

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019**

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**HOUSE BILL 1038  
PROPOSED COMMITTEE SUBSTITUTE H1038-PCS40541-MGa-18**

Short Title: Omnibus COVID-19 Response Funds.

(Public)

Sponsors:

Referred to:

April 28, 2020

A BILL TO BE ENTITLED  
AN ACT MAKING OMNIBUS APPROPRIATIONS OF FEDERAL FUNDS FOR COVID-19  
RESPONSE AND RELIEF EFFORTS IN NORTH CAROLINA, AS RECOMMENDED  
BY THE HOUSE SELECT COMMITTEE ON COVID-19.

The General Assembly of North Carolina enacts:

**PART I. GENERAL PROVISIONS**

**TITLE OF ACT**

**SECTION 1.1.** Title. – This act shall be known, and may be cited, as the "Omnibus COVID-19 Response Act of 2019."

**DEFINITIONS**

**SECTION 1.2.** Definitions. – The following definitions apply in this act:

- (1) Coronavirus Relief Fund. – Funds received by the State of North Carolina during the 2019-2020 fiscal year from the Coronavirus Relief Fund created by the Coronavirus Aid, Relief, and Economic Security Act of 2020, P.L. 116-136.
- (2) CDC. – The federal Centers for Disease Control.
- (3) Coronavirus or COVID-19. – Has the same meaning as defined in section 506 of the federal Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020, Public Law No. 116-123.
- (4) 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.
- (5) 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.
- (6) 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.



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- 1 (7) COVID-19 antibody test. – A serological blood test the federal Food and Drug  
2 Administration has authorized for emergency use or approved to measure the  
3 amount of antibodies or proteins present in the blood when the body is  
4 responding to an infection caused by the severe acute respiratory syndrome  
5 coronavirus 2.
- 6 (8) State agency. -- As defined by G.S. 143C-1-1(24), except that the term  
7 includes a unit of local government or a public authority.  
8

## 9 FINDINGS AND PURPOSE

10 **SECTION 1.3.** On March 19, 2020, the Speaker of the House of Representatives  
11 empaneled the House Select Committee on COVID-19 (Select Committee). The primary purpose  
12 of the Select Committee and each of its constituent working groups was to facilitate a bipartisan  
13 and immediately productive response to the COVID-19 outbreak in North Carolina. The four  
14 working groups were as follows: Economic Support, Health Care, Education, and Continuity of  
15 State Operations. Each working group held numerous public meetings online, received  
16 voluminous public comments, and heard testimony from various executive branch officials and  
17 others regarding the State of Emergency declared by the Governor on March 10, 2020 in  
18 Executive Order Number 116. The purpose of this act is to carryout legislative proposals  
19 generated by the Select Committees and to appropriate federal funding under the COVID-19  
20 Recovery Legislation.  
21

## 22 REQUIREMENT TO MAXIMIZE USE OF FEDERAL FUNDS

23 **SECTION 1.4.** The appropriations and allocations made in this act are for maximum  
24 amounts necessary to implement this act. State agencies shall maximize the use of federal funds  
25 made available in this act to address wherever possible within the allowable uses prior to using  
26 State funds.  
27

## 28 CONFLICT WITH FEDERAL LAW

29 **SECTION 1.5.** If an allocation made under this act is found to be disallowed by  
30 federal law, the disallowed allocation is repealed, and the Office of State Budget and  
31 Management (OSBM) shall transfer the amount of the disallowed allocation to the Coronavirus  
32 Relief Reserve established in Section 2.1 of this act. Amounts transferred into the Coronavirus  
33 Relief Reserve pursuant to this section are receipts that do not constitute an "appropriation made  
34 by law," as that phrase is used in Section 7(1) of Article V of the North Carolina Constitution.  
35

## 36 GENERAL GUIDANCE ON USE OF FUNDS

37 **SECTION 1.6.** The OSBM shall work with the recipient State agencies to budget  
38 receipts awarded pursuant to COVID-19 Recovery Legislation according to the program needs  
39 and within the parameters of the respective granting entities and applicable federal laws and  
40 regulations. State agencies shall not use funds received pursuant to COVID-19 Recovery  
41 Legislation for recurring purposes. Depending on the nature of the award, additional State  
42 personnel may be employed on a temporary or time-limited basis.  
43

## 44 REQUIRED REPORT ON USE OF FUNDS

45 **SECTION 1.7.** In addition to any report required under this act or any other law,  
46 OSBM shall provide a report to the Joint Legislative Commission on Governmental Operations  
47 and the Fiscal Research Division by March 1, 2021, detailing the use of funds allocated under  
48 Section 3.3 of this act. Additionally, each State agency or department that receives federal grant  
49 funds under this act shall provide a report to the Joint Legislative Commission on Governmental  
50 Operations and the Fiscal Research Division no later than 90 days from the day the grant period  
51 ends detailing the use of funds. The report required from OSBM under this section shall include

1 the amount of funds allocated to each State agency, State department, and nonprofit organization,  
2 how the funds were used by each State agency, State department, and nonprofit organization, and  
3 the amount of funds allocated to each State agency, State department, and nonprofit organization  
4 that remained unspent as of December 30, 2020. The report required from each State agency or  
5 department that receives federal grant funds under this act shall include the amount of funds  
6 granted, the source of the funds, how the funds were used, and the amount of funds that remained  
7 unspent at the end of the grant period.

## 8 9 **AUDIT REQUIREMENT**

10 **SECTION 1.8.** The State Auditor shall conduct a preliminary financial audit and a  
11 final performance audit of the Coronavirus Relief Fund created by this act no later than March 1,  
12 2021.

## 13 14 **DEPARTMENTAL RECEIPTS**

15 **SECTION 1.9.** Departmental receipts, as defined in G.S. 143C-1-1, are appropriated  
16 for the 2019-2020 fiscal year and the 2020-2021 fiscal year up to the amounts needed to  
17 implement the provisions in this act for the corresponding fiscal year.

## 18 19 **PART II. COVID-19 RELIEF RESERVES AND FUNDS ESTABLISHED**

### 20 21 **CORONAVIRUS RELIEF RESERVE**

22 **SECTION 2.1.** The State Controller shall establish a Coronavirus Relief Reserve  
23 (Reserve) in the General Fund to maintain federal funds received from the Coronavirus Relief  
24 Fund created under the CARES Act, P.L. 116-136, to mitigate the impact of the COVID-19  
25 outbreak in North Carolina. The State Controller shall transfer funds to the Coronavirus Relief  
26 Fund established in Section 2.2 of this act only as needed to meet the appropriations set out in  
27 this act and only upon request of the Director of the Budget. Funds reserved in the Reserve do  
28 not constitute an "appropriation made by law," as that phrase is used in Section 7(1) of Article V  
29 of the North Carolina Constitution.

### 30 31 **CORONAVIRUS RELIEF FUND**

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

## 41 42 **PART III. TRANSFER, APPROPRIATIONS, AND ALLOCATIONS**

### 43 44 **TRANSFER OF FUNDS FROM RELIEF RESERVE TO RELIEF FUND**

45 **SECTION 3.1.** Transfer of Funds from Relief Reserve to Relief Fund. – The State  
46 Controller shall transfer the sum of one billion six hundred thirty-five million five hundred sixty-  
47 seven thousand twenty-nine dollars (\$1,635,567,029) for the 2019-2020 fiscal year from the  
48 Reserve established in Section 2.1 of this act to the Fund established in Section 2.2 of this act.

### 49 50 **APPROPRIATION OF FUNDS FROM RELIEF FUND TO OSBM**

1           **SECTION 3.2.** Appropriation of Funds from Relief Fund to OSBM. – There is  
2 appropriated from the Fund to OSBM the sum of one billion six hundred thirty-five million five  
3 hundred sixty-seven thousand twenty-nine dollars (\$1,635,567,029) in nonrecurring funds for the  
4 2019-2020 fiscal year to be allocated and used as provided in Section 3.3 of this act. The funds  
5 appropriated in this section shall not revert at the end of the 2019-2020 fiscal year, but shall  
6 remain available to expend until December 30, 2020.

7  
8 **ALLOCATION OF FUNDS APPROPRIATED TO OSBM**

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

- 11           (1) \$80,000,000 to the Department of Public Instruction for school nutrition  
12 services provided in response to COVID-19 by public school units  
13 participating in the National School Lunch Program or School Breakfast  
14 Program from March 16, 2020, through the end of the 2019-2020 school year.  
15 Funds for these services shall be allocated in the same manner as if the  
16 participating public school units were reimbursed by school meal receipts or  
17 federal funds.
- 18           (2) \$299,000 to the Department of Public Instruction to work with the Friday  
19 Institute for Educational Innovation at North Carolina State University, in  
20 response to COVID-19, to develop and test different approaches of (i)  
21 reducing long-term disparities in Internet connectivity among students and (ii)  
22 improving students' digital development.
- 23           (3) \$1,348,500 to the Department of Public Instruction to improve Internet  
24 connectivity for students, in response to COVID-19, by installing Internet  
25 access points in school buses.
- 26           (4) \$21,200,000 to the Department of Public Instruction to improve Internet  
27 connectivity for students, in response to COVID-19, by providing community  
28 and home mobile Internet access points.
- 29           (5) \$35,000,000 to the Department of Public Instruction to be allocated to local  
30 school administrative units, charter schools, regional schools, and other  
31 elementary or secondary schools operated by the State Board of Education to  
32 purchase computers or other electronic devices for use by students in response  
33 to COVID-19.
- 34           (6) \$7,420,000 to the Department of Public Instruction to be allocated to local  
35 school administrative units, charter schools, regional schools, and other  
36 elementary or secondary schools operated by the State Board of Education to  
37 purchase computers or other electronic devices for use by school personnel in  
38 response to COVID-19.
- 39           (7) \$4,900,000 to the Department of Public Instruction to purchase pre-packaged  
40 digital curricula for grades kindergarten through twelve in response to  
41 COVID-19.
- 42           (8) \$5,550,000 to the Department of Public Instruction, in response to COVID-19,  
43 to (i) establish a statewide shared cybersecurity infrastructure to protect school  
44 business systems and minimize instructional disruption and (ii) for district  
45 cybersecurity monitoring and support through the School Connectivity  
46 Initiative.
- 47           (9) \$35,000,000 to the Department of Public Instruction to be allocated in a  
48 manner consistent with the formula for the Instructional Support Allotment.  
49 These funds shall be used for school health support personnel to provide  
50 additional physical and mental health support services for students in response  
51 to COVID-19, including remote and in-person physical and mental health

1 support services. For purposes of this subdivision, the term "school health  
2 support personnel" shall refer to school counselors, school nurses, school  
3 psychologists, and school social workers.

4 (10) \$70,000,000 to the Department of Public Instruction to be allocated to local  
5 school administrative units, charter schools, and the Innovative School  
6 District to provide a supplemental summer learning program for students  
7 whose learning has been negatively affected by the impacts of COVID-19, in  
8 accordance with the following:

9 a. The summer learning program shall include the following:

10 1. Reading interventions for students who were in kindergarten  
11 through grade three during the 2019-2020 school year who  
12 were not on track to meet 2019-2020 year-end expectations  
13 based on diagnostic assessments completed prior to March 16,  
14 2020.

15 2. Reading interventions for students who were in grade four  
16 during the 2019-2020 school year who were not on track to  
17 meet 2019-2020 year-end expectations as identified by their  
18 2019-2020 school year reading teachers.

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

23 b. Of the funds appropriated by this subdivision for summer reading  
24 programs, at least thirty-five million dollars (\$35,000,000) shall be  
25 used to provide reading interventions for students who were in grades  
26 two and three during the 2019-2020 school year. Of these funds, any  
27 unexpended funds at the conclusion of the summer learning program  
28 shall be used prior to December 30, 2020 to provide supplemental  
29 literacy support for students in grade four during the 2020-2021 school  
30 year who are not on track to meet 2020-2021 year-end expectations,  
31 as identified by their 2020-2021 school year reading teachers.

32 c. Any unexpended funds for (i) reading interventions for students in  
33 kindergarten, grade one, or grade four during the 2019-2020 school  
34 year and (ii) math interventions for students in kindergarten through  
35 grade four during the 2019-2020 school year shall be used prior to  
36 December 30, 2020, to provide supplemental literacy or math support,  
37 as appropriate, to students in grades one through five during the  
38 2020-2021 school year who are not on track to meet 2020-2021  
39 year-end expectations as identified by their respective 2020-2021  
40 school year reading or math teachers.

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

45 The governing body of a public school unit receiving funds under this  
46 subdivision shall consult with 2019-2020 school year teachers of kindergarten  
47 through fourth grade students to develop summer learning program plans that  
48 deliver targeted instruction to students participating in the summer learning  
49 program. Each public school unit's plan shall comply with the requirements of  
50 any executive order in effect at the time of the summer learning program,  
51 including requirements on the use of public school buildings, and shall comply

1 with social distancing and other public health guidelines provided by the  
2 Department of Health and Human Services. No later than May 31, 2020, local  
3 school administrative units and the Innovative School District shall submit  
4 their summer learning program plans to the Department of Public Instruction.  
5 Summer learning programs shall not be included in scheduled instructional  
6 time for the 2020-2021 school year calendar, but shall provide a supplement  
7 to that instruction in order to better prepare students for academic success  
8 during the 2020-2021 school year, despite the impacts of COVID-19. Each  
9 public school unit receiving funds under this subdivision is encouraged to  
10 identify or prepare resources and strategies that parents or guardians can  
11 provide at home for students who qualify for a summer learning program and  
12 who (i) do not attend or (ii) attend and would like additional material. No later  
13 than February 15, 2021, the State Board of Education shall report to the Joint  
14 Legislative Education Oversight Committee on the implementation of this  
15 subdivision and the use of funds for summer learning programs.

16 (11) \$1,488,000 to the Department of Public Instruction to assist and support public  
17 school units in providing remote instruction in response to the impacts of  
18 COVID-19 by expanding the learning management platform provided by the  
19 Department of Public Instruction to local school administrative units, charter  
20 schools, regional schools, the Innovative School District, and any other public  
21 school units, in the discretion of the Department.

22 (12) \$5,000,000 to the Department of Public Instruction to provide nondigital  
23 remote instruction resources to students with limited connectivity, in order to  
24 continue learning growth during the school closure period related to  
25 COVID-19.

26 (13) \$17,900,000 to the Department of Public Instruction to provide Extended  
27 School Year Services or future services, as appropriate, to exceptional  
28 children who qualify for these services due to the impacts of COVID-19.

29 (14) \$621,000 to the Department of Public Instruction for the Governor Morehead  
30 School for the Blind, Eastern North Carolina School for the Deaf, and North  
31 Carolina School for the Deaf for school nutrition, cleaning and sanitizing,  
32 digital and nondigital remote learning resources, compensatory services, and  
33 Extended School Year Services related to the impacts of COVID-19.

34 (15) \$6,000,000 to the Department of Public Instruction for the Extended Learning  
35 and Integrated Student Supports Competitive Grant Program (Program) for  
36 the 2019-2020 and 2020-2021 fiscal years. Of these funds, the Department of  
37 Public Instruction may use up to two hundred thousand dollars (\$200,000) to  
38 administer the Program. The purpose of the Program is to fund high-quality,  
39 independently validated extended learning and integrated student support  
40 service programs for at-risk students whose learning has been negatively  
41 affected by COVID-19 impacts. The programs funded shall raise standards  
42 for student academic outcomes by focusing on the following:

- 43 a. Use of an evidence-based model with a proven track record of success.
- 44 b. Inclusion of rigorous, quantitative performance measures to confirm  
45 effectiveness of the program.
- 46 c. Deployment of multiple tiered supports in schools to address student  
47 barriers to achievement, such as strategies to improve chronic  
48 absenteeism, antisocial behaviors, academic growth, and enhancement  
49 of parent and family engagement.
- 50 d. Alignment with State performance measures, student academic goals,  
51 and the North Carolina Standard Course of Study.

- 1 e. Prioritization in programs to integrate clear academic content, in  
2 particular, science, technology, engineering, and mathematics (STEM)  
3 learning opportunities or reading development and proficiency  
4 instruction.  
5 f. Minimization of student class size when providing instruction or  
6 instructional supports and interventions.  
7 g. Expansion of student access to high-quality learning activities and  
8 academic support that strengthen student engagement and leverage  
9 community-based resources, which may include organizations that  
10 provide mentoring services and private-sector employer involvement.  
11 h. Utilization of digital content to expand learning time, when  
12 appropriate.

13 Grants shall be used to award funds for new or existing eligible programs for  
14 at-risk students operated by (i) nonprofit corporations and (ii) nonprofit  
15 corporations working in collaboration with local school administrative units.  
16 Grant participants are eligible to receive grants in an amount of up to five  
17 hundred thousand dollars (\$500,000) each year. Programs should focus on  
18 serving (i) at-risk students not performing at grade level as demonstrated by  
19 statewide assessments or not on-track to meet year-end expectations as of  
20 March 16, 2020 as demonstrated by existing indicators including teacher  
21 identification, (ii) students at risk of dropout, and (iii) students at risk of school  
22 displacement due to suspension or expulsion as a result of antisocial  
23 behaviors. Priority consideration shall be given to applications demonstrating  
24 models that focus services and programs in schools that are identified as  
25 low-performing, pursuant to G.S. 115C-105.37. A grant participant shall  
26 provide certification to the Department of Public Instruction that the grants  
27 received under the program shall be matched on the basis of three dollars  
28 (\$3.00) in grant funds for every one dollar (\$1.00) in nongrant funds.  
29 Matching funds shall not include State funds. The Department shall also give  
30 priority consideration to an applicant that is a nonprofit corporation working  
31 in partnership with a local school administrative unit resulting in a match  
32 utilizing federal funds under Part A of Title I of the Elementary and Secondary  
33 Education Act of 1965, as amended, or Title IV of the Higher Education Act  
34 of 1965, as amended, and other federal or local funds. Matching funds may  
35 include in-kind contributions for up to fifty percent (50%) of the required  
36 match. A nonprofit corporation may act as its own fiscal agent for the purposes  
37 of this Program. Grant recipients shall report to the Department of Public  
38 Instruction for the year in which grant funds were expended on the progress  
39 of the Program, including alignment with State academic standards, data  
40 collection for reporting student progress, the source and amount of matching  
41 funds, and other measures. Grant recipients shall also submit a final report on  
42 key performance data, including statewide test results, attendance rates,  
43 graduation rates, and promotion rates, and financial sustainability of the  
44 program. The Department of Public Instruction shall provide a report on the  
45 Program to the Joint Legislative Education Oversight Committee by February  
46 15, 2021. The report shall include the results of the Program and  
47 recommendations regarding effective program models, standards, and  
48 performance measures based on student performance, leveraging of  
49 community-based resources to expand student access to learning activities,  
50 academic and behavioral support services, and potential opportunities for the  
51 State to invest in proven models for future grants programs.

- 1 (16) \$25,000,000 to the Community Colleges System Office to be used by the  
2 System Office and to be allocated to community college campuses for the  
3 following purposes to effectively respond to COVID-19 impacts: (i) to  
4 enhance online learning capacity and cover increased costs associated with  
5 moving to online education for students, (ii) to cover necessary eligible  
6 expenses for resources and supports for faculty and staff, (iii) to provide Small  
7 Business Center counselors for small business needs, (iv) to cover expenses  
8 for expanded demands on information technology, including devices for  
9 campuses in rural areas, and (v) to provide facility sanitation and other  
10 necessary eligible expenses for services for ongoing campus operations.
- 11 (17) \$48,690,529 to the Board of Governors of The University of North Carolina  
12 to be allocated to constituent institutions for the following purposes to  
13 effectively respond to COVID-19 impacts: (i) to cover increased costs related  
14 to moving coursework and exams online, (ii) to implement a digital learning  
15 accelerator, (iii) to provide for facility sanitation prior to reopening campuses  
16 and during the operation of campuses and for other necessary eligible  
17 expenses for services for ongoing campus operations, and (iv) to cover  
18 necessary eligible expenses for assistance to students and employees,  
19 including counseling services and information technology support.
- 20 (18) \$30,000,000 to the Board of Governors of The University of North Carolina  
21 to be allocated to the State Education Assistance Authority (Authority) for the  
22 Authority to provide funds to each eligible private postsecondary institution,  
23 as defined in G.S. 116-280(3), by apportioning an amount equal to the  
24 following:
- 25 a. Seventy-five percent (75%) of the institution's relative share of  
26 full-time equivalent students who were enrolled as of March 13, 2020,  
27 who received scholarships pursuant to Article 34 of Chapter 116 of the  
28 General Statutes for the spring semester of the 2019-2020 academic  
29 year.
- 30 b. Twenty-five percent (25%) of the institution's relative share of  
31 full-time equivalent students who were enrolled as of March 13, 2020,  
32 who had not received scholarships pursuant to Article 34 of Chapter  
33 116 of the General Statutes for the spring semester of the 2019-2020  
34 academic year.
- 35 These funds shall be used to transition to online education for students, for  
36 necessary eligible institutional expenditures related to COVID-19, and to  
37 provide funds for students and families impacted by COVID-19. An eligible  
38 postsecondary institution receiving funds pursuant to this subdivision shall not  
39 use these funds for purposes other than for actions taken to respond to  
40 COVID-19 in accordance with the provisions of this act and in compliance  
41 with federal law requirements.
- 42 (19) \$110,000,000 to OSBM to establish the COVID-19 Response Research Fund.  
43 OSBM shall allocate the monies from the fund as follows:
- 44 a. \$100,000,000 shall be allocated to the North Carolina Policy  
45 Collaboratory (Collaboratory) at the University of North Carolina at  
46 Chapel Hill to coordinate efforts among entities being provided funds  
47 pursuant to this subdivision. The Collaboratory shall facilitate best  
48 practices and strategies for those entities to maximize resources and  
49 achieve a comprehensive response to COVID-19. The Collaboratory  
50 may assemble an advisory panel of representatives from entities  
51 receiving funds pursuant to this subdivision as necessary to discuss,



1 review, and analyze progress towards meeting the goals for the use of  
2 the funds. Funds shall be provided to the following entities to be used  
3 for (i) the rapid development of a countermeasure of neutralizing  
4 antibodies and other strategies for COVID-19 that can be used as soon  
5 as possible to both prevent infection, and for those infected, treat  
6 infection, (ii) bringing a safe and effective COVID-19 vaccine to the  
7 public as soon as possible, (iii) community testing initiatives, and (iv)  
8 other research related to COVID-19:

- 9 1. \$25,000,000 shall be allocated to the Duke University Human  
10 Vaccine Institute (DHVI) of the Duke University School of  
11 Medicine.
- 12 2. \$25,000,000 shall be allocated to the Gillings School of Global  
13 Public Health at the University of North Carolina at Chapel  
14 Hill.
- 15 3. \$25,000,000 shall be allocated to the Brody School of  
16 Medicine at East Carolina University.
- 17 4. \$25,000,000 shall be allocated to the Wake Forest School of  
18 Medicine.

- 19 b. \$10,000,000 shall be allocated to the Campbell University School of  
20 Osteopathic Medicine for a community and rural-focused primary care  
21 workforce response to COVID-19, including, but not limited to, (i)  
22 supporting community testing initiatives, (ii) providing treatment in  
23 community-based health care settings, (iii) monitoring rural  
24 populations, (iv) educating health professionals on best practices for a  
25 pandemic response, and (v) supporting rural communities through  
26 primary care.

27 By September 1, 2020, the Collaboratory, DHVI, Gillings School of Global  
28 Public Health, Brody School of Medicine, and Wake Forest School of  
29 Medicine shall submit a report to the House Appropriations Subcommittee on  
30 Health and Human Services, the Senate Appropriations Committee on Health  
31 and Human Services, and the Joint Legislative Oversight Committee on  
32 Health and Human Services on all of the following:

- 33 a. Progress on the development of a countermeasure, other strategies,  
34 and a vaccine for COVID-19.
- 35 b. Findings from the community testing initiatives.
- 36 c. Other research related to COVID-19.
- 37 d. A breakdown of all expenditures from the appropriated funds received  
38 under this subdivision.
- 39 e. The source and amount of all other funds received for the purposes  
40 described in this subdivision.

41 By September 1, 2020, Campbell University School of Osteopathic Medicine  
42 shall report to the House Appropriations Subcommittee on Health and Human  
43 Services, the Senate Appropriations Committee on Health and Human  
44 Services, and the Joint Legislative Oversight Committee on Health and  
45 Human Services on all of the following:

- 46 a. Findings from the supported community testing initiatives.
- 47 b. A description of the education provided to health professionals.
- 48 c. Best practices for treating rural populations and supporting  
49 community-based hospitals during a pandemic.
- 50 d. A breakdown of all expenditures from the appropriated funds received  
51 under this subdivision.

- 1 e. The source and amount of all other funds received for the purposes  
2 described in this subdivision.
- 3 (20) \$25,000,000 to the Department of Health and Human Services to support  
4 public health efforts, the State Laboratory of Public Health, local health  
5 departments, and rural health providers in building capacity to respond to the  
6 COVID-19 pandemic.
- 7 (21) \$25,000,000 to the Department of Health and Human Services to provide  
8 funds to support behavioral health and crisis services to respond to the  
9 COVID-19 pandemic. These funds shall be used for at least all of the  
10 following purposes:
- 11 a. To divert individuals experiencing behavioral health emergencies  
12 from emergency departments.
- 13 b. To allocate \$12,600,000 to be distributed as a one-time payment to  
14 each local management entity/managed care organization  
15 (LME/MCO) for the purposes of providing temporary additional  
16 funding assistance for Intermediate Care Facilities for Individuals with  
17 Intellectual Disabilities (ICF/IID) services on a per diem basis.
- 18 (22) \$40,000,000 to the Department of Health and Human Services, Division of  
19 Health Benefits, for coverage of additional costs related to the Medicaid  
20 program, including any of the following costs:
- 21 a. Funding for the support of COVID-19 related priorities in the  
22 Medicaid program as they evolve, including additional provider  
23 support for long-term care, primary care, and other providers most at  
24 risk of insolvency as a result of severely disrupted revenue during the  
25 COVID-19 pandemic.
- 26 b. Additional funding for COVID-19 testing and the treatment of patients  
27 who test positive for COVID-19.
- 28 c. Costs associated with increased enrollment due to the COVID-19  
29 pandemic.
- 30 (23) \$50,000,000 to OSBM for allocation to the Department of Health and Human  
31 Services and the Division of Emergency Management within the Department  
32 of Public Safety for the following purposes:
- 33 a. To purchase personal protective equipment that meets CDC guidelines  
34 for infection control. As used in this section, personal protective  
35 equipment includes gloves, gowns and aprons, surgical and respiratory  
36 masks, goggles, face shields, and other protective clothing that meet  
37 CDC guidelines for infection control.
- 38 b. To purchase other supplies and equipment related to emergency  
39 protective measures to address immediate threats to life, public health,  
40 and safety related to COVID-19, such as ventilators, touch-free  
41 thermometers, disinfectant, and sanitizing wipes.
- 42 Any supplies and equipment purchased with funds allocated in this  
43 subdivision may be made available to both public and private health care  
44 providers and other entities the Department of Health and Human Services or  
45 the Division of Emergency Management deem essential to the State's response  
46 to COVID-19. The Department of Health and Human Services and the  
47 Division of Emergency Management shall ensure that funds appropriated in  
48 this subdivision are expended in a manner that does not adversely affect any  
49 person's or entity's eligibility for federal funds that are made available, or that  
50 are anticipated to be made available, as a result of the COVID-19 pandemic.  
51 The Department of Health and Human Services and the Division of

- 1 Emergency Management shall also, to the extent practicable, avoid using State  
2 funds to cover costs that will be, or likely will be, covered by federal funds.
- 3 (24) \$25,000,000 to the Department of Health and Human Services to expand  
4 public and private initiatives for COVID-19 testing, contact tracing, and  
5 trends tracking and analysis through, but not limited to, all of the following  
6 ways:
- 7 a. Building capacity for widespread COVID-19 diagnostic testing to  
8 enable rapid case-based interventions.
- 9 b. Building capacity for widespread COVID-19 antibody testing to  
10 enable rapid deployment when such testing becomes available.
- 11 c. Expanding contact tracing workforce and infrastructure to routinely  
12 identify potentially exposed persons and take appropriate public health  
13 actions.
- 14 d. Increasing research and data tools and analysis infrastructure to  
15 support better predictive models, surveillance and response strategies.
- 16 (25) \$25,000,000 to the Department of Health and Human Services to provide  
17 funding for (i) adult and child protective services response, (ii) support for  
18 homeless and domestic violence shelters and housing security, including  
19 prevention, diversion, and rapid re-housing assistance, (iii) child care  
20 response, and (iv) technology modifications to support COVID-19 emergency  
21 relief beneficiaries.
- 22 a. From funds received pursuant to this subdivision, the sum of  
23 \$6,000,000 is allocated equally among each of the six food banks in  
24 this State in support of responses to the COVID-19 emergency.
- 25 b. From funds received pursuant to this subdivision, the sum of  
26 \$2,500,000 is allocated to Reinvestment Partners, a nonprofit  
27 organization, for its Produce Prescription Program, which provides a  
28 monthly forty-dollar (\$40.00) per household benefit for each eligible  
29 Food and Nutrition Services recipient enrolled by the recipient's health  
30 care provider, in serving individuals impacted by the COVID-19  
31 emergency.
- 32 c. Subparagraph b. of this subdivision is effective when it becomes law  
33 and expires three months from the date this section becomes effective.  
34 The remainder of this subdivision is effective when it becomes law.
- 35 (26) \$2,250,000 to the Department of Health and Human Services, Division of  
36 Social Services, to assist in serving children in foster care during the  
37 COVID-19 emergency. These funds shall be used for monthly supplemental  
38 payments in the amount of one hundred dollars (\$100.00) for each child  
39 receiving foster care assistance payments for the months of April 2020  
40 through June 2020.
- 41 (27) \$25,000,000 to the Department of Health and Human Services, Division of  
42 Social Services, for facilities licensed to accept State-County Special  
43 Assistance. These funds shall be used to provide a one-time payment to these  
44 facilities to offset the increased costs of serving residents during the  
45 COVID-19 emergency. Each eligible facility shall receive an amount equal to  
46 one thousand three hundred twenty-five dollars (\$1,325) for each resident of  
47 the facility who is a recipient of State-County Special Assistance between  
48 March 10, 2020, through July 30, 2020. In the case of a recipient who transfers  
49 from one facility to another during this time period, only the first eligible  
50 facility of residence will receive the payment authorized under this section.  
51 Nothing in this section shall be construed as an obligation by the General

1 Assembly to appropriate funds for the purpose of this section, or as an  
2 entitlement by any facility, resident of a facility, or other person to receive  
3 financial assistance under this section. The following definitions apply in this  
4 section:

- 5 a. Facility licensed to accept State-County Special Assistance payments.  
6 – Any residential care facility that is (i) licensed by the Department of  
7 Health and Human Services and (ii) authorized to accept State-County  
8 Special Assistance payments from its residents.  
9 b. State-County Special Assistance. – The program authorized by  
10 G.S. 108A-40.

11 (28) \$25,000,000 to the Department of Health and Human Services to provide  
12 funds to support rural and underserved communities especially hard hit by the  
13 COVID-19 pandemic, which may include directed grants to health care  
14 providers other than rural hospitals; targeted Medicaid assistance for rural  
15 providers; enhanced telehealth services; transportation for critical services;  
16 health care security for the uninsured; and other related purposes. These funds  
17 may be used to fund items not addressed by federal relief funds or as needed  
18 to address critical health care needs until federal funds are received for such  
19 purposes.

20 (29) \$75,000,000 to the OSBM to provide a directed grant to the North Carolina  
21 Healthcare Foundation (NCHF), a nonprofit corporation. NCHF shall use  
22 these funds to award grants to rural hospitals to offset expenses incurred for  
23 providing patient care in North Carolina to respond to the COVID-19  
24 pandemic. NCHF shall award grants to eligible rural hospitals within 30 days  
25 after receipt of an application and on the basis of need according to tier  
26 designation, county health ranking, and hospital-specific financial data.  
27 NCHF shall provide technical assistance to grant recipients for a period of five  
28 years following distribution of funds to (i) ensure that funds are utilized  
29 according to the intended purpose, (ii) assist recipient facilities in interpreting  
30 and implementing waivers and other federal guidance related to COVID-19  
31 response and recovery, and (iii) support recipient facilities in preparing for  
32 post-COVID-19 sustainability. Grant recipients shall not use these funds for  
33 any purpose other than to offset the following costs related to patient care  
34 provided in North Carolina as a result of the COVID-19 pandemic:

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

1 By November 1, 2020, grant recipients shall submit to NCHF a detailed  
2 written report on the use of the funds appropriated in this subdivision. By  
3 December 1, 2020, NCHF shall submit to OSBM, the Joint Legislative  
4 Oversight Committee on Health and Human Services, and the Fiscal Research  
5 Division a detailed written report on the use of funds appropriated in this  
6 subdivision, along with recommendations on how recipient facilities can  
7 prepare for post-COVID-19 sustainability.

8 (30) \$1,400,000 to the Department of Health and Human Services, Division of  
9 Central Management and Support, Office of Rural Health, to provide directed  
10 grants of equal amounts to the 67 member clinics of the North Carolina  
11 Association of Free and Charitable Clinics, to offset costs for providing health  
12 care and prescription medications during the COVID-19 emergency.

13 (31) \$1,500,000 to the Department of Health and Human Services to provide a  
14 directed grant to NC MedAssist, a nonprofit corporation, to offset increased  
15 costs for providing prescription assistance services during the COVID-19  
16 pandemic to individuals who are indigent or uninsured.

17 (32) \$25,000,000 to the OSBM to establish the COVID-19 Teaching Hospitals  
18 Relief Fund. OSBM shall allocate the monies in the fund as directed grants to  
19 hospitals located within the State that are classified as teaching hospitals by  
20 the Centers for Medicare and Medicaid Services, for the purpose of offsetting  
21 expenses incurred for providing patient care in North Carolina as a result of  
22 the COVID-19 pandemic. OSBM shall award grants to eligible teaching  
23 hospitals based on the amount of charitable care provided in North Carolina  
24 and the amount of lost revenue sustained within North Carolina as a result of  
25 the COVID-19 pandemic. Grant recipients shall not use these funds for any  
26 purpose other than the following to offset costs related to patient care provided  
27 in North Carolina to respond to the COVID-19 pandemic:

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

45 As a condition of receiving the funds allocated in this subdivision, each grant  
46 recipient shall submit a detailed written report to the House Appropriations  
47 Subcommittee on Health and Human Services, the Senate Appropriations  
48 Committee on Health and Human Services, and the Joint Legislative  
49 Oversight Committee on Health and Human Services by December 1, 2020,  
50 that contains (i) a breakdown of all expenditures from the appropriated funds  
51 received under this section by the categories listed in this subdivision and (ii)

- 1 the total amount of funds received from the Provider Relief Fund provided for  
 2 in P.L. 116-136 and any other federal legislation passed during calendar year  
 3 2020 to support the national response to COVID-19.
- 4 (33) \$25,000,000 to the OSBM to establish the COVID-19 General Hospitals  
 5 Relief Fund. OSBM shall allocate the monies in the fund as directed grants to  
 6 hospitals located within the State that are not classified as rural hospitals or  
 7 teaching hospitals by the Centers for Medicare and Medicaid Services, for the  
 8 purpose of offsetting expenses incurred for providing care to patients in North  
 9 Carolina as a result of the COVID-19 pandemic. OSBM shall award grants to  
 10 eligible large hospitals based on the amount of charitable care provided in  
 11 North Carolina and the amount of lost revenue sustained within North  
 12 Carolina as a result of the COVID-19 pandemic. Grant recipients shall not use  
 13 these funds for any purpose other than to offset the following costs related to  
 14 patient care provided in North Carolina to respond to the COVID-19  
 15 pandemic:
- 16 a. Up to sixty percent (60%) of lost revenues from foregone elective  
 17 procedures during the emergency period, net of federal funds received  
 18 from the CARES Act.
  - 19 b. Supplies and equipment purchased in accordance with Centers for  
 20 Disease Control guidelines.
  - 21 c. Rapidly ramping up infection control and triage training for health care  
 22 professionals.
  - 23 d. Retrofitting separate areas to screen and treat patients with suspected  
 24 COVID-19 infections, including isolation areas in or around hospital  
 25 emergency departments.
  - 26 e. Increasing the number of patient care beds to provide surge capacity.
  - 27 f. Transporting patients with confirmed or suspected COVID-19 safely  
 28 to or from health care facilities.
  - 29 g. Planning, training, and implementing expanded telehealth capabilities.
  - 30 h. Procuring staff or consultants to help mitigate the burden of extensive  
 31 review of new and incoming federal and State regulatory guidelines.
  - 32 i. Salary support for furloughed employees.
- 33 As a condition of receiving the funds allocated in this subdivision, each grant  
 34 recipient shall submit a detailed written report to the House Appropriations  
 35 Subcommittee on Health and Human Services, the Senate Appropriations  
 36 Committee on Health and Human Services, and the Joint Legislative  
 37 Oversight Committee on Health and Human Services by December 1, 2020,  
 38 that contains (i) a breakdown of all expenditures from the appropriated funds  
 39 received under this section by the categories listed in this subdivision and (ii)  
 40 the total amount of funds received from the Provider Relief Fund provided for  
 41 in P.L. 116-136 and any other federal legislation passed during calendar year  
 42 2020 to support the national response to COVID-19.
- 43 (34) \$300,000,000 to OSBM for the Department of Transportation. OSBM shall  
 44 not transfer these allocated funds to the Department for use until the guidelines  
 45 in "Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal  
 46 Governments" dated April 22, 2020 are revised by the United States  
 47 Department of the Treasury or a subsequent act of Congress authorizes the use  
 48 of funds from the Coronavirus Relief Fund for the purpose of replacing lost  
 49 revenue due to the COVID-19 emergency. 30 days prior to the transfer of  
 50 funds pursuant to this subsection, OSBM shall submit a report to the Joint  
 51 Legislative Commission on Governmental Operations. On or before April 1,

- 1 2021, the Department shall submit a report on the status of utilizing these  
2 funds and a revenue update to the Joint Legislative Transportation Oversight  
3 Committee (JLTOC) and the Fiscal Research Division.
- 4 (35) \$350,000,000 to OSBM for allocation to counties ineligible to receive direct  
5 funding from the federal Coronavirus Relief Fund established by the  
6 Coronavirus Aid, Relief, and Economic Security (CARES) Act, P.L. 116-136.  
7 The OSBM shall allocate these funds on a per capita basis using the US  
8 Census Bureau's Vintage 2019 county population totals, provided that no  
9 county eligible to receive an allocation under this section shall be allocated  
10 less than \$500,000. A county may allocate a portion of these funds for use by  
11 municipalities within the county, but only if the transfer qualifies as a  
12 necessary expenditure incurred due to the public health emergency and meets  
13 the other criteria of section 601(d) of the Social Security Act. Such funds are  
14 subject to recoupment by the U.S. Treasury Inspector General if they have not  
15 been used in a manner consistent with section 601(d) of the Social Security  
16 Act. Further, the funds may only be used to support expenditures by counties  
17 and municipalities that are consistent with the most recently published U.S.  
18 Treasury Department guidance for the federal Coronavirus Relief Fund.  
19 Counties and municipalities are liable to the State for any misuse or  
20 mishandling of these funds, and subject to clawback and other appropriate  
21 measures, including the reduction or elimination of other State funds. Any  
22 local government officer, official, or employee who violates this section shall  
23 be subject to a civil action by the State and held personally liable to reimburse  
24 the State. Beginning October 1, 2020, and then quarterly thereafter, each  
25 county and municipality receiving funds under this section shall report to the  
26 OSBM on the use of allocated funds until all funds are expended and  
27 accounted for.
- 28 (36) \$30,000,000 to OSBM, for allocation to State agencies negatively impacted  
29 by the loss of anticipated receipts. OSBM shall not transfer the allocated  
30 funds to the State agencies for use until the guidelines in "Coronavirus Relief  
31 Fund Guidance for State, Territorial, Local, and Tribal Governments" dated  
32 April 22, 2020 are revised by the United States Department of the Treasury or  
33 a subsequent act of Congress authorizes the use of funds from the Coronavirus  
34 Relief Fund for the purpose of replacing lost revenue due to the COVID-19  
35 emergency. Prior to the transfer of funds pursuant to this subsection, OSBM  
36 shall submit a report to the Joint Legislative Commission on Governmental  
37 Operations.
- 38 (37) \$80,000,000 to OSBM to be used for the continuity of operation needs across  
39 State government. Costs eligible under this subdivision may include, but are  
40 not limited to, covering overtime costs at mental health institutions, prisons,  
41 juvenile facilities, and veterans homes; purchasing critical information  
42 technology equipment and software licenses; enhancing telepresence services  
43 in public safety facilities and the court system; providing COVID-19 testing  
44 for employees of the Division of Prisons at the Department of Public Safety;  
45 and purchasing emergency sanitation and hygienic supplies. Provided that the  
46 United States Department of Labor does not approve additional funding for  
47 the Customer Call Center operated by the Division of Employment Security,  
48 funds may also be used to hire additional time-limited staff in the Customer  
49 Call Center to meet the unprecedented demand for services. In addition, these  
50 funds may be used for the following purposes:

- 1 a. Up to ten million dollars (\$10,000,000) of the funds allocated in this  
2 subdivision may be further allocated to the Department of Agriculture  
3 and Consumer Services to be used for animal depopulation and  
4 disposal activities to address possible future supply chain impacts  
5 from the closure of animal processing plants due to COVID-19.
- 6 b. Up to two million dollars (\$2,000,000) of the funds allocated in this  
7 subdivision may be used to establish a temporary North Carolina  
8 Pandemic Recovery Office in accordance with Section 3B.1 of this act.
- 9 c. Up to five hundred thousand dollars (\$500,000) of the funds allocated  
10 in this subdivision may be further allocated to the Office of the State  
11 Auditor to perform the requirements set forth in Section 4.2 of this act.
- 12 OSBM shall provide a report to the Joint Legislative Commission on  
13 Governmental Operations no later than August 15, 2020, detailing the  
14 allocation of funds under this subdivision. The report shall include which State  
15 agencies received allocations, the amounts disbursed, the amount spent in the  
16 2019-2020 fiscal year, and for what purposes the funds were used by fund  
17 code and line-item detail.

### 18 19 **PART III-A. MEDICAID COVID-19 AUTHORIZATION AND RESPONSE**

#### 20 21 **MEDICAID PROVIDER RATE INCREASES**

22 **SECTION 3A.1.** In addition to the five percent (5%) rate increases already requested  
23 by the Department of Health and Human Services (DHHS) in the 1135 Medicaid disaster State  
24 Plan amendment (SPA) submitted to the Centers for Medicare and Medicaid Services on April  
25 8, 2020, for certain provider types, DHHS shall increase the fee-for-service Medicaid rates paid  
26 directly by the Division of Health Benefits for all remaining provider types by five percent (5%).  
27 The rate increases authorized under this section shall be effective March 1, 2020, through the  
28 duration of the declared nationwide public health emergency as a result of the 2019 novel  
29 coronavirus.

#### 30 31 **PROVIDE MEDICAID COVERAGE FOR COVID-19 TESTING TO UNINSURED** 32 **INDIVIDUALS IN NORTH CAROLINA DURING THE NATIONWIDE PUBLIC** 33 **HEALTH EMERGENCY**

34 **SECTION 3A.2.** The Department of Health and Human Services, Division of Health  
35 Benefits (DHB), is authorized to provide the Medicaid coverage described in 42 U.S.C.A. §  
36 1396a(a)(10)(A)(ii)(XXIII), which covers COVID-19 testing for certain uninsured individuals  
37 during the period in which there is a declared nationwide public health emergency as a result of  
38 the 2019 novel coronavirus. DHB is authorized to provide this medical assistance retroactively  
39 to the earliest date allowable.

#### 40 41 **TEMPORARY MEDICAID COVERAGE FOR THE PREVENTION, TESTING, AND** 42 **TREATMENT OF COVID-19**

43 **SECTION 3A.3.(a)** The Department of Health and Human Services, Division of  
44 Health Benefits (DHB), is authorized to provide temporary, targeted Medicaid coverage to  
45 individuals with incomes up to two hundred percent (200%) of the federal poverty level, as  
46 requested by the Secretary of the Department of Health and Human Services in the 1115 waiver  
47 application submitted to the Centers for Medicare and Medicaid Services (CMS) on March 27,  
48 2020. If CMS grants approval for different coverage or a different population than requested in  
49 that 1115 waiver application, DHB may implement the approved temporary coverage, provided  
50 that all the following criteria are met:



- 1 (1) The coverage is only provided for a limited time period related to the declared  
2 nationwide public health emergency as a result of the 2019 novel coronavirus.  
3 (2) The coverage is not provided for services other than services for the  
4 prevention, testing, or treatment of COVID-19.  
5 (3) The income level to qualify for the coverage does not exceed two hundred  
6 percent (200%) of the federal poverty level.

7 **SECTION 3A.3.(b)** The Department of Health and Human Services, Division of  
8 Health Benefits, is authorized to provide this Medicaid coverage retroactively to the earliest date  
9 allowable.  
10

### 11 **IMPLEMENT TEMPORARY PROVIDER ENROLLMENT CHANGES AUTHORIZED** 12 **UNDER THE MEDICAID 1135 WAIVER**

13 **SECTION 3A.4.** In order for the Department of Health and Human Services,  
14 Division of Health Benefits, to implement the temporary provider enrollment changes under the  
15 1135 waiver approved by the Centers for Medicare and Medicaid Services for the North Carolina  
16 Medicaid program and NC Health Choice program, the following statutes shall not apply to the  
17 North Carolina Medicaid program and the NC Health Choice program from March 1, 2020,  
18 through the duration of the declared nationwide public health emergency as a result of the 2019  
19 novel coronavirus:

- 20 (1) G.S. 108C-2.1.  
21 (2) G.S. 108C-4(a).  
22 (3) G.S. 108C-9(a) with respect to any required trainings prior to enrollment.  
23 (4) G.S. 108C-9(c).  
24

### 25 **PART III-B. ESTABLISHMENT OF TEMPORARY PANDEMIC RECOVERY OFFICE**

26 **SECTION 3B.1.** OSBM shall establish a temporary North Carolina Pandemic  
27 Recovery Office (Office) to oversee and coordinate funds made available under COVID-19  
28 Recovery Legislation. This Office shall also provide technical assistance and ensure coordination  
29 of federal funds received by State agencies and local governments and ensure proper reporting  
30 and accounting of all funds. The authorization set forth in this section expires 12 months from  
31 the effective date of this act and the Office shall cease to operate upon expiration of the  
32 authorization.  
33

### 34 **PART IV. ADDITIONAL ALLOCATIONS AND APPROPRIATIONS**

#### 35 **APPROPRIATION OF COVID-19 FEDERAL GRANT FUNDS AND RECEIPTS**

36 **SECTION 4.1.(a)** Except for funds subject to subsection (c) of this section or Section  
37 2.1 of this act, funds received from federal grants authorized under the COVID-19 Recovery  
38 Legislation are appropriated in the amounts provided in the notification of award from the federal  
39 government or any entity acting on behalf of the federal government to administer the federal  
40 funds. State agencies may, with approval of the Director of the Budget, spend funds received  
41 from federal receipts and federal grants resulting from enactment of the COVID-19 Recovery  
42 Legislation that are not otherwise subject to Section 2.1 of this act. Section 2.2(c) of S.L.  
43 2019-192 shall not apply to grant funds received under the COVID-19 Recovery Legislation.  
44

45 **SECTION 4.1.(b)** The programs and grant amounts in the schedule set forth in this  
46 subsection are estimates of North Carolina's allocations from the COVID-19 Recovery  
47 Legislation to be deposited in the State's Treasury and administered by State agencies. This  
48 schedule is meant to be illustrative of federal grants that have, or will be, received by the State  
49 in addition to the approximately three billion five hundred million dollars (\$3,500,000,000) from  
50 the Coronavirus Relief Fund created under the CARES Act, P.L. 116-136. These amounts are

1 not inclusive of federal funds distributed or paid directly to individuals, businesses, health care  
 2 providers, or private postsecondary institutions:

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

43

#### 44 **LIMITATION ON STATE BOARD OF ELECTIONS BUDGETING**

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

51

1 **PART V. SEVERABILITY**

2           **SECTION 5.1.** If any provision of this act is declared unconstitutional or invalid by  
3 the courts, it does not affect the validity of this act as a whole or any part other than the part  
4 declared unconstitutional or invalid.

5  
6 **PART VI. EFFECTIVE DATE**

7           **SECTION 6.1.** Except as otherwise provided, this act is effective when it becomes  
8 law.