary schedule (e.g. teachers, instructional support, assistant principals) to receive experience-based step increases.
- Repurposing funds appropriated for teacher performance-based bonuses into an across-the-board \$350 nonrecurring bonus for teachers and instructional support personnel due to lack of available growth data.
- Recommending the Governor provide a \$600 nonrecurring bonus to teachers, instructional support, and noninstructional support personnel from the Governor's Emergency Education Relief Fund provided by Congress.
- Enacting the FY 2020-21 principal salary schedule that contains the same salary amounts as the FY 2019-20 schedule, but freezing school years in which school growth is measured at the FY 2019-20 ranges due to lack of growth data available from FY 2019-20. The impact of the change is that principals will not have a change in State-funded pay based on updated growth in January 2021.
- Repurposing funds appropriated for principal performance-bonuses by providing principals who received a performance-based bonus in FY 2019-20 the same bonus in FY 2020-21 due to lack of available growth data.

S.L. 2020-53 (House Bill 1229), *Unemployment Insurance Program Integrity*, appropriates \$2.0 million in nonrecurring funds from the CRF to the Department of Commerce for FY 2019-20 to be used to contract with the Government Data Analytics Center (GDAC) to strengthen unemployment insurance program integrity. GDAC is



directed to enhance existing unemployment insurance (UI) fraud detection and compliance and provide both COVID-19 related program fraud detection analytics and pandemic UI assistance documentation analysis.

[S.L. 2020-56](#) (House Bill 1096), *UNC Omnibus Changes/UNC Lab School Funds*, directs the UNC BOG to transfer \$200,000 in nonrecurring funds from those funds provided for the Future Teachers of North Carolina program for FY 2020-21 to be used for administrative and technical assistance related to the UNC Teacher and Principal Preparation Laboratory School Program.

[S.L. 2020-57](#) (Senate Bill 750), *Capital Projects-Elizabeth City State Univ.*, appropriates \$6.0 million in nonrecurring funds from the State Capital and Infrastructure Fund (SCIF) to OSBM for FY 2020-21 to be allocated for the following capital improvement projects at Elizabeth City State University: \$2.0 million for a chiller, and \$4.0 million for an HVAC system. The source of funds for these items is the General Fund.

[S.L. 2020-58](#) (House Bill 1080), *Revenue Laws Recommendations*, directs the State Controller to transfer \$36.0 million in nonrecurring funds from the Medicaid Transformation Reserve to the General Fund for the FY 2020-21 to fully offset the anticipated revenue loss in the General Fund resulting from updating North Carolina's reference to the federal Internal Revenue Code (IRC) from January 1, 2019 to May 1, 2020 and conforming to a lower threshold amount for the medical expense deduction of 7.5% of income instead of 10% for the 2019 and 2020 tax years.

[S.L. 2020-64](#) (Senate Bill 816), *CC Funds/CIHS Funds/CR Funds and Offsets*, appropriates \$686.9 million in nonrecurring funds from the CRF to OSBM to allocate as follows:

- \$41.5 million to the Community Colleges System Office for enrollment growth at North Carolina's community colleges in FY 2020-21, and
- \$645.4 million to be used to offset General Fund appropriations across State government for allowable expenditures of funds from the CRF. The session law also creates a Statewide Reserve for Appropriations that has a negative beginning appropriation balance of \$645.4 million that OSBM is directed to reduce to zero dollars by transferring net General Fund appropriation from the relevant State agency to the Reserve as allowable expenditures of CRF funds are identified.

Lastly, this session law also appropriates \$1.9 million in nonrecurring funds from the General Fund to DPI for allocation to select local school administrative units to be used in FY 2020-21 as supplemental funding for the eight cooperative innovative high schools listed in the session law. To generate funding for this item, an offsetting General Fund reduction in a like amount was taken in the State Public School Fund that was in turn replaced with an increased appropriation from the CPFF.

[S.L. 2020-66](#) (Senate Bill 733), *UNC Capital Projects*, authorizes the acquisition or construction of the following university capital improvement projects from non-General Fund sources including the use of special obligation bonds:

- \$22.0 million for University of North Carolina at Chapel Hill (UNC-CH) Morehead Chemistry Laboratory HVAC Upgrades
- \$1.7 million for UNC-CH's Campus-Wide Life Safety Upgrades – Phase 1
- \$20.0 million for WCU's Lower Campus Residence Halls – Phase 2

S.L. 2020-67 (Senate Bill 817), *Funds for UNC Enrollment Growth/FY 2020-2021*, appropriates \$29.4 million in nonrecurring funds to the UNC BOG for FY 2020-21 to be used to fund enrollment growth at The University of North Carolina. The sources of funds for this item are \$12.7 million from the JDIG Special Revenue Fund and \$16.7 million from the General Fund.

S.L. 2020-76 (Senate Bill 813), *UNC Building Reserve/Certain Project/FY 20-21*, appropriates \$12.6 million in nonrecurring funds to the UNC BOG for FY 2020-21 to be used for the operation and maintenance of the following building projects:

- \$585,615 for NCSU's Utility Infrastructure (Fitts-Woolard and Plant Sciences)
- \$4,802,945 for NCSU's Fitts-Woolard Hall
- \$162,859 for UNC at Asheville's (UNC-A) Carmichael Hall Renovation
- \$232,134 for UNC-A's Owen Hall Renovation
- \$1,715,960 for UNC at Greensboro's (UNC-G) Nursing & Instructional Building
- \$228,158 for UNC-G's South Chiller Plant
- \$325,544 for UNC at Pembroke's West Hall Renovation
- \$2,756,109 for UNC at Wilmington's Allied Health (Veteran's Hall)
- \$420,541 UNC School of the Arts' Old Library Renovation
- \$1,261,713 for Winston-Salem State University's (WSSU) Science and General Office Building
- \$118,289 for WSSU's 1602 Lowery Street Renovation

The sources of funds for these items are \$8.5 million from the E-Commerce Reserve Fund, \$4.0 million from the Revenue: Project Collect Tax special fund, and the \$118,289 from the General Fund.

S.L. 2020-79 (House Bill 1087), *Water/Wastewater Public Enterprise Reform*, appropriates a total of \$77.3 million nonrecurring funds for FY 2020-21 as follows:

- \$9.0 million from the One North Carolina Fund to the Department of Environmental Quality (DEQ) for the Viable Utility Reserve to be used for the purposes set forth in G.S. 159G-32.
- \$4.8 million from the CRF to the UNC BOG to be allocated to the Southern Regional Area Health Education Center (SR AHEC) to be used for residencies in the SR AHEC service areas and for COVID-19 related response activities.
- \$2.0 million from the PFAS Recovery Fund to DEQ for various water quality projects,
- \$30.7 million from the Volkswagen Litigation Environmental Mitigation Fund to fund Phase 1 of the August 28, 2018, Beneficiary Mitigation Plan prepared as set forth in the Trust agreement and submitted by DEQ to the General Assembly pursuant to the Settlement Directives.
- \$30.8 million for water resources development projects in accordance with the schedule set out in this law. The sources of funds for these projects are \$15.8 million from the Shallow Draft Fund and \$15.0 million from the General Fund.

[S.L. 2020-80](#) (House Bill 1023), *Coronavirus Relief Fund/Additions & Revisions*, amends S.L. 2020-4, *2020 COVID-19 Recovery Act*, by appropriating an additional \$370 million in nonrecurring funds from the CRF to OSBM to be allocated to various State agencies and non-state entities for COVID-19 related expenses. Appendix F lists each of the allocations by purpose and amount.

The session law also appropriates \$21.9 million in nonrecurring funds for FY 2020-21 to DPI as follows:

- \$3.9 million to provide school lunches at no cost to students qualifying for reduced-priced meals in schools participating in the National School Lunch Program. The source of funds for this item is the School Bus Replacement Fund.
- \$18.0 million in nonrecurring funds for the School Business System Modernization Plan. The source of the funds for this item is the General Fund as \$18.0 million in CPFF funds is redirected from the School Technology Fund to the State Public School Fund for one year and an offsetting General Fund reduction is taken in a like amount.

DPI is also authorized to withhold up to \$12.0 million from the transportation allotment for transportation expenses related to emergency school nutrition services provided in the summer of 2020.

The session law also directs DHHS to waive the 15% match requirement for nonprofits under the competitive grants process for the 2020-2021 fiscal year.

Lastly, the session law directs OSBM to deposit any remaining funds in the State's Coronavirus Relief Reserve in the General Fund as nontax revenue if federal law or guidance is amended to allow the federal CRF for revenue replacement. It also authorizes OSBM to use the CRF funds appropriated in SB 805 for revenue replacement if federal law or guidance so allows.

[S.L. 2020-81](#) (Senate Bill 212), *Capital Appropriations/R&R/DIT/Cybersecurity*, appropriates a total of \$135.5 million in nonrecurring General Fund funding to the SCIF for FY 2020-21 as follows:

- \$85.3 million for repairs and renovations (R&R) pursuant to G.S. 143C-8-13. Of these R&R funds, \$2.5 million are to be allocated to Fayetteville State University for dormitory demolition and removal; 40% are to be allocated for projects at the constituent institutions of The University of North Carolina (UNC), as determined by the UNC BOG; and 60% are to be allocated for State agency projects, excluding UNC, as determined by OSBM.
- \$17.3 million for various capital projects in the UNC system as follows: (1) \$7.0 million for the University of North Carolina at Chapel Hill's (UNC-CH) Business School, (2) \$2.5 million for UNC-CH's Nursing School Renovation, (3) \$7.0 million for NCSU's Stem Building, and (4) \$750,000 for UNC-A's Woods Residence Hall Occupancy Requirements.
- \$1.5 million as a grant to North Carolina Freedom Park, a nonprofit corporation, to build a public sculpture park to commemorate historic and ongoing struggles for freedom in North Carolina, especially the enduring roles of African-Americans in this struggle for freedom.
- \$31.5 million to supplement the R&R funds and three of the UNC capital projects. Funds are conditional upon the expanding the allowable uses of the federal CRF to include replacing lost revenue due to the COVID-19 emergency.

The session law also amends the following statutes which have an impact on the General Fund:

- G.S. 116-30.3. Reversions: Increases the amount of General Fund appropriation carryforward for each of the UNC constituent institutions from 2.5% to 5.0%.
- G.S. 143C-8-13. Repairs and Renovations: Allows the chancellor of a UNC constituent institution to use operating funds to pay for R&R projects.
- G.S. 143C-8-7. When a State agency may begin a capital improvement project: Allows DACS to use net General Fund appropriations and receipts to build equipment structures that meet the description contained in G.S. 143-138(b4)(1)c. on an as-needed basis, provided that the total project cost does not exceed \$125,000.

Lastly, the session law redirects \$12.3 million in General Fund funding appropriated for transfer to the IT Reserve Fund to the Enterprise Security and Risk Management Office on a nonrecurring basis in FY 2020-21 to be used for the following purposes:

- \$2.5 million for the cybersecurity pilot program described in Section 5 of the law.
- \$3.3 million for Gaston College to use to establish a Carolina Cyber Network.
- \$5.5 million to enhance Statewide cybersecurity.
- \$1.0 million to the Satellite-Based Broadband Grant Fund, established in Section 7 of the law.

S.L. 2020-83 (House Bill 593), *JCPC/Detention/CAA and Other Fees*, appropriates an estimated \$1.4 million in recurring funds generated from an increase in various court fees as follows:

- \$383,000 to the Criminal Justice Education and Training Standards Commission in FY 2020-21, and
- \$1.0 million to Indigent Defense Services in FY 2020-21.

The fee increases are effective December 1, 2020 and the amount of the fees collected is projected to double when annualized.

S.L. 2020-86 (House Bill 425), *Implement Conner's Law*, appropriates \$1.2 million in nonrecurring funds in FY 2020-21 to pay benefits on behalf of public safety employees killed in the line of duty as provided under Conner's Law, S.L. 2019-228. The source of funds for this item is the Statewide Misdemeanant Confinement Fund.

S.L. 2020-88 (Senate Bill 808), *Medicaid Funding Act*, appropriates a total of \$751.4 million in nonrecurring funds in FY 2020-21 to the Department of Health and Human Services for the following purposes:

- \$463.0 million for the Medicaid and NC Health Choice programs rebase.
- \$26.4 million for the 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.
- \$6.2 million for updates and changes to the child welfare case management component of NC FAST, including child welfare program changes in accordance with the federal Family First Prevention Services Act, updates for the Comprehensive Child Welfare Information, funding for the Independent Verification and Validation contract, and risk assessment tool changes under Rylan's Law, S.L. 2017-41.



- \$1.4 million for the implementation of an electronic visit verification (EVV) system that will be used for personal care services and home health services under the Medicaid program.
- \$69.4 million to provide the State share of costs for Medicaid transformation projects needed to meet the bill's July 1, 2021 deadline for implementation of Medicaid managed care, as required by S.L. 2015-245, as amended. S.L. 2020-88 also revises the State's hospital assessment structure to align with federal managed care rules and subjects the capitation rates paid to Medicaid prepaid health plans to the State's existing tax on insurance premiums.
- \$50.0 million for local management entities/managed care organizations (LME/MCOs) to fund behavioral health and crisis services in response to the COVID-19 pandemic.
- \$100.0 million to expand public and private initiatives for COVID-19 testing, contact tracing, and trends tracking.
- \$20.0 million for various early childhood initiatives to assist in mitigating the financial impact due to the COVID-19 pandemic.
- \$15.0 million for the Dorothea Dix campus relocation project.

The sources of funds for these items include:

- \$265.6 million from the General Fund, including \$30 million in carryforward,
- \$179.8 million from the Medicaid Transformation Reserve,
- \$136.0 million from the Medicaid Contingency Reserve, and
- \$170.0 million from the CRF.

[S.L. 2020-90](#) (House Bill 902), *P&C Changes/Glob. Tranp./Prison Pilot*, appropriates \$1.8 million in nonrecurring funds to DPS for FY 2020-21 to be used to develop and administer a Prison Software Management Pilot Program to be implemented at Bertie Correctional Institution (BCI) and Pasquotank Correctional Institution (PCI). The source of funds for this item is the Statewide Misdemeanant Confinement Fund.

[S.L. 2020-91](#) (House Bill 77), *DOT 2020-2021 FY Budget/Governance*, reduces the DOT's FY 2020-21 certified budget for road construction, maintenance, and Department operations from \$4.1 billion to \$3.6 billion due to an anticipated reduction in receipts of \$513.3 million.

The table below summarizes the budget changes to the Highway Fund (HF) and the Highway Trust Fund (HTF) by major program area in FY 2020-21.

Program	2020-21 Certified Budget	Net Adjustments	2020-21 Revised Budget
HF - General Maintenance Reserve	433,216,482	84,165,752	517,382,234
HF - Contract Resurfacing	535,682,480	22,992,419	558,674,899
HF - Mobility Modernization	41,443,078	(41,443,078)	-
HF - Powell Bill	154,875,000	(17,795,301)	137,079,699
HF - State Secondary System	12,000,000	(8,500,000)	3,500,000
HF - Aviation	146,346,918	(8,682,390)	137,664,528
HF - Rail	48,347,269	(12,200,000)	36,147,269
HF - Public Transportation	94,393,444	(76,192,980)	18,200,464
HF - Division of Motor Vehicles	143,396,106	(794,048)	142,602,058
HF - Capital Repairs	7,707,500	(7,707,500)	-
HF - Vacant Positions		(3,542,874)	
Highway Fund Total	\$ 2,403,100,000	\$ (69,700,000)	\$ 2,333,400,000
HTF - Strategic Transportation Initiative	1,465,308,940	(425,900,000)	1,039,408,940
Highway Trust Fund Total	\$ 1,656,800,000	\$(425,900,000)	\$ 1,230,900,000
Total DOT Budget	\$ 4,059,900,000	\$(495,600,000)	\$ 3,564,300,000

The session law also makes the following significant changes which affect DOT's budget:

- Institutes a floor for the motor fuels tax (MFT) rate to ensure the MFT rate does not drop below the current 36.1 cents per gallon, thereby generating an additional \$20 million in revenue in FY 2020-21.
- Modifies the split of the Motor Fuels Tax from 79% HF/21% HTF to 80% HF/20% HTF to increase funding to the maintenance program and decrease funding to the construction program.
- Increases the bond authorization for Build NC from \$300 million to \$700 million.

The session law also creates a Transportation Oversight Manager Position within OSBM to monitor and assist DOT with cash management and provides the Department of State Treasurer an additional position dedicated to reviewing and monitoring the DOT's bond program and assisting DOT in fulfilling its compliance duties.

Lastly, DOT is required to develop and establish a uniform financial management personnel structure for Highway Division offices for the purpose of improved financial management.

[S168](#), *DHHS & Other Revisions*, was vetoed by Governor Cooper on July 6, 2020, and was not brought to the floor for a veto override. The bill appropriated a total of \$26.6 million in additional federal DHHS block grant funding available in FY 2020-21. These funds remain available for appropriation.



General Fund Availability Statement

	FY 2020-21
1 Unappropriated Balance	2,356,664,283
2 Projected Reversions	400,000,000
3 Projected Under Collections	(633,100,000)
4 Tax Filing Deadline Shift (April 2020 to July 2020)	(1,010,000,000)
5 S.L. 2019-251, DOT Cash and Accountability	(100,000,000)
6 S.L. 2019-243, Admin. of Justice Changes	724,418
7 Beginning Unreserved Fund Balance	1,014,288,701
8	
9 Net Revenue	
10 Tax Revenues	21,617,600,000
11 Tax Filing Deadline Shift (April 2020 to July 2020)	1,010,000,000
12 Non-tax Revenues	838,700,000
13 Total, Net Revenue	23,466,300,000
14	
15 Reservations and Adjustments	
16 S.L. 2019-230, Growing GREAT	(15,000,000)
17 Total, Reservations and Adjustments	(15,000,000)
18	
19 Other Adjustments to Availability: 2020 Session	
20 Funding for Workforce Housing Loan Program (S.L. 2020-28)	20,000,000
21 Subtotal, Other Adjustments to Availability	20,000,000
22	
23 Revised Total General Fund Availability	24,485,588,701
24	
25 Less Net General Fund Appropriations- Enacted	
26 Enacted 2020-21 General Fund Budget	(24,733,201,295)
27 Funding for Workforce Housing Loan Program (S.L. 2020-28)	(20,000,000)
28 Capital Projects-Elizabeth City State Univ (S.L. 2020-57)	(6,000,000)
29 Coronavirus Relief Funds/Create Offsets (S.L. 2020-64)	645,400,000
30 Funds for UNC Enrollment Growth/FY 2020-2021 (S.L. 2020-67)	(16,673,653)
31 UNC Building Reserve/Certain Project/FY 20-21 (S.L. 2020-76)	(118,289)
32 Water/Wastewater Public Enterprise Reform (S.L. 2020-79)	(15,000,000)
33 Capital Appropriations/R&R/DIT/Cybersecurity (S.L. 2020-81)	(104,000,000)
34 Medicaid Funding Act (S.L. 2020-88)	(235,554,480)
35 Subtotal Net General Fund Appropriations- Enacted	(24,485,147,717)
36	
37 Unappropriated Balance	440,984

Appendix B

2020 Session Laws/Ratified Bills Impacting Appropriations/Revenues

#	Bill #	Bill Title	Session Law #
1	H1043	2020 COVID-19 Recovery Act	S.L. 2020-4
2	H1063	Fund VIPER Tower Hardware Upgrades	S.L. 2020-14
3	H1187	Raise the Age Funding	S.L. 2020-15
4	H1169	Bipartisan Elections Act of 2020	S.L. 2020-17
5	S801	Military Presence Stabilization Fund/Funding	S.L. 2020-24
6	H472	NCSU/NC A&T Matching Funds/Umstead Act	S.L. 2020-26
7	H1071	Funds to DPI for ADM Growth	S.L. 2020-27
8	H1208	Funding for Workforce Housing Loan Program	S.L. 2020-28
9	H1136	Funds for NCSSM-Morganton Campus	S.L. 2020-31
10	S836	State Operations/Increase Federal Funds Use	S.L. 2020-32
11	S806	Capital Appropriation - Western Carolina Univ	S.L. 2020-33
12	H1218	Salary-Related Contribs/Debt Service Funds	S.L. 2020-41
13	S811	Connect NC Park Facilities Operating Reserves	S.L. 2020-42
14	S814	NC Promise Tuition Plan Funds	S.L. 2020-43
15	S812	Agricultural Sciences Center Funds	S.L. 2020-44
16	S818	Compensation of Certain School Employees	S.L. 2020-45
17	H1229	Unemployment Insurance Program Integrity	S.L. 2020-53
18	H1096	UNC Omnibus Changes/UNC Lab School Funds	S.L. 2020-56
19	S750	Capital Projects-Elizabeth City State Univ.	S.L. 2020-57
20	H1080	Revenue Laws Recommendations	S.L. 2020-58
21	S816	CC Funds/CIHS Funds/CR Funds and Offsets	S.L. 2020-64
22	S733	UNC Capital Projects	S.L. 2020-66
23	S817	Funds for UNC Enrollment Growth/FY 2020-2021	S.L. 2020-67
24	S813	UNC Building Reserve/Certain Project/FY 20-21	S.L. 2020-76
25	H1087	Water/Wastewater Public Enterprise Reform	S.L. 2020-79
26	H1023	Coronavirus Relief Fund/Additions & Revisions	S.L. 2020-80

27	S212	Capital Appropriations/R&R/DIT/Cybersecurity	S.L. 2020-81
28	H593	JCPC/Detention/CAA and Other Fees	S.L. 2020-83
29	H425	Implement Conner's Law	S.L. 2020-86
30	S808	Medicaid Funding Act	S.L. 2020-88
31	H902	P&C Changes/Glob. Tranp./Prison Pilot	S.L. 2020-90
32	H77	DOT 2020-2021 FY Budget/Governance	S.L. 2020-91
33	S168	DHHS & Other Revisions	VETOED

Appendix C

Coronavirus Relief Fund (CRF)

	Total Allocation	\$4,066,866,178
Direct Local Government		\$481,475,001
State Allocation		\$3,585,391,176
S.L. 2020-4 (HB 1043)--State Appropriations/Reserves		
Total for State & Local Entities		\$1,105,988,029
DOT for General Maintenance ¹		\$300,000,000
Buffer Revenue Losses for Fee-Supported State Operations ¹		<u>\$20,000,000</u>
Total State Appropriations/Reserves		\$1,425,988,029
HB 1023 Ratified (Amends S.L. 2020-4)		
Local Government Reserve ²		\$150,000,000
Additional Items		\$100,000,000
FEMA Match		<u>\$120,000,000</u>
HB 1023 Total		\$370,000,000
Additional Appropriations		
Fund VIPER Tower Hardware Upgrades (S.L. 2020-14)		\$19,800,530
Funds to DPI for ADM Growth (S.L. 2020-27)		\$22,000,000
State Operations/Increase Federal Funds Use (S.L. 2020-32)		\$300,000,000
CC Funds/CIHS Funds/CR Funds and Offsets (S.L. 2020-64)		\$686,900,000
Unemployment Insurance Program Integrity (S.L. 2020-53)		\$2,000,000
Medicaid Funding Act (S.L. 2020-88)		\$170,000,000
Water/Wastewater Public Enterprise Reform (S.L. 2020-79)		\$4,800,000
Capital Appropriations/R&R/DIT/Cybersecurity (S.L. 2020-81) ¹		<u>\$31,500,000</u>
Total Additional Appropriations		\$1,237,000,530
Total CRF Appropriations		\$3,032,988,559
CRF Funds Remaining³		\$552,402,617

¹ Funding of \$351.5 million cannot be spent unless the Federal Government amends the CARES Act to allow revenue replacement as a permissible use of funds.

² The Local Government Reserve was included in S.L. 2020-4, but not appropriated. HB 1023 appropriates the fund and expands the purpose to include municipalities.

³ S.L. 2020-80, Section 3.2, requires any remaining funds to be deposited into the General Fund as nontax revenue in FY 2020-21 if federal law or guidance is amended to allow the funds to be used for revenue replacement.



Appendix D
Appropriations and Reservations of Coronavirus Relief Funds in
S.L. 2020-4, 2020 COVID-19 Recovery Act

#	Section	Purpose	
1	3.3.(1)	Enhanced Personal Safety Equipment & Sanitation Supplies	50,000,000
2	3.3.(2)	Local Government Assistance	150,000,000
3	3.3.(3)	State Government Operations	70,000,000
4	3.3.(4)	Transportation Operations	300,000,000
5	3.3.(4a)	Buffer Revenue Losses for Fee-Supported State Operations	20,000,000
6	3.3.(5)	Reimburse NCGA Testing Funds (LSO)	100,000
7	3.3.(6)	School Nutrition	75,000,000
8	3.3.(7)	Bus Connectivity	1,000,000
9	3.3.(8)	Connectivity	11,000,000
10	3.3.(9)	Devices-Students	30,000,000
11	3.3.(10)	Devices-School Personnel	5,000,000
12	3.3.(11)	Cybersecurity Infrastructure	4,500,000
13	3.3.(12)	Student Health	10,000,000
14	3.3.(13)	Summer Learning Programs	70,000,000
15	3.3.(14)	Learning Management Platform Expansion	1,488,000
16	3.3.(15)	Non-Digital Instructional Resources	3,000,000
17	3.3.(16)	Exceptional Children	15,000,000
18	3.3.(17)	Residential Schools	660,029
19	3.3.(18)	Extended Learning and Integrated Student Support Grants	5,000,000
20	3.3.(19)	NCCCS Flexible Funds	25,000,000
21	3.3.(20)	UNC Flexible Funds	44,400,000
22	3.3.(21)	Funds for Private, Postsecondary Institutions	20,000,000
23	3.3.(22)	Duke University Human Vaccine Institute	15,000,000
24	3.3.(23)	NC Collaboratory	29,000,000
25	3.3.(24)	Brody School of Medicine ECU	15,000,000
26	3.3.(25)	Campbell University School of Osteopathic Medicine	6,000,000
27	3.3.(26)	Wake Forest University Health Services	20,000,000
28	3.3.(27)	Enhanced Public Health Capacity	20,000,000



29	3.3.(28)	Food Banks	6,000,000
30	3.3.(29)	LINKS program funds	290,000
31	3.3.(30)	Financial Assistance for Special Assistance Facilities	25,000,000
32	3.3.(31)	Rural & Underserved Communities	50,000,000
33	3.3.(32)	Free & Charitable Clinics	5,000,000
34	3.3.(33)	NC MedAssist	1,500,000
35	3.3.(34)	Association of Community Health Centers	5,000,000
36	3.3.(35)	Testing Tracing and Trends	25,000,000
37	3.3.(36)	Enhanced Behavioral Health	20,000,000
38	3.3.(37)	Food, Safety, Shelter, and Child Care	19,000,000
39	3.3.(38)	Old North State Medical Society	1,800,000
40	3.3.(39)	Rural Hospitals	65,000,000
41	3.3.(40)	Teaching Hospitals Relief Fund	15,000,000
42	3.3.(41)	General Hospital Relief Fund	15,000,000
43	3.3.(42)	Supplemental Payments to Foster Care	2,250,000
44	3.3.(43)	Animal depopulation & disposal	15,000,000
45	3.3.(44)	Visit NC marketing	5,000,000
46	3.3.(45)	Small Business Assistance through Golden LEAF	125,000,000
47	3.3.(46)	The GREAT program	9,000,000
48		Total Appropriations	\$ 1,425,988,029
49	2.3	Local Government Reserve	\$ 150,000,000
50		Total Appropriations and Reservations	\$ 1,575,988,029

Appendix E
Federal COVID-19 Recovery Legislation Appropriations in
S.L. 2020-4, 2020 COVID-19 Recovery Act

#	Purpose	
1	Governor's Emergency Education Relief Fund	95,600,000
2	Elementary and Secondary School Emergency Relief Fund	396,300,000
3	Higher Education Emergency Relief Fund	179,700,000
4	Child Care and Development Block Grant	118,100,000
5	Community Services Block Grant	25,900,000
6	Low Income Home Energy Assistance Program	49,900,000
7	Child Welfare Services	1,600,000
8	Supportive Services	6,200,000
9	Congregate and Home-Delivered Meals	7,400,000
10	Congregate and Home-Delivered Meals	14,800,000
11	Family Caregivers	3,100,000
12	Protection of Vulnerable Older Americans	600,000
13	Centers for Independent Living	2,200,000
14	Ryan White HIV/AIDS	1,100,000
15	CDC Grant	13,800,000
16	Minimum CDC Grant	15,400,000
17	Homeless Assistance/ ESG - State	18,400,000
18	Housing Opportunities for Persons with AIDS	1,200,000
19	Supplemental Nutrition Prog. for Women, Infants, & Children	13,900,000
20	Community Health Center	78,000
21	Small Rural Hospital Improvement Program	2,500,000
22	Hospital Preparedness Program	770,000
23	Emergency Grant to Address SA	2,000,000
24	Unemployment Insurance Base – Administration	22,500,000
25	Unemployment Insurance Supplemental - Administration	22,500,000
26	Dislocated Worker Grants	6,000,000
27	Emergency Food Assistance Program (TEFAP) Commodities	19,700,000
28	TEFAP Administration	8,200,000
29	Manufacturing Extension	1,500,000



30	CDBG - State	28,500,000
31	National Endowment for the Arts	507,000
32	Institute for Museum and Library Sciences	948,000
33	Justice Assistance Grants - State	15,400,000
34	Emergency Performance Management Grant	2,600,000
35	Family Violence Prevention	777,000
36	Urbanized Area Formula Program	38,473,000
37	Formula Grants for Rural Area Program	94,941,000
38	Airport Grants	2,765,000
39	Total Estimated Funding	\$ 1,235,859,000

Appendix F

Additional Coronavirus Relief Fund Appropriations in S.L. 2020-80, *Coronavirus Relief Fund/Additions & Revisions*

#	Section ¹	Purpose	S.L. 2020-80
1	3.3 (2)	Additional Funds for Local Government Assistance	150,000,000
2	3.3 (32)	Additional Funds for Free and Charitable Clinics	2,425,000
3	3.3 (34)	Additional Funds for Association of Community Health Centers	2,425,000
4	3.3 (42)	Additional Funds for Supplemental Payments to Foster Care	1,300,000
5	3.3 (44)	Additional Funds for Visit NC Marketing	10,000,000
6	3.3(47)	Small Meat Processors	10,000,000
7	3.3(48)	NCGA Allowable COVID-19 Costs	2,000,000
8	3.3(49)	GDAC COVID-19 Economic Analytics	750,000
9	3.3(50)	MAHEC	4,800,000
10	3.3(51)	Job Retention Grants	15,000,000
11	3.3(52)	FEMA Match	120,000,000
12	3.3(53)	NC HealthConnex	2,600,000
13	3.3(54)	AOC Grant for Caitlyn's Courage, Inc.	3,500,000
14	3.3(55)	N.C. Schools Go Outside grant program	2,000,000
15	3.3.(56)	State Library's N.C. Kids Digital Library	400,000
16	3.3.(57)	NC Museum of History for virtual history programs	400,000
17	3.3(58)	NC Zoo health and safety enhancements	1,000,000
18	3.3.(59)	High Point International Home Furnishings Market Authority Corp.	725,000
19	3.3.(60)	Commerce: Grants for areas most dependent on travel & tourism	1,500,000
20	3.3.(61)	NC Biotechnology Center: Grants & educational job placement services	500,000
21	3.3.(62)	Plasma Games Pilot Program	2,500,000
22	3.3.(63)	DPI: PPE for public schools	7,000,000
23	3.3.(64)	DPI: Grants to public schools for exceptional children	5,000,000
24	3.3.(65)	UNC Pembroke advanced analytics project	3,000,000
25	3.3.(66)	UNC Pembroke, Department of Nursing	2,000,000
26	3.3.(67)	DHHS: Group Home funding	5,000,000
27	3.3.(68)	Grants to 7 hospitals for patient care costs due to COVID-19	7,000,000



28	3.3.(69)	Grant to a county for eligible hospital with COVID-19 expenses	2,500,000
29	3.3.(70)	Children's Advocacy Centers of NC Inc.	4,300,000
30	3.3.(71)	Crossnore School and Children's Home	375,000
31		Session Law Total	\$ 370,000,000

¹ Amends S.L. 2020-4, *2020 COVID-19 Recovery Act*



NCGA 2019 Legislative Session Budget and Fiscal Policy Highlights

Fiscal Brief

August 6, 2020

Executive Summary

For the 2019 Regular Session, the General Assembly passed a comprehensive Current Operations Appropriations Act ([House Bill 966](#)) for the 2019-2021 fiscal biennium, which the Governor vetoed on June 28, 2019. The House of Representatives overrode the veto on September 11, 2019, but the Senate did not override the veto during the 2019 Regular Session. Consequently, H966 was not enacted.

In addition to H966, the General Assembly passed separate, subject-related budget and finance bills. Some of these bills contained sections of H966 with minimum to no modifications. In total, the General Assembly passed, and the Governor signed into law, 21 individual supplemental appropriations bills and a Base Budget bill as enacted in [S.L. 2019-242 \(H111\), 2019-2021 Base Budgets/Certain Agencies](#).

Before S.L. 2019-242 was enacted, agencies were allowed to operate under temporary budgetary authority granted by the State Budget Act ([G.S. Chapter 143C](#)). Session Law 2019-242 put in place a budget for every State agency for the duration of the biennium. Any appropriations provided to agencies in prior or subsequent legislation was in addition to the amounts provided in the base budget. The appropriations in the Base Budget bill totaled \$23.90 billion for FY 2019-20 and \$23.98 billion for FY 2020-21.

The General Assembly provided salary increases for most State employees, step increases for teachers and assistant principals, and additional funds for the State's retirement and health plan systems. Other appropriations bills provided funds targeted at specific programs and activities such as "Raise the Age", an initiative to prevent older youths from automatically being charged as adults in many crimes; school and prison safety; disaster recovery; and broadband expansion.

This fiscal brief summarizes availability and budget legislation enacted during the 2019 Regular Session and significant budget items included in H966 that were not enacted. It does not take into account any subsequent impact on revenue or expenditures from the Coronavirus Disaster of 2020.

Revenue, Other Availability, and Adjustments

The Fiscal Research Division (FRD) and the Office of State Budget and Management (OSBM) estimate General Fund Revenue through a consensus revenue forecasting process. General Fund Revenue for FY 2018-19 exceeded the session-adjusted revenue forecast by \$896.7 million (3.7% above the adjusted forecast). Primarily, the tax revenue increase was driven by better than expected growth in the Individual Income tax, Corporate taxes, and Sales tax. In total, net tax collections exceeded expectations by \$818.9 million while Non-Tax revenue for FY 2018-19 exceeded forecast by \$77.8 million. The non-tax collections increase was primarily due to an increase in investment income on cash holdings (up \$46.4 million).

The consensus forecast for the 2019-2021 biennium was produced in February 2019, prior to the release of the Governor's biennium budget proposal. The General Fund revenue forecast was revised in May 2019 and again in September. The September revised consensus forecast, after incorporating tax law changes made during the session, totaled \$25,069.8 million for FY 2019-20 and \$26,036.0 million for FY 2020-21.

Building on the growth noted above for FY 2018-19, the September 2019 consensus forecast for FY 2019-20 projected a \$1,139.7 million (4.8%) increase over the FY 2017-18 certified budget. Individual Income tax was expected to increase by \$325.4 million as a result of improvements in wage and salary income plus continued growth in business and investment income. Sales tax collections were expected to increase by \$578.4 million as a result of changes to both federal and State tax laws impacting online sales. Non-Tax collections were projected to increase by \$77.2 million.

Unreserved Fund Balance:

The State's FY 2018-19 Unreserved Fund Balance was \$1.8 billion prior to legislative adjustments. The \$1.8 billion was derived from:

- \$646 million from the FY 2017-18 Unappropriated Balance Remaining,
- \$287 million in Reversions, and
- \$897 million in Revenue Over-Collections.

After an adjustment of \$120 million for the [Highway Storm Recovery Act, S. L 2019-15](#), the remaining Unreserved Fund Balance available for appropriation was \$1.7 billion.

Adjustments to General Fund Revenue and Other Availability:

In the 2019 legislative session, actions by the General Assembly reduced revenues for the two years of the biennium by \$17.9 million and \$54.9 million, respectively. These net reductions to availability were due to State tax law changes enacted in [S.L. 2019-246, Various Finance Law Changes](#) and [S.L. 2019-237, Extend Tax Credits/Other Finance Changes](#), as well as changes to Non-Tax transfers made in [S.L. 2019-209, Pay Increases/State Employees](#). The most significant changes were:

- Increasing the standard deduction for Individual Income taxpayers effective with the 2020 tax year;
- Modifying Corporate taxes by enacting market-based sourcing and modifying the definition of a holding company;
- Establishing Sales tax collection requirements for marketplace facilitators; and
- Extending various credits and exemptions from the Sales tax and the Individual and Corporate Income taxes.



General Fund Availability^{1,3}

	Total FY 2019-20	Total FY 2020-21
1 Unappropriated Balance	645,592,678	2,257,388,701
2 Actual/Projected Reversions	287,029,354	200,000,000
3 Actual Over Collections	896,662,617	-
4 S.L. 2019-15, Highway Fund Recovery Act	(120,000,000)	-
5 Beginning Unreserved Fund Balance	1,709,284,649	2,457,388,701
6		
7 Tax Revenues		
8 Personal Income	13,110,400,000	13,700,300,000
9 Sales and Use	8,141,200,000	8,486,500,000
10 Corporate Income	732,600,000	787,600,000
11 Franchise	749,700,000	769,900,000
12 Insurance	565,300,000	579,800,000
13 Alcoholic Beverage	411,500,000	425,700,000
14 Tobacco Products	256,200,000	254,900,000
15 Other Tax Revenues	132,700,000	136,400,000
16 Subtotal, Tax Revenues	24,099,600,000	25,141,100,000
17 Non-tax Revenues		
18 Judicial Fees	228,800,000	225,300,000
19 Investment Income	167,200,000	168,300,000
20 Disproportionate Share	165,300,000	130,000,000
21 Master Settlement Agreement	136,200,000	131,800,000
22 Insurance	87,800,000	90,100,000
23 Other Non-tax Revenues	202,800,000	204,300,000
24 Subtotal, Non-tax Revenues	988,100,000	949,800,000
25		
26 Total, Net Revenue	25,087,700,000	26,090,900,000
27		
28 Adjustments to Tax Revenues: 2019 Session¹		
29 Corporate Income Tax Changes	(1,000,000)	3,500,000
31 Personal Income Tax Changes	(80,300,000)	(180,900,000)
32 Sales and Use Tax Changes	62,100,000	132,200,000
33 Historic Rehabilitation Tax Credit Extension	-	(4,500,000)
35 Dry Cleaning Solvent Tax Extension	-	(8,000,000)
36 Subtotal, Adjustments to Revenue	(19,200,000)	(57,700,000)
37		
38 Statutory Reservations of Tax Revenues		
39 Savings Reserve	(36,555,000)	(150,450,000)
40 Subtotal, Statutory Reservations of Tax Revenues	(36,555,000)	(150,450,000)
41		
42 Other Adjustments to Availability: 2019 Session		
43 Judicial Fee Increases-S.L. 2019-243, Admin. of Justice Changes	724,418	1,448,835
44 Transfer from Department of Insurance	1,249,541	2,700,421
45 Transfer from Department of Treasurer	41,913	91,132
46 S.L. 2019-230, Growing GREAT	(15,000,000)	(15,000,000)
47 S.L. 2019-251, DOT Cash and Accountability	(64,000,000)	-
48 Subtotal, Other Adjustments to Availability	(76,984,128)	(10,759,612)
49		
50 Total, Adjustments	(132,739,128)	(218,909,612)
51		
52 Revised Total General Fund Availability	26,664,245,521	28,329,379,089
53		
54 Less Net General Fund Appropriations - Enacted		
55 S.L. 2019-192, Federal Funding, as amended	6,023,842	15,223,842
56 S.L. 2019-208, Correctional Facility Employee Salary	(35,914,734)	(56,829,468)
57 S.L. 2019-209, State Employees Salaries	(239,220,554)	(572,705,157)
58 S.L. 2019-210, SHP Salaries	(3,600,000)	(7,200,000)
59 S.L. 2019-211, SBI/ALE Salaries	(2,680,000)	(3,360,000)
60 S.L. 2019-221, Standing Up for Rape Victims Act of 2019	(3,000,000)	(3,000,000)
61 S.L. 2019-222, School Safety Funds, Programs, & Rpts.	(38,833,333)	(29,800,000)
62 S.L. 2019-223, Prison Safety/TANF Plan/Clarifications	(4,471,149)	-
63 S.L. 2019-224, Disaster Recovery-2019 Budget Provisions	-	-
64 S.L. 2019-229, Raise the Age Funding, as amended	(28,878,616)	(43,402,450)
65 S.L. 2019-231, DOT Budget for 2019-2021 Biennium	-	-
66 S.L. 2019-235, Comm. Colleges Budget/2019-2021 Biennium	(28,216,988)	(25,436,606)
67 S.L. 2019-239, Combat Absentee Ballot Fraud	(1,156,004)	(44,923)
68 S.L. 2019-242, 2019-2021 Base Budget/Certain Agencies	(23,900,304,471)	(23,981,490,408)
69 S.L. 2019-247, Teacher Step Act	(16,300,000)	(16,300,000)
70 S.L. 2019-250, Storm Recovery/Var. Budget Corrections	(74,304,813)	(8,856,125)
71 S.L. 2019-251, DOT Cash and Accountability	(36,000,000)	-
72 S.L. 2020-1, Scholarships of Children of Wartime Veterans	-	-
73 Subtotal Net General Fund Appropriations- Enacted²	(24,406,856,820)	(24,733,201,295)
74		
75 Unappropriated Balance Remaining as of January 14, 2020³	2,257,388,701	3,596,177,794

¹Includes all 2019 Regular Session budget and finance Session Law. Does not reflect any items in House Bill 966 that were not included in 2019 Session Law.

²The totals represented in the availability statement are the accurate amounts for each Session Law listed. If charts included other sections of the brief indicate a different amount, it was caused by a timing issue. If the base budget bill (S.L. 2019-242) was enacted after the subject-related bill then amounts may vary.

³All availability and expenditure amounts are prior to any adjustments for COVID-19.



Salaries and Benefits

The General Assembly enacted multiple bills in the 2019 Session that affected salaries and benefits of State employees and State-funded local employees¹. The cumulative cost of these adjustments totaled \$297.7 million in FY 2019-20 and \$656.4 million in FY 2020-21. The changes include:

- A 2.5% across-the-board salary increase for State agency employees in each year of the biennium, totaling \$73.2 million in FY 2019-20 and \$146.8 million in FY 2020-21.
- \$15 million to provide salary supplements to correctional employees working in prisons with vacancy rates over 20%,
- \$2 million to place law enforcement officers of the State Bureau of Investigation and Alcohol Law Enforcement on the experience-based salary schedule established for the Highway Patrol,
- \$15 million to provide an average 6.2% salary increase for public school principals,
- Full funding of the actuarially-determined employer contribution to the State retirement systems, which required appropriations of \$113.4 million in FY 2019-20 and \$269.1 million in FY 2020-21,
- Appropriations of \$75.8 million in FY 2019-20 and \$205.2 million in FY 2020-21 to increase State Health Plan (SHP) employer premiums, which includes increased contributions to cover retirees in the SHP, and
- Five special annual leave days for State employees, excluding UNC employees.

Disaster Recovery

[S.L. 2019-224, Disaster Recovery - 2019 Budget Provisions](#), became law on September 18, 2019. The legislation included items related to disaster recovery from H966. Unused or reimbursed funds from previous disaster recovery projects totaling \$18.5 million were combined with \$94.1 million from the Florence Disaster Recovery fund for a total of \$112.6 million in spending.

[S.L. 2019-250, the Storm Recovery/Var. Budget Corrections Act](#), became law on November 18, 2019. This bill, sometimes referred to as “the Dorian Package,” contained disaster recovery items for all four major storms to hit North Carolina since 2016 – Hurricanes Matthew, Florence, Michael, and Dorian. This is the eighth disaster recovery package passed by the General Assembly since December 2016. The aggregate funding included in these packages totals approximately \$1.4 billion in State support for disaster recovery efforts. This bill also permits State agencies that received funding under any of the previous disaster recovery acts to reallocate unexpended and unobligated funds from one disaster to another, provided that the funds remain with the original agency and are used for the same program or purpose. For example, the bill permits unobligated funds originally appropriated to the Division of Emergency Management for short-term housing needs related to Hurricane Matthew to be reallocated to cover short-term housing needs related to Hurricane Dorian, or any future storm.

2019 Budget-Related Session Law Summaries

[S.L. 2019-192 \(H961\), Ensuring Authorization of Federal Funds](#) - Appropriates federal block grant funds for Department of Health and Human Services’ (DHHS) divisions and programs and for the Department of Commerce for the fiscal biennium ending June 30, 2021. It also appropriates \$3.5 million to the Department of Environmental Quality (DEQ) to match an anticipated increase of \$17.5 million in federal dollars for the State Revolving Fund loan programs to fund drinking water projects, wastewater treatment facilities, and projects associated with estuaries and nonpoint source pollution.

¹ S.L. 2019-208, S.L. 2019-209, S.L. 2019-210, S.L. 2019-211, S.L. 2019-247

The bill as enacted included funding for the DHHS Suicide Prevention Lifeline, but these funds were subsequently removed from the bill for technical reasons and funded on a recurring basis (\$348,558) in S.L. 2019-242, 2019-2021 Base Budgets/Certain Agencies.

Source of Funds	FY 2019-20	FY 2020-21
Federal Block Grants - DHHS	\$951,723,357 R	\$951,774,607 R
Federal Block Grant - Commerce	\$48,330,196 R	\$48,330,196 R
Net General Fund - DEQ	\$3,476,158 R	\$3,476,158 R

S.L. 2019-203 (H99/S78), Transfer ALE/Move Boxing Advisory Commission – Transfers the Boxing Advisory Commission from the Department of Public Safety (DPS) to the Department of Commerce. It also transfers to the Department of Commerce: one administrative support position with \$65,304 in related funding, and the funds in the State Boxing Revenue Account. As part of the transfer, the Commission is renamed “the Boxing Commission.” Lastly, the bill moves the Alcohol Law Enforcement (ALE) Branch from within the State Bureau of Investigation to become a new division of DPS.

Source of Funds	FY 2019-20	FY 2020-21
Net General Fund	- R	- R

S.L. 2019-208 (H609), Salary Increases/Adult Correctional Employees - Appropriates recurring funds to DPS to provide State adult correctional facility employees a 2.5% across-the-board salary increase in each year of the 2019-21 fiscal biennium and a one-time award of five special annual leave days credited on July 1, 2019. The bill also appropriates \$15 million to provide annual salary supplements of at least \$2,500 to correctional employees who work in prison facilities with vacancy rates of 20% or more.

Source of Funds	FY 2019-20	FY 2020-21
Net General Fund	\$35,914,734 R	\$56,829,468 R

S.L. 2019-209 (H226) Pay Increases/State Employees – Appropriates recurring funds for a 2.5% salary increase in each year of the fiscal biennium for most State employees, excluding university employees and employees of State-operated schools, and provides a one-time award of five special annual leave days credited on July 1, 2019. Salary increases and special annual leave days for law enforcement officers of the State Highway Patrol, Alcohol Law Enforcement, and State Bureau of Investigation, as well as correctional employees, are provided in separate legislation discussed subsequently in this fiscal brief. Local government employees paid with State funds, such as employees and teachers of local boards of education and local community college employees, are excluded from the pay increases in this legislation. The bill also sets new retirement and State Health Plan contribution rates in each year of the biennium and appropriates funds to pay for those increased contributions.

Source of Funds	FY 2019-20	FY 2020-21
Net General Fund	\$239,220,554 R	\$572,705,157 R
Net Highway Fund	\$9,805,035 R	\$22,327,533 R

S.L. 2019-210 (H126/S210), Pay Increases/State Highway Patrol - Appropriates recurring funds to DPS for a 2.5% salary increase in each year of the fiscal biennium for the State Highway Patrol and provides a one-time award of five special annual leave days credited on July 1, 2019.

Source of Funds	FY 2019-20	FY 2020-21
Net General Fund	\$3,600,000 R	\$7,200,000 R

S.L. 2019-211 (H777), Pay Increases/SBI & ALE - Appropriates recurring funds to the Department of Public Safety to provide salary increases to law-enforcement officers of the State Bureau of Investigation (SBI) and officers of Alcohol Law Enforcement (ALE). For eligible employees, the salary increase equals the greater of 2.5% in each year of the biennium or a salary increase based on the implementation of an experience-based salary schedule tied to the Highway Patrol salary schedule. The average salary increase for SBI/ALE law-enforcement officers placed on the experience-based schedule is 14%. The bill also provides these employees a one-time award of five special annual leave days credited in July 1, 2019.

Source of Funds	FY 2019-20	FY 2020-21
Net General Fund	\$2,680,000 R	\$3,360,000 R

S.L. 2019-221 (H29), Standing Up for Rape Victims Act of 2019 - Appropriates \$3 million in nonrecurring funds to the Department of Justice (DOJ) in each year of the 2019-2021 fiscal biennium for testing of untested sexual assault examination kits.

Source of Funds	FY 2019-20	FY 2020-21
Net General Fund	\$3,000,000 NR	\$3,000,000 NR

S.L. 2019-222 (H75), School Safety Funds, Programs, and Reports - Appropriates funds to the Department of Public instruction (DPI) and the Department of Public Safety for the costs associated with implementing the bill's school safety provisions, as follows:

- \$20,000,000 in recurring funds for FY 2019-20 and \$23,000,000 in recurring funds for FY 2020-21 to improve student mental health by increasing the number of school mental health support personnel,
- \$6,100,000 in nonrecurring funds for FY 2019-20 to purchase safety equipment for school buildings and for related training,
- \$4,500,000 in nonrecurring funds for FY 2019-20 to allow qualifying public school units to contract with community partners that provide training to help students develop healthy responses to trauma and stress,
- \$4,500,000 in nonrecurring funds for FY 2019-20 to allow qualifying public school units to contract with community partners that provide evidence-based crisis services to students,
- \$3,000,000 in recurring funds for FY 2019-20 and \$6,000,000 in recurring funds for FY 2020-21 to employ and train school resource officers, and
- \$533,333 in recurring funds and \$200,000 in nonrecurring funds for FY 2019-2020 and \$800,000 in recurring funds for FY 2020-21 for eight full-time equivalent positions for sworn agents at the State

Bureau of Investigation. These agents will support the Behavioral Threat Assessment (BETA) program and work to identify potential threats to schools and houses of worship.

Source of Funds	FY 2019-20	FY 2020-21
Net General Fund	\$23,533,333 R	\$29,800,000 R
Net General Fund	\$15,300,000 NR	- NR

S.L. 2019-223 (S118/H108), *Prison Safety/TANF State Plan/Clarifications* – Appropriates nonrecurring funds to DPS for FY 2019-20 for the costs associated with implementing increased prison safety measures including \$400,000 to purchase additional stab-resistant vests and exterior carriers for certified prison staff; \$730,937 to erect security netting over prison fence lines to deter and intercept contraband; \$216,750 to purchase additional handheld metal detectors to reduce contraband in prison facilities; \$675,360 to purchase customizable key lock boxes throughout prison facilities; and \$2,448,102 for information technology security equipment upgrades. The bill also made clarifying changes to the TANF State Plan.

Source of Funds	FY 2019-20	FY 2020-21
Net General Fund	\$4,471,149 NR	- NR

S.L. 2019-224 (S429/H529), *Disaster Recovery – 2019 Budget Provisions* – Appropriates an additional \$94,103,000 in nonrecurring funds to the Hurricane Florence Disaster Fund. Highlights include:

- \$6,400,000 to the North Carolina Community College System Office to offset the full-time equivalent (FTE) losses at affected community colleges due to enrollment declines caused by Hurricane Florence,
- \$5,000,000 for mitigation buyouts, relocations, buyout assistance to local governments, and infrastructure repairs in order to serve homeowners and communities that would otherwise be eligible for federal Community Development Block Grant – Disaster Recovery (CDBG-DR) funding, but that are outside of the federally designated "most impacted, most distressed" counties,
- \$8,000,000 for the State Acquisition and Relocation Fund which provides gap funding to storm survivors related to buyouts to move families out of floodplains,
- \$9,000,000 to assist financially distressed local governments with staff support and to provide grants and loans to local governments in disaster areas that need immediate cash flow assistance,
- \$4,500,000 to Golden L.E.A.F. to provide grants to governmental entities and 501(c)(3) organizations to repair, replace, construct, or improve infrastructure or equipment damaged as a result of Hurricane Florence as well as to construct or improve infrastructure to support hazard mitigation,
- \$1,000,000 for a grant program to support volunteer organizations that provide disaster recovery services,
- \$1,000,000 to support the North Carolina Search and Rescue Program, and
- \$2,000,000 to develop a pilot program to help pay for the cost of up to two years' flood insurance for eligible applicants and eligible properties.

Source of Funds	FY 2019-20	FY 2020-21
Hurricane Florence Disaster Recovery Reserve (Net General Fund)	(\$94,102,000) NR	-
Hurricane Florence Disaster Recovery Fund	\$112,603,000 NR	-

S.L. 2019-229 (H1001/S407), Raise the Age Funding – Appropriates \$32.7 million for FY 2019-20 and \$47.4 million for FY 2020-21 to implement the “Raise the Age” law that goes into effect December 1, 2019. Selected highlights include:

- \$4.25 million in recurring funds for FY 2019-20 and \$6.7 million in recurring funds for FY 2020-21 to provide additional funding for county-level Juvenile Crime Prevention Councils,
- \$5 million for FY 2019-2020 and \$8.7 million for FY 2020-21 to establish 97 Juvenile Court Counselor positions that will act as the primary point of contact for juveniles and their families as the juveniles move through the juvenile justice system,
- \$6.85 million for FY 2019-20 and \$11.1 million for FY 2020-21 to provide additional funding for contracts for community-based and residential programs for juveniles who have been adjudicated delinquent, and
- Appropriates funds for training and consulting for private assigned counsel through Indigent Defense Services (\$109,131) and various legal positions such as district court judges and assistant district attorneys through the Administrative Office of the Courts (\$3,709,464).

The bill also increases the number of full-time assistant district attorneys allowed in certain prosecutorial districts and adjusts the number of district court judges allowed in certain district court districts.

Funding to annualize the 65 full-time equivalent (FTE) positions in the Court Services section of the Division of Juvenile Justice, which was originally appropriated in this bill, was subsequently removed for technical reasons and funded on a recurring basis (\$3,892,394) in S.L. 2019-242, *2019-2021 Base Budgets/Certain Agencies*.

Source of Funds	FY 2019-20	FY 2020-21
Net General Fund - AOC	\$1,705,443 R	\$3,577,506 R
	\$62,455 NR	\$69,503 NR
Net General Fund - IDS	\$87,681 R	\$109,131 R
Net General Fund - DPS	\$26,874,517 R	\$43,538,704 R
	\$4,040,914 NR	NR

S.L. 2019-230 (H387/S310), Growing G.R.E.A.T. – Transfers \$15 million annually for the next 10 years to the State Capital and Infrastructure Fund (SCIF). This transfer is then annually appropriated within the SCIF to support the Growing Rural Economies with Access to Technology program. The bill also makes several technical and substantive changes to the GREAT program.

Source of Funds	FY 2019-20	FY 2020-21
Net General Fund via SCIF	\$15,000,000 R	\$15,000,000 R

S.L. 2019-231 (H100), DOT Budget for 2019-2021 Biennium – This bill appropriates the Department of Transportation’s operating budget of \$3.9 billion for FY 2019-20 and \$4.1 billion in FY 2020-21, net of federal and agency receipts. Selected Highlights include:

- Provides an additional \$166 million over the biennium to the General Maintenance Reserve to address critical maintenance needs.
- Provides funds to create a \$75 million formula-based annual grant program for commercial services airports.

- Appropriates an additional \$17 million over the biennium for North Carolina's rail infrastructure, including overhauling locomotives for the Piedmont and Carolinian trains and funding local train station repairs and commuter rail improvements.
- Provides nearly \$8 million over the biennium to support the DMV headquarters' move to Rocky Mount and to pay for the new lease.
- Provides funds for the State License Plate Agency relocation. Requires the DMV to consider a lease or purchase for its new location in the City of Raleigh.
- Increases private License Plate Agencies' compensation by 28% over the biennium for services provided on behalf of the State.
- Provides an additional \$8.6 million annually for the State Maintenance Assistance Program (SMAP), an operating assistance program for fixed-route transit systems.
- Provides an additional \$7.4 million in FY 2020-21 for municipalities with populations of 200,000 or less to maintain road infrastructure.
- Provides an additional \$130 million over the biennium for highway and transportation construction projects out of Highway Trust Fund.

Source of Funds	FY 2019-20	FY 2020-21
Net Highway Fund	\$ 2,279,496,909 R	\$ 2,376,267,500 R
	\$ 23,803,091 NR	\$ 32,232,500 NR
Net Highway Trust Fund	\$ 1,599,700,000 R	\$ 1,656,800,000 R

S.L. 2019-235 (S61), *Community Colleges Budget/2019-21 Biennium* – Appropriates funds for the North Carolina Community College System consistent with the funding appropriated in H966. Some of the items funded include:

- \$12 million to fund workforce development and continuing education courses at a level equivalent to curriculum courses,
- \$1.7 million in FY 2019-20 and \$2.3 million in FY 2020-21 in additional funding for the Career Coaches program, which places community college employees in partnering high schools to provide career and college counseling, and
- \$2.2 million to support the establishment of multi-campus centers at the Forsyth Tech Transportation Campus, the RTP Campus of Wake Technical Community College, the Scotland County Campus of Richmond Community College, and the Aviation Campus of Guilford Technical College.

Source of Funds	FY 2019-20	FY 2020-21
Net General Fund	\$19,236,995 R	\$13,456,969 R
Net General Fund	\$13,456,969 NR	\$10,000,000 NR

S.L. 2019-237 (H399), *Extend Tax Credits/Other Finance Changes* – Makes several changes to North Carolina's tax laws. Primary highlights include:

- Allows taxpayers age 70.5+ to roll over distributions tax-free from Individual Retirement Accounts to charitable nonprofits beginning 2019.
- Provides a tax deduction for State economic incentive grants, effective for 2019.

- Extends the sunset date of the State's Historic Rehabilitation Tax Credit to include expenses incurred by January 1, 2024.
- Reinstates the Mill Rehabilitation Tax Credit for a project that meets certain conditions.
- Extends the sunset date for an existing sales tax exemption for qualifying airlines until January 1, 2024.
- Extends the sunset date for existing sales tax exemptions and refunds for the motorsports industry until January 1, 2024.
- Extends the sunset date for the dry-cleaning solvent tax and the annual transfer from General Fund sales tax revenue into the Dry-Cleaning Solvent Cleanup Fund until 2030.
- Maintains the Insurance Regulatory Fee at 6.5% for calendar year 2020.

In addition to the tax law changes, this bill appropriates funds to the Department of Revenue from the Collections Assistance Fee Special Fund. The sum of \$12.5 million nonrecurring for FY 2019-20 is appropriated for tax system operations and maintenance upgrades and the sum of \$4.4 million nonrecurring for each year of the 2019-21 fiscal biennium is appropriated to contract with a third-party vendor to perform identity theft and tax fraud analysis using the Government Data Analytics Center (GDAC).

Source of Funds	FY 2019-20	FY 2020-21
Collections Assistance Fee Special Fund	\$4,400,000 NR	\$4,400,000 NR
Collections Assistance Fee Special Fund	\$12,500,000 NR	-

S.L. 2019-239 (S683), *Combat Absentee Ballot Fraud* – Makes several substantive changes to State elections law such as enhancing the penalties for certain violations of the law regarding absentee ballots, restoring the last Saturday of early voting and providing pre-paid postage for the return of mail-in absentee ballots for elections held in 2020. Funds are appropriated for the State Board of Elections at levels equivalent to those that would have been provided by House Bill 966. The bill also appropriates \$3 million in nonrecurring federal Help America Vote Act funds in each year of the biennium to modernize the Statewide Elections Information Management System.

Source of Funds	FY 2019-20	FY 2020-21
Net General Fund	(\$10,084) R	\$44,923 R
Net General Fund	\$1,166,088 NR	- NR

S.L. 2019-242 (H111), *2019-2021 Base Budgets/Certain Agencies* – Appropriates the FY 2019-20 and FY 2020-21 Base Budgets as submitted by the Governor in February 2019, with exception of a proposed \$3 million increase to the Department of Justice budget that was not included in S.L. 2019-242. These appropriations totaled \$23.90 billion in FY 2019-20 and \$23.98 billion in FY 2020-21. Whereas agencies had previously been authorized to spend funds under temporary authority granted by the State Budget Act, this bill puts in place a budget for every State agency for the duration of the biennium. Any appropriations provided to agencies in other bills will be in addition to the amounts provided in the "Base Budget bill."

Source of Funds	FY 2019-20	FY 2020-21
Net General Fund	\$23,900,304,471 R	\$23,981,490,408 R

S.L. 2019-246 (S557/H537), Various Finance Law Changes – Makes multiple changes to the State’s tax laws. Most significantly, it increases the standard deduction for individual income taxes effective 2020; enacts market-based sourcing and modifies the definition of a holding company; and changes the sales tax laws to require marketplace facilitators to collect and remit sales tax under certain circumstances, effective February 1, 2020. In addition, it makes technical changes to some recently-enacted tax provisions.

S.L. 2019-247 (H377), Teacher Step Act – Establishes the FY 2019-20 Teacher Monthly Salary Schedule that mirrors the salary schedule from FY 2018-19. Teachers and instructional support personnel would receive applicable salary increases based on years of experience. In other words, a teacher with 13 years of creditable experience on the FY 2018-19 salary schedule would now be placed at the 14th step of the identical salary schedule in FY 2019-20. The bill also establishes a principal salary schedule that provides an average 6.2% increase to principals and creates a new \$30,000 annual supplement for up to 40 low-performing schools to recruit principals paid on the “exceeds growth” column of the principal salary schedule. The bill appropriates \$16.3 million recurring to the Department of Public Instruction to support the cost of increases to the principal salary schedule and a principal recruitment supplement.

S.L. 2019-250 (H200), 2019 Storm Recovery/Various Budget Corrections – Provides hurricane recovery funding, makes technical corrections to other bills, and alters existing statewide budget policy. In terms of recovery funding, the bill:

- Transfers \$121.5 million from the Savings Reserve and appropriates the funds for recovery efforts. Of the total, \$70.8 million represents the required State match of federal monies for Hurricane Florence; \$33.2 million represents the State match for Hurricanes Michael, Matthew and Dorian; and \$17.5 million represents the State match for the Clean Water State Revolving Fund and the Drinking Water State Revolving Fund.
- Appropriates \$59.0 million in nonrecurring funds for resiliency and disaster response, as follows:
 - \$5 million for the State Emergency Response and Disaster Relief Fund to address future emergencies.
 - \$15 million to NC Office of Recovery and Resiliency to provide flexible local government loans to assist distressed communities impacted by Hurricanes Matthew and Florence (\$10 million) and flexible local government grants to assist distressed communities impacted by Hurricane Dorian (\$5 Million).
 - \$15 million for Golden L.E.A.F., Inc., to provide grants to governmental entities and non-profits. The funds may be used to repair, replace, construct, or improve infrastructure or equipment damaged as a result of Hurricane Matthew, Florence, Michael, or Dorian, as well as to construct or improve infrastructure to support hazard mitigation.
 - \$5 million to the Department of Agriculture and Consumer Services, Division of Soil and Water Conservation, for stream debris removal.
 - \$5.2 million to Elizabeth City State University for repairs to academic and residential buildings damaged by Hurricane Dorian.
 - \$1.7 million to the Department of Public Instruction as a directed grant to Hyde County for Ocracoke School repairs necessitated by Hurricane Dorian.
 - \$1.8 million to the Office of State Budget and Management to provide a directed grant to Hyde County for construction of a pump station and related watershed restoration infrastructure for the Lake Mattamuskeet watershed.
 - \$50,000 to the Department of Environmental Quality for repair, restoration, and related environmental disaster recovery activities at the Department's Coastal Reserves.
 - \$500,000 to the Wildlife Resources Commission for two grant programs to be administered by the Outdoor Heritage Advisory Council.

Source of Funds	FY 2019-20		FY 2020-21	
Savings Reserve	(\$121,585,594)	NR	-	-
Hurricane Florence Disaster Recovery Fund	\$70,812,336	NR	-	-
State Emergency Response and Disaster Relief Fund	\$38,173,258	NR	-	-
Net General Fund	\$1,857,813	R	\$2,253,125	R
	\$85,047,000	NR	\$6,603,000	NR

The bill also enacts substantive changes to statewide budget policy that are identical to changes found in H966. The most significant of these provisions clarifies that State funds are to be deposited in the Treasury unless otherwise authorized by the General Assembly. Finally, the bill corrects technical issues in other enacted appropriations bills.

S.L. 2019-251 (S356), DOT Cash and Accountability —Addresses cash management challenges at the Department of Transportation (DOT) in several ways, including:

- For FY 2019-20, the bill authorizes the issuance and sale of \$400 million in Build NC Bonds, which is \$100 million more than what is provided for in the Build NC Bond Act.
- Directs DOT to loan \$100 million from Highway Trust Fund to Highway Fund by transferring \$50 million by February 1, 2020 and \$50 million by May 1, 2020. The loan repayment schedule must be approved by the Department of the State Treasurer.
- Creates a Transportation Emergency Reserve to hold \$125 million in funds for use by the Department for presidentially-declared major disasters. Initial funding of \$64 million is appropriated from General Fund. Going forward, the Department shall fund the reserve annually by July 30 to maintain the Reserve's balance at \$125 million.
- Limits annual Map Act damages to \$150 million. The Map Act was enacted in 1987 and allowed NCDOT to reserve highway corridors for future development. The 2016 Kirby vs. NCDOT North Carolina Supreme Court decision held that the Map Act restricted rights to improve, develop, and subdivide. Since FY 2015-16, NCDOT has paid out over \$540 million in Map Act claims.
- Amends the statute governing interest on Map Act claims filed on or after January 1, 2020 to be simple interest until the date of the satisfaction of the judgement.
- Removes the requirement that DOT repay a \$90 million loan from the General Fund made in S.L. 2019-15.

Appropriates \$36 million from General Fund to DOT for disaster relief.

Source of Funds (millions) FY 2019-20	General Fund		New NC Build Bond Authorization	
Creation of Emergency Reserve	\$64,000,000	NR		
Loan Forgiven (Loan Authorized in S.L. 2019-15)	\$90,000,000	NR		
Hurricane Dorian Assistance	\$36,000,000	NR		
NC Build - Additional Authorization			\$100,000,000	NR
Total	\$190,000,000	NR	\$100,000,000	NR

2019-2020 Reports Due to the Joint Legislative Education Oversight Committee

*Studies/reports in bold are from the 2020 Session

June 2020

Due date:	June 15, 2020	Received
From:	UNC Board of Governors	
Description:	Various Teacher Education Reports, Supply and Demand of School Administrators, 2+2 E-Learning Initiative, Teacher Education and Recruitment	S.L. 2020-3 extends deadline to submit report only for 2020
Chapter:	S.L. 2010-31, sec. 9.3(a)-(d), S.L. 2011-145, sec. 9.13(c), S.L. 2020-3, sec. 2.29(a)-(c)	
Contact(s):	Andrew Kelly	

July 2020

Due date:	July 15, 2020 (even-numbered years)	Received
From:	UNC Board of Governors	
Description:	Efforts to Strengthen Primary Health Care	S.L. 2020-3 extended deadline to submit report only for 2020
Chapter:	G.S. 143-613; S.L. 1995-507, sec. 23A.5(a),(b),(b1)	
Contact(s):	Rondall Rice	

September 2020

Due date:	September 30, 2020 (annually)	Received
From:	UNC Board of Governors	
Description:	Early College Graduates/UNC Admission Policy	
Chapter:	S.L. 2015-241, sec. 11.16(b), S.L. 2017-68, sec. 5(a)	
Contact(s):	Rondall Rice	

October 2020

Due date:	October 1, 2020 (annually)	Received
From:	Board of Governors	
Description:	NC Promise Tuition Plan (State “Buy Down” Report)	
Chapter:	S.L. 2018-5, sec. 10.5(d)	
Contact(s):	Finance Department	

November 2020

Due date:	November 1, 2020 (annually)	BOG October
From:	UNC & NCCCS	
Description:	Comprehensive Articulation Agreement	
Chapter:	G.S. 116-11(10c); S.L. 2013-72	
Contact(s):	David English	
Due date:	November 15, 2020 (annually)	BOG October
From:	Subcommittee on Laboratory Schools	
Description:	UNC Laboratory School Report	
Chapter:	G.S. 116-239.13	
Contact(s):	Andrew Kelly	
Due date:	November 15, 2020 (annually)	BOG October
From:	UNC Board of Governors	
Description:	AHEC Annual Medical Students Entering Primary Care	
Chapter:	G.S. 143-613; S.L. 1995-507, sec. 23A.5(d)	
Contact(s):	Rondall Rice	

December 2020

Due date:	December 15, 2020 (even-numbered years)	
From:	UNC System Office	
Description:	UNC Enrollment Growth Reporting	
Chapter:	S.L.2015-241, sec. 11.14; S.L.2009-451, sec. 9.11; S.L.2008- 107, sec. 9.15	
Contact(s):	Finance Department	

January 2021

Due date:	January 1, 2021 (annually)	
From:	NC Teaching Fellows Commission w/ SEAA and DPI	
Description:	NC Teaching Fellows Program	
Chapter:	G.S. 116-209.62; S.L. 2017-57, sec. 10A.2(a)	

February 2021

Due date:	February 1, 2021 (annually)	
From:	UNC Board of Governors	
Description:	UNC Report on State Budget Allocations and Policies	
Chapter:	G.S. 116-11(9b); S.L. 2020-78, sec. 3.1	

March 2021

Due date:	March 1, 2021 (one-time report)	
From:	UNC Board of Governors	
Description:	Results & recommendations on Accelerated Degree Completion Study	
Chapter:	S.L. 2020-56, sec. 8A(b)	
Contact(s):	Andrew Kelly	
Due date:	March 1, 2021 (annually)	
From:	UNC Board of Governors	
Description:	Amount & use of overhead receipts for The University System	
Chapter:	S.L. 2001-424, sec 31.14; S.L. 2013-360, sec 11.6(a)	
Contact:	Finance Department	
Due date:	April 15, 2021 (annually)	
From:	UNC Board of Governors	
Description:	Various Teacher Education Reports, Supply and Demand of School Administrators, 2+2 E-Learning Initiative, Teacher Education and Recruitment	
Contact:	Andrew Kelly	

October 2021

Due date:	October 15, 2021 (annually)	S.L. 2020-56
From:	UNC System Office	amended reporting
Description:	Future Teachers of NC Program	requirement to
Chapter:	G.S. 116-41.32; S.L. 2018-12, sec. 7; S.L. 2017-57, sec. 10.9(a)	October 15, 2021
Contact(s):	Sara Ulm	

Reports with No Statutory Due Date

Due date:	Annually	
From:	The North Carolina Principal Fellows and TP3 Commission	
Description:	Transforming Principal Preparation Grant Program	
Chapter:	116-74.47, 116-74.46(d); S.L. 2019-60	
Due date:	Within 60 days of the date of employment	
From:	Board of Governors	
Description:	Full-Time Staff for Board of Governors	
Chapter:	S.L. 2017-57, sec. 10.1	

Other reports due:

Due date:	February 1, 2020	Received
To:	Joint Legislative Commission on Governmental Operations, OSMB, and State Treasurer	
From:	Board of Governors	
Description:	UNC System Debt Capacity Study	
Chapter:	Pursuant to SL. 2015-241	
Contact:	Finance Department	
Due date:	May 1, annually	Received
To:	Joint Legislative Economic Development and Global Engagement Oversight Committee	
From:	UNC System Office	
Description:	Umstead Review Panel Annual Report	
Chapter:	NCGS 66-58(i)	
Contact:	Karin Szypszak	
Due date:	July 1, annually	Received
To:	Theresa Matula & Susan Barham to include with the Health Oversight Committee reports	
From:	UNC System Office	
Description:	Research Collaborations on Military Behavioral Health 2020	
Chapter:	Pursuant to S.L. 2011-185	
Contact:	Bekah Ulmer	
Due date:	July 30, 2020	BOG October
To:	Joint Legislative Capital Improvements Oversight Committee and the Fiscal Research Division	
From:	BOG Task Force	
Description:	BOG STEM Planning Task Force	
Chapter:	Pursuant to S.L. 2018-5, date extended in S.L. 2020-56	
Contact:	Katherine Lynn	
Due date:	September 1, annually	Received
From:	Board of Governors/The Committee on Free Expression	
Description:	Report on Free Speech & Free Expression Within the University	
Chapter:	Pursuant to S.L. 2017-196	
Contact:	John Dougherty	
Due date:	on or before November 15, 2020	
To:	House Select Comm. on COVID-19, Health Care Working Group	
From:	NC AHEC	
Description:	Pandemic Health Care Workforce Study	
Chapter:	S.L. 2020-3 (S. 704)	
Contact:	Rondall Rice	