



HOUSE BILL 42: 2020 COVID Relief Bill Modifications.

2021-2022 General Assembly

Committee:	House Appropriations	Date:	February 3, 2021
Introduced by:	Reps. Lambeth, Saine, Arp, Elmore	Prepared by:	Phyllis Pickett, Joyce Jones, Matthew Meinig
Analysis of:	First Edition		Committee Co-Counsel

OVERVIEW: *The bill draft makes modifications to the State COVID-19 relief legislation in light of the additional federal legislation and guidance.*

[As introduced, this bill was identical to S36, as introduced by Sens. B. Jackson, Harrington, Hise, which is currently in Senate Appropriations/Base Budget.]

BILL ANALYSIS: The bill draft makes the following changes to previously enacted State COVID-19 relief:

- Section 1 extends the time for extra credit grant recipients to receive awards to address issues with amended returns, tax software issues, and failure to apply for grants that resulted in intended recipients not receiving assistance under the program.
- Section 2 repeals OSBM's authority to reallocate COVID funds on the grounds that such reallocated funds were in danger of being forfeited back to the federal government due to an inability to deploy the funds under the old December 30, 2020, deadline.
- Section 3.1 updates the deadline for the CRF for expenditures from the old 12/30/20 deadline to the deadline by which they must be used pursuant to federal law and guidance.
- Section 3.2 addresses the numerous specific allocations from the CRF for purposes of updating the deadline by which they must be used, including the following:
 - The \$237.5M (3) for continuity of government. This provision also extends the reporting requirements to allow for the longer window of time in which funds can be used.
 - The \$75M (6) for DPI for the National School Lunch Program.
 - The \$10M (12) for DPI for the Instructional Support Allotment.
 - The \$70M (13) for DPI for the supplemental summer learning program.
 - The \$5M (18) for DPI for the Extended Learning and Integrated Student Supports Competitive Grant Program.
 - The \$12.425M (32) for the North Carolina Association of Free and Charitable Clinics. This provision also extends the reporting requirements to allow for the longer window of time in which funds can be used.
 - The \$12.425M (34) For the North Carolina Community Health Center Association. This provision also extends the reporting requirements to allow for the longer window of time in which funds can be used.

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- The \$65M (39) for the COVID-19 Rural Hospitals Relief Fund. This provision also extends the reporting requirements to allow for the longer window of time in which funds can be used.
 - The \$15M (40) for the COVID-19 Teaching Hospitals Relief Fund. This provision also extends the reporting requirements to allow for the longer window of time in which funds can be used.
 - The \$15M (41) for the COVID-19 General Hospitals Relief Fund. This provision also extends the reporting requirements to allow for the longer window of time in which funds can be used.
 - The \$9M (46) for DIT for the GREAT program has been repealed as part of a General Fund swap out, holding the funding for the GREAT program harmless.
 - The \$27M (63) to DPI for PPE.
 - The \$7M (68) for certain enumerated hospitals to offset COVID-19 related patient care expenses. This provision also extends the reporting requirements to allow for the longer window of time in which funds can be used.
 - The \$2.5M (69) for tier 2 counties with hospitals meeting certain requirements to offset COVID-19 related patient care expenses. This provision also extends the reporting requirements to allow for the longer window of time in which funds can be used.
 - The \$6.5M (86) for the State Education Assistance Authority for alternative educational option scholarships for disabled students. This provision allows for additional spring semester 20-21 scholarships.
 - The \$19.850M (103a) for YMCAs for remote learning opportunities.
 - The \$500k (111) for TROSA for increased operational expenses for COVID-19 related substance use disorder treatments.
 - The \$1M (112) for Nurse Family Partnership for COVID-19 related service expenses.
 - The \$23M (114e) for NC Health Care Facilities Association, NC Senior Living Association, and NC Assisted Living Association. This provision also extends the reporting requirements to allow for the longer window of time in which funds can be used.
 - The \$30M (115) for DIT for the GREAT program has been repealed as part of a General Fund swap out.
- Section 3.3 updates and requires more detail and more frequency of reports from NC PRO for allocations from the CRF.
 - Section 3.4 adjusts the dates of reporting for Caitlyn's Courage.
 - Section 3.5 adjusts the term NC PRO is authorized to operate and increases reporting requirements from that entity to Gov Ops.
 - Section 3.6 eliminates the deadline for expenditures for the study for transportation and diversification of the State dairy industry.
 - Sections 3.7 and 3.8 address transfers and appropriations for the CRF and CRR to allow for the GREAT Act offset of \$39M.
 - Section 3.9 addresses the deadline for the \$22M for DPI for increasing ADM.

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- Section 3.10 addresses the deadline for the \$4.8M for the Southern Regional Area Health Education Center for residents and services affected by COVID-19.
- Section 3.11 modifies the entities to which reports regarding the Plasma Games are made.
- Section 3.12 extends the authority for State entities to procure from the open market necessary supplies to address the COVID-19 pandemic from December 30, 2020, to December 31, 2021.
- Sections 4.1 and 4.2 transfer and appropriate \$39M for the GREAT Program from the General Fund in the swap out for funds identified in Section 3.2 (subdivisions 46 and 115) above. The sections also (i) change language to remove date restrictions and alter eligibility parameters and (ii) eliminate lump sum grant awards to providers and limits grantees that can be awarded a supplemental grant authorized in other legislation.
- Section 5 appropriates funds received from federal grants authorized under the Consolidated Appropriations Act, 2021 for COVID-19 Vaccine Preparedness (\$94.7M), Elementary and Secondary School Emergency Relief Funding (\$1.6B), and Emergency Rental Assistance (\$546.6M) to, respectively, DHHS, DPI, and the North Carolina Office of Recovery and Resiliency in DPS. Recipient public school units and State agencies and departments must report quarterly , among other things, on amount of federal funds received, expended, and used; persons served; administrative costs; unspent funds; and positions established.

EFFECTIVE DATE: Except as otherwise provided, this act is effective when it becomes law.