

**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

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

5 The General Assembly of North Carolina enacts:

6  
7 **PART I. GENERAL PROVISIONS**

8  
9 **TITLE OF ACT**

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

12  
13 **DEFINITIONS**

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

- 15 (1) Coronavirus Relief Fund. – Funds received by the State of North Carolina  
16 during the 2019-2020 fiscal year from the Coronavirus Relief Fund created by  
17 the Coronavirus Aid, Relief, and Economic Security Act of 2020, P.L.  
18 116-136.
- 19 (2) CDC. – The federal Centers for Disease Control.
- 20 (3) Coronavirus or COVID-19. – Has the same meaning as defined in section 506  
21 of the federal Coronavirus Preparedness and Response Supplemental  
22 Appropriations Act, 2020, Public Law No. 116-123.
- 23 (4) COVID-19 diagnostic test. – A test the federal Food and Drug Administration  
24 has authorized for emergency use or approved to detect the presence of the  
25 severe acute respiratory syndrome coronavirus 2.
- 26 (5) COVID-19 emergency. – The period beginning March 10, 2020, and ending  
27 on the date the Governor signs an executive order rescinding Executive Order  
28 No. 116 (2020), Declaration of a State of Emergency to Coordinate Response  
29 and Protective Actions to Prevent the Spread of COVID-19.
- 30 (6) COVID-19 Recovery Legislation. – The following legislation enacted by  
31 Congress:
- 32 a. The Coronavirus Aid, Relief, and Economic Security (CARES) Act,  
33 P.L. 116-136.
- 34 b. The Families First Coronavirus Response Act, P.L. 116-127.
- 35 c. The Coronavirus Preparedness and Response Supplemental  
36 Appropriations Act, 2020, P.L. 116-123.



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1 d. The Paycheck Protection Program and Health Care Enhancement Act,  
2 P.L. 116-139.

3 (7) COVID-19 antibody test. – A serological blood test the federal Food and Drug  
4 Administration has authorized for emergency use or approved to measure the  
5 amount of antibodies or proteins present in the blood when the body is  
6 responding to an infection caused by the severe acute respiratory syndrome  
7 coronavirus 2.

8 (8) State agency. -- As defined by G.S. 143C-1-1(24), except that the term  
9 includes a unit of local government or a public authority.

## 10 11 **FINDINGS AND PURPOSE**

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

## 23 24 **REQUIREMENT TO MAXIMIZE USE OF FEDERAL FUNDS**

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

## 29 30 **CONFLICT WITH FEDERAL LAW**

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

## 37 38 **GENERAL GUIDANCE ON USE OF FUNDS**

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

## 45 46 **REQUIRED REPORT ON USE OF FUNDS**

47 **SECTION 1.7.** In addition to any report required under this act or any other law,  
48 OSBM shall provide a report to the Joint Legislative Commission on Governmental Operations  
49 and the Fiscal Research Division by March 1, 2021, detailing the use of funds allocated under  
50 Section 3.3 of this act. Additionally, each State agency or department that receives federal grant  
51 funds under this act shall provide a report to the Joint Legislative Commission on Governmental

1 Operations and the Fiscal Research Division no later than 90 days from the day the grant period  
2 ends detailing the use of funds. The report required from OSBM under this section shall include  
3 the amount of funds allocated to each State agency, State department, and nonprofit organization,  
4 how the funds were used by each State agency, State department, and nonprofit organization, and  
5 the amount of funds allocated to each State agency, State department, and nonprofit organization  
6 that remained unspent as of December 30, 2020. The report required from each State agency or  
7 department that receives federal grant funds under this act shall include the amount of funds  
8 granted, the source of the funds, how the funds were used, and the amount of funds that remained  
9 unspent at the end of the grant period.

## 10 11 **AUDIT REQUIREMENT**

12 **SECTION 1.8.** The State Auditor shall conduct a preliminary financial audit and a  
13 final performance audit of the Coronavirus Relief Fund created by this act no later than March 1,  
14 2021.

## 15 16 **DEPARTMENTAL RECEIPTS**

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

## 20 21 **PART II. COVID-19 RELIEF RESERVES AND FUNDS ESTABLISHED**

### 22 23 **CORONAVIRUS RELIEF RESERVE**

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

### 32 33 **CORONAVIRUS RELIEF FUND**

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

## 43 44 **PART III. TRANSFER, APPROPRIATIONS, AND ALLOCATIONS**

### 45 46 **TRANSFER OF FUNDS FROM RELIEF RESERVE TO RELIEF FUND**

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

**1 APPROPRIATION OF FUNDS FROM RELIEF FUND TO OSBM**

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

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

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

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

1 to COVID-19, including remote and in-person physical and mental health  
2 support services. For purposes of this subdivision, the term "school health  
3 support personnel" shall refer to school counselors, school nurses, school  
4 psychologists, and school social workers.

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

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

11 1. Reading interventions for students who were in kindergarten  
12 through grade three during the 2019-2020 school year who  
13 were not on track to meet 2019-2020 year-end expectations  
14 based on diagnostic assessments completed prior to March 16,  
15 2020.

16 2. Reading interventions for students who were in grade four  
17 during the 2019-2020 school year who were not on track to  
18 meet 2019-2020 year-end expectations as identified by their  
19 2019-2020 school year reading teachers.

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

24 b. Of the funds appropriated by this subdivision for summer reading  
25 programs, at least thirty-five million dollars (\$35,000,000) shall be  
26 used to provide reading interventions for students who were in grades  
27 two and three during the 2019-2020 school year. Of these funds, any  
28 unexpended funds at the conclusion of the summer learning program  
29 shall be used prior to August 17, 2020, to provide supplemental  
30 literacy support for students in grades three and four during the 2020-  
31 2021 school year who are not on track to meet 2020-2021 year-end  
32 expectations, as identified by their 2020-2021 school year reading  
33 teachers.

34 c. Any unexpended funds for (i) reading interventions for students in  
35 kindergarten, grade one, or grade four during the 2019-2020 school  
36 year and (ii) math interventions for students in kindergarten through  
37 grade four during the 2019-2020 school year shall be used prior to  
38 August 17, 2020, to provide supplemental literacy or math support, as  
39 appropriate, to students in grades one through five during the  
40 2020-2021 school year who are not on track to meet 2020-2021  
41 year-end expectations as identified by their respective 2020-2021  
42 school year reading or math teachers.

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

47 The governing body of a public school unit receiving funds under this  
48 subdivision shall consult with 2019-2020 school year teachers of kindergarten  
49 through fourth grade students to develop summer learning program plans that  
50 deliver targeted instruction to students participating in the summer learning  
51 program. Each public school unit's plan shall comply with the requirements of

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

22 (11) \$1,488,000 to the Department of Public Instruction to assist and support public  
23 school units in providing remote instruction in response to the impacts of  
24 COVID-19 by expanding the learning management platform provided by the  
25 Department of Public Instruction to local school administrative units, charter  
26 schools, regional schools, the Innovative School District, and any other public  
27 school units, in the discretion of the Department.

28 (12) \$5,000,000 to the Department of Public Instruction to provide nondigital  
29 remote instruction resources to students with limited connectivity, in order to  
30 continue learning growth during the school closure period related to  
31 COVID-19.

32 (13) \$17,900,000 to the Department of Public Instruction to provide Extended  
33 School Year Services or future services, as appropriate, to exceptional  
34 children who qualify for these services due to the impacts of COVID-19.

35 (14) \$621,000 to the Department of Public Instruction for the Governor Morehead  
36 School for the Blind, Eastern North Carolina School for the Deaf, and North  
37 Carolina School for the Deaf for school nutrition, cleaning and sanitizing,  
38 digital and nondigital remote learning resources, compensatory services, and  
39 Extended School Year Services related to the impacts of COVID-19.

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

- 49 a. Use of an evidence-based model with a proven track record of success.
- 50 b. Inclusion of rigorous, quantitative performance measures to confirm  
51 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

1 15, 2021. The report shall include the results of the Program and  
2 recommendations regarding effective program models, standards, and  
3 performance measures based on student performance, leveraging of  
4 community-based resources to expand student access to learning activities,  
5 academic and behavioral support services, and potential opportunities for the  
6 State to invest in proven models for future grants programs.

7 (16) \$25,000,000 to the Community Colleges System Office to be used by the  
8 System Office and to be allocated to community college campuses for the  
9 following purposes to effectively respond to COVID-19 impacts: (i) to  
10 enhance online learning capacity and cover increased costs associated with  
11 moving to online education for students, (ii) to cover necessary eligible  
12 expenses for resources and supports for faculty and staff, (iii) to provide Small  
13 Business Center counselors for small business needs, (iv) to cover expenses  
14 for expanded demands on information technology, including devices for  
15 campuses in rural areas, and (v) to provide facility sanitation and other  
16 necessary eligible expenses for services for ongoing campus operations.

17 (17) \$48,690,529 to the Board of Governors of The University of North Carolina  
18 to be allocated to constituent institutions for the following purposes to  
19 effectively respond to COVID-19 impacts: (i) to cover increased costs related  
20 to moving coursework and exams online, (ii) to implement a digital learning  
21 accelerator, (iii) to provide for facility sanitation prior to reopening campuses  
22 and during the operation of campuses and for other necessary eligible  
23 expenses for services for ongoing campus operations, and (iv) to cover  
24 necessary eligible expenses for assistance to students and employees,  
25 including counseling services and information technology support.

26 (18) \$30,000,000 to the Board of Governors of The University of North Carolina  
27 to be allocated to the State Education Assistance Authority (Authority) for the  
28 Authority to provide funds to each eligible private postsecondary institution,  
29 as defined in G.S. 116-280(3), by apportioning an amount equal to the  
30 following:

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

36 b. Twenty-five percent (25%) of the institution's relative share of  
37 full-time equivalent students who were enrolled as of March 13, 2020,  
38 who had not received scholarships pursuant to Article 34 of Chapter  
39 116 of the General Statutes for the spring semester of the 2019-2020  
40 academic year.

41 These funds shall be used to transition to online education for students, for  
42 necessary eligible institutional expenditures related to COVID-19, and to  
43 provide funds for students and families impacted by COVID-19. An eligible  
44 postsecondary institution receiving funds pursuant to this subdivision shall not  
45 use these funds for purposes other than for actions taken to respond to  
46 COVID-19 in accordance with the provisions of this act and in compliance  
47 with federal law requirements.

48 (19) \$110,000,000 to OSBM to establish the COVID-19 Response Research Fund.  
49 OSBM shall allocate the monies from the fund as follows:

50 a. \$100,000,000 shall be allocated to the North Carolina Policy  
51 Collaboratory (Collaboratory) at the University of North Carolina at



1 Chapel Hill to coordinate efforts among entities being provided funds  
2 pursuant to this subdivision. The Collaboratory shall facilitate best  
3 practices and strategies for those entities to maximize resources and  
4 achieve a comprehensive response to COVID-19. The Collaboratory  
5 may assemble an advisory panel of representatives from entities  
6 receiving funds pursuant to this subdivision as necessary to discuss,  
7 review, and analyze progress towards meeting the goals for the use of  
8 the funds. Funds shall be provided to the following entities to be used  
9 for (i) the rapid development of a countermeasure of neutralizing  
10 antibodies and other strategies for COVID-19 that can be used as soon  
11 as possible to both prevent infection, and for those infected, treat  
12 infection, (ii) bringing a safe and effective COVID-19 vaccine to the  
13 public as soon as possible, (iii) community testing initiatives, and (iv)  
14 other research related to COVID-19:

- 15 1. \$25,000,000 shall be allocated to the Duke University Human  
16 Vaccine Institute (DHVI) of the Duke University School of  
17 Medicine.
  - 18 2. \$25,000,000 shall be allocated to the Gillings School of Global  
19 Public Health at the University of North Carolina at Chapel  
20 Hill.
  - 21 3. \$25,000,000 shall be allocated to the Brody School of  
22 Medicine at East Carolina University.
  - 23 4. \$25,000,000 shall be allocated to the Wake Forest School of  
24 Medicine.
- 25 b. \$10,000,000 shall be allocated to the Campbell University School of  
26 Osteopathic Medicine for a community and rural-focused primary care  
27 workforce response to COVID-19, including, but not limited to, (i)  
28 supporting community testing initiatives, (ii) providing treatment in  
29 community-based health care settings, (iii) monitoring rural  
30 populations, (iv) educating health professionals on best practices for a  
31 pandemic response, and (v) supporting rural communities through  
32 primary care.

33 By September 1, 2020, the Collaboratory, DHVI, Gillings School of Global  
34 Public Health, Brody School of Medicine, and Wake Forest School of  
35 Medicine shall submit a report to the House Appropriations Subcommittee on  
36 Health and Human Services, the Senate Appropriations Committee on Health  
37 and Human Services, and the Joint Legislative Oversight Committee on  
38 Health and Human Services on all of the following:

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

47 By September 1, 2020, Campbell University School of Osteopathic Medicine  
48 shall report to the House Appropriations Subcommittee on Health and Human  
49 Services, the Senate Appropriations Committee on Health and Human  
50 Services, and the Joint Legislative Oversight Committee on Health and  
51 Human Services on all of the following:

- 1 a. Findings from the supported community testing initiatives.
- 2 b. A description of the education provided to health professionals.
- 3 c. Best practices for treating rural populations and supporting
- 4 community-based hospitals during a pandemic.
- 5 d. A breakdown of all expenditures from the appropriated funds received
- 6 under this subdivision.
- 7 e. The source and amount of all other funds received for the purposes
- 8 described in this subdivision.
- 9 (20) \$25,000,000 to the Department of Health and Human Services to support
- 10 public health efforts, the State Laboratory of Public Health, local health
- 11 departments, and rural health providers in building capacity to respond to the
- 12 COVID-19 pandemic.
- 13 (21) \$25,000,000 to the Department of Health and Human Services to provide
- 14 funds to support behavioral health and crisis services to respond to the
- 15 COVID-19 pandemic. These funds shall be used for at least all of the
- 16 following purposes:
- 17 a. To divert individuals experiencing behavioral health emergencies
- 18 from emergency departments.
- 19 b. To allocate \$12,600,000 to be distributed as a one-time payment to
- 20 each local management entity/managed care organization
- 21 (LME/MCO) for the purposes of providing temporary additional
- 22 funding assistance for Intermediate Care Facilities for Individuals with
- 23 Intellectual Disabilities (ICF/IID) services on a per diem basis.
- 24 c. To allocate \$400,000 in nonrecurring funds to the Department of
- 25 Health and Human Services, Division of Mental Health,
- 26 Developmental Disabilities, and Substance Abuse Services, for the
- 27 purchase of units of opioid antagonist, as defined in G.S. 90-12.7 of
- 28 the General Statutes, to be distributed free of charge, as provided in
- 29 Section 3C.1 of this act, to opioid treatment programs operating in this
- 30 State for the purpose of preventing the overburdening of the State's
- 31 health care system, hospital emergency departments, and intensive
- 32 care units with patients addicted to opioids or experiencing opioid
- 33 overdose during the COVID-19 emergency, and to mitigate the loss of
- 34 life associated with opioid overdose in this State during the COVID-19
- 35 emergency.
- 36 (22) \$40,000,000 to the Department of Health and Human Services, Division of
- 37 Health Benefits, for coverage of additional costs related to the Medicaid
- 38 program, including any of the following costs:
- 39 a. Funding for the support of COVID-19 related priorities in the
- 40 Medicaid program as they evolve, including additional provider
- 41 support for long-term care, primary care, and other providers most at
- 42 risk of insolvency as a result of severely disrupted revenue during the
- 43 COVID-19 pandemic.
- 44 b. Additional funding for COVID-19 testing and the treatment of patients
- 45 who test positive for COVID-19.
- 46 c. Costs associated with increased enrollment due to the COVID-19
- 47 pandemic.
- 48 (23) \$50,000,000 to OSBM for allocation to the Department of Health and Human
- 49 Services and the Division of Emergency Management within the Department
- 50 of Public Safety for the following purposes:

- 1 a. To purchase personal protective equipment that meets CDC guidelines
- 2 for infection control. As used in this section, personal protective
- 3 equipment includes gloves, gowns and aprons, surgical and respiratory
- 4 masks, goggles, face shields, and other protective clothing that meet
- 5 CDC guidelines for infection control.
- 6 b. To purchase other supplies and equipment related to emergency
- 7 protective measures to address immediate threats to life, public health,
- 8 and safety related to COVID-19, such as ventilators, touch-free
- 9 thermometers, disinfectant, and sanitizing wipes.
- 10 Any supplies and equipment purchased with funds allocated in this
- 11 subdivision may be made available to both public and private health care
- 12 providers and other entities the Department of Health and Human Services or
- 13 the Division of Emergency Management deem essential to the State's response
- 14 to COVID-19. The Department of Health and Human Services and the
- 15 Division of Emergency Management shall ensure that funds appropriated in
- 16 this subdivision are expended in a manner that does not adversely affect any
- 17 person's or entity's eligibility for federal funds that are made available, or that
- 18 are anticipated to be made available, as a result of the COVID-19 pandemic.
- 19 The Department of Health and Human Services and the Division of
- 20 Emergency Management shall also, to the extent practicable, avoid using State
- 21 funds to cover costs that will be, or likely will be, covered by federal funds.
- 22 (24) \$25,000,000 to the Department of Health and Human Services to expand
- 23 public and private initiatives for COVID-19 testing, contact tracing, and
- 24 trends tracking and analysis through, but not limited to, all of the following
- 25 ways:
- 26 a. Building capacity for widespread COVID-19 diagnostic testing to
- 27 enable rapid case-based interventions.
- 28 b. Building capacity for widespread COVID-19 antibody testing to
- 29 enable rapid deployment when such testing becomes available.
- 30 c. Expanding contact tracing workforce and infrastructure to routinely
- 31 identify potentially exposed persons and take appropriate public health
- 32 actions.
- 33 d. Increasing research and data tools and analysis infrastructure to
- 34 support better predictive models, surveillance and response strategies.
- 35 (25) \$25,000,000 to the Department of Health and Human Services to provide
- 36 funding for (i) adult and child protective services response, (ii) support for
- 37 homeless and domestic violence shelters and housing security, including
- 38 prevention, diversion, and rapid re-housing assistance, (iii) child care
- 39 response, and (iv) technology modifications to support COVID-19 emergency
- 40 relief beneficiaries.
- 41 a. From funds received pursuant to this subdivision, the sum of
- 42 \$6,000,000 is allocated equally among each of the six food banks in
- 43 this State in support of responses to the COVID-19 emergency.
- 44 b. From funds received pursuant to this subdivision, the sum of
- 45 \$2,500,000 is allocated to Reinvestment Partners, a nonprofit
- 46 organization, for its Produce Prescription Program, which provides a
- 47 monthly forty-dollar (\$40.00) per household benefit for each eligible
- 48 Food and Nutrition Services recipient enrolled by the recipient's health
- 49 care provider, to serve individuals impacted by the COVID-19
- 50 emergency. Individuals receiving assistance pursuant to this sub-
- 51 subdivision are limited to three months of food assistance.

- 1 c. Subparagraph b. of this subdivision is effective when it becomes law  
2 and expires three months from the date this section becomes effective.  
3 The remainder of this subdivision is effective when it becomes law.
- 4 (26) \$2,250,000 to the Department of Health and Human Services, Division of  
5 Social Services, to assist in serving children in foster care during the  
6 COVID-19 emergency. These funds shall be used for monthly supplemental  
7 payments in the amount of one hundred dollars (\$100.00) for each child  
8 receiving foster care assistance payments for the months of April 2020  
9 through June 2020.
- 10 (27) \$25,000,000 to the Department of Health and Human Services, Division of  
11 Social Services, for facilities licensed to accept State-County Special  
12 Assistance. These funds shall be used to provide a one-time payment to these  
13 facilities to offset the increased costs of serving residents during the  
14 COVID-19 emergency. Each eligible facility shall receive an amount equal to  
15 one thousand three hundred twenty-five dollars (\$1,325) for each resident of  
16 the facility who is a recipient of State-County Special Assistance between  
17 March 10, 2020, through July 30, 2020. In the case of a recipient who transfers  
18 from one facility to another during this time period, only the first eligible  
19 facility of residence will receive the payment authorized under this section.  
20 Nothing in this section shall be construed as an obligation by the General  
21 Assembly to appropriate funds for the purpose of this section, or as an  
22 entitlement by any facility, resident of a facility, or other person to receive  
23 financial assistance under this section. The following definitions apply in this  
24 section:
- 25 a. Facility licensed to accept State-County Special Assistance payments.  
26 – Any residential care facility that is (i) licensed by the Department of  
27 Health and Human Services and (ii) authorized to accept State-County  
28 Special Assistance payments from its residents.
- 29 b. State-County Special Assistance. – The program authorized by  
30 G.S. 108A-40.
- 31 (28) \$25,000,000 to the Department of Health and Human Services to provide  
32 funds to support rural and underserved communities especially hard hit by the  
33 COVID-19 pandemic, which may include directed grants to health care  
34 providers other than rural hospitals; targeted Medicaid assistance for rural  
35 providers; enhanced telehealth services; transportation for critical services;  
36 health care security for the uninsured; and other related purposes. These funds  
37 may be used to fund items not addressed by federal relief funds or as needed  
38 to address critical health care needs until federal funds are received for such  
39 purposes.
- 40 (29) \$75,000,000 to the OSBM to provide a directed grant to the North Carolina  
41 Healthcare Foundation (NCHF), a nonprofit corporation. NCHF shall use  
42 these funds to award grants to rural hospitals to offset expenses incurred for  
43 providing patient care in North Carolina to respond to the COVID-19  
44 pandemic. NCHF shall award grants to eligible rural hospitals within 30 days  
45 after receipt of an application and on the basis of need according to tier  
46 designation, county health ranking, and hospital-specific financial data.  
47 NCHF shall provide technical assistance to grant recipients for a period of five  
48 years following distribution of funds to (i) ensure that funds are utilized  
49 according to the intended purpose, (ii) assist recipient facilities in interpreting  
50 and implementing waivers and other federal guidance related to COVID-19  
51 response and recovery, and (iii) support recipient facilities in preparing for

1 post-COVID-19 sustainability. Grant recipients shall not use these funds for  
2 any purpose other than to offset the following costs related to patient care  
3 provided in North Carolina as a result of the COVID-19 pandemic:

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

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

28 (30) \$1,400,000 to the Department of Health and Human Services, Division of  
29 Central Management and Support, Office of Rural Health, to provide directed  
30 grants of equal amounts to the 67 member clinics of the North Carolina  
31 Association of Free and Charitable Clinics, to offset costs for providing health  
32 care and prescription medications during the COVID-19 emergency.

33 (31) \$1,500,000 to the Department of Health and Human Services to provide a  
34 directed grant to NC MedAssist, a nonprofit corporation, to offset increased  
35 costs for providing prescription assistance services during the COVID-19  
36 pandemic to individuals who are indigent or uninsured.

37 (32) \$25,000,000 to the OSBM to establish the COVID-19 Teaching Hospitals  
38 Relief Fund. OSBM shall allocate the monies in the fund as directed grants to  
39 hospitals located within the State that are classified as teaching hospitals by  
40 the Centers for Medicare and Medicaid Services, for the purpose of offsetting  
41 expenses incurred for providing patient care in North Carolina as a result of  
42 the COVID-19 pandemic. OSBM shall award grants to eligible teaching  
43 hospitals based on the amount of charitable care provided in North Carolina  
44 and the amount of lost revenue sustained within North Carolina as a result of  
45 the COVID-19 pandemic. Grant recipients shall not use these funds for any  
46 purpose other than the following to offset costs related to patient care provided  
47 in North Carolina to respond to the COVID-19 pandemic:

- 48 a. Up to sixty percent (60%) of lost revenues from foregone elective  
49 procedures during the COVID-19 emergency, net of federal funds  
50 received from the CARES Act.

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

1 h. Procuring staff or consultants to help mitigate the burden of extensive  
2 review of new and incoming federal and State regulatory guidelines.

3 i. Salary support for furloughed employees.

4 As a condition of receiving the funds allocated in this subdivision, each grant  
5 recipient shall submit a detailed written report to the House Appropriations  
6 Subcommittee on Health and Human Services, the Senate Appropriations  
7 Committee on Health and Human Services, and the Joint Legislative  
8 Oversight Committee on Health and Human Services by December 1, 2020,  
9 that contains (i) a breakdown of all expenditures from the appropriated funds  
10 received under this section by the categories listed in this subdivision and (ii)  
11 the total amount of funds received from the Provider Relief Fund provided for  
12 in P.L. 116-136 and any other federal legislation passed during calendar year  
13 2020 to support the national response to COVID-19.

14 (34) \$300,000,000 to OSBM for the Department of Transportation. OSBM shall  
15 not transfer these allocated funds to the Department for use until the guidelines  
16 in "Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal  
17 Governments" dated April 22, 2020 are revised by the United States  
18 Department of the Treasury or a subsequent act of Congress authorizes the use  
19 of funds from the Coronavirus Relief Fund for the purpose of replacing lost  
20 revenue due to the COVID-19 emergency. 30 days prior to the transfer of  
21 funds pursuant to this subsection, OSBM shall submit a report to the Joint  
22 Legislative Commission on Governmental Operations. On or before April 1,  
23 2021, the Department shall submit a report on the status of utilizing these  
24 funds and a revenue update to the Joint Legislative Transportation Oversight  
25 Committee (JLTOC) and the Fiscal Research Division.

26 (35) \$350,000,000 to OSBM for allocation to counties ineligible to receive direct  
27 funding from the federal Coronavirus Relief Fund established by the  
28 Coronavirus Aid, Relief, and Economic Security (CARES) Act, P.L. 116-136.  
29 The OSBM shall allocate these funds on a per capita basis using the US  
30 Census Bureau's Vintage 2019 county population totals, provided that no  
31 county eligible to receive an allocation under this section shall be allocated  
32 less than \$500,000. A county may allocate a portion of these funds for use by  
33 municipalities within the county, but only if the transfer qualifies as a  
34 necessary expenditure incurred due to the public health emergency and meets  
35 the other criteria of section 601(d) of the Social Security Act. Such funds are  
36 subject to recoupment by the U.S. Treasury Inspector General if they have not  
37 been used in a manner consistent with section 601(d) of the Social Security  
38 Act. Further, the funds may only be used to support expenditures by counties  
39 and municipalities that are consistent with the most recently published U.S.  
40 Treasury Department guidance for the federal Coronavirus Relief Fund.  
41 Counties and municipalities are liable to the State for any misuse or  
42 mishandling of these funds, and subject to clawback and other appropriate  
43 measures, including the reduction or elimination of other State funds. Any  
44 local government officer, official, or employee who violates this section shall  
45 be subject to a civil action by the State and held personally liable to reimburse  
46 the State. Beginning October 1, 2020, and then quarterly thereafter, each  
47 county and municipality receiving funds under this section shall report to the  
48 OSBM on the use of allocated funds until all funds are expended and  
49 accounted for.

50 (36) \$30,000,000 to OSBM, for allocation to State agencies negatively impacted  
51 by the loss of anticipated receipts. OSBM shall not transfer the allocated

1 funds to the State agencies for use until the guidelines in "Coronavirus Relief  
2 Fund Guidance for State, Territorial, Local, and Tribal Governments" dated  
3 April 22, 2020 are revised by the United States Department of the Treasury or  
4 a subsequent act of Congress authorizes the use of funds from the Coronavirus  
5 Relief Fund for the purpose of replacing lost revenue due to the COVID-19  
6 emergency. Prior to the transfer of funds pursuant to this subsection, OSBM  
7 shall submit a report to the Joint Legislative Commission on Governmental  
8 Operations.

9 (37) \$80,000,000 to OSBM to be used for the continuity of operation needs across  
10 State government. Costs eligible under this subdivision may include, but are  
11 not limited to, covering overtime costs at mental health institutions, prisons,  
12 juvenile facilities, and veterans homes; purchasing critical information  
13 technology equipment and software licenses; enhancing telepresence services  
14 in public safety facilities and the court system; providing COVID-19 testing  
15 for employees of the Division of Prisons at the Department of Public Safety;  
16 and purchasing emergency sanitation and hygienic supplies. Provided that the  
17 United States Department of Labor does not approve additional funding for  
18 the Customer Call Center operated by the Division of Employment Security,  
19 funds may also be used to hire additional time-limited staff in the Customer  
20 Call Center to meet the unprecedented demand for services. In addition, these  
21 funds may be used for the following purposes:

- 22 a. Up to ten million dollars (\$10,000,000) of the funds allocated in this  
23 subdivision may be further allocated to the Department of Agriculture  
24 and Consumer Services to be used for animal depopulation and  
25 disposal activities to address possible future supply chain impacts  
26 from the closure of animal processing plants due to COVID-19.  
27 b. Up to two million dollars (\$2,000,000) of the funds allocated in this  
28 subdivision may be used to establish a temporary North Carolina  
29 Pandemic Recovery Office in accordance with Section 3B.1 of this act.  
30 c. Up to five hundred thousand dollars (\$500,000) of the funds allocated  
31 in this subdivision may be further allocated to the Office of the State  
32 Auditor to perform the requirements set forth in Section 4.2 of this act.

33 OSBM shall provide a report to the Joint Legislative Commission on  
34 Governmental Operations no later than August 15, 2020, detailing the  
35 allocation of funds under this subdivision. The report shall include which State  
36 agencies received allocations, the amounts disbursed, the amount spent in the  
37 2019-2020 fiscal year, and for what purposes the funds were used by fund  
38 code and line-item detail.

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

#### 40 **MEDICAID PROVIDER RATE INCREASES**

41 **SECTION 3A.1.** In addition to the five percent (5%) rate increases already requested  
42 by the Department of Health and Human Services (DHHS) in the 1135 Medicaid disaster State  
43 Plan amendment (SPA) submitted to the Centers for Medicare and Medicaid Services on April  
44 8, 2020, for certain provider types, DHHS shall increase the fee-for-service Medicaid rates paid  
45 directly by the Division of Health Benefits for all remaining provider types by five percent (5%).  
46 The rate increases authorized under this section shall be effective March 1, 2020, through the  
47 duration of the declared nationwide public health emergency as a result of the 2019 novel  
48 coronavirus.  
49  
50  
51



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

4 **SECTION 3A.2.** The Department of Health and Human Services, Division of Health  
5 Benefits (DHB), is authorized to provide the Medicaid coverage described in 42 U.S.C.A. §  
6 1396a(a)(10)(A)(ii)(XXIII), which covers COVID-19 testing for certain uninsured individuals  
7 during the period in which there is a declared nationwide public health emergency as a result of  
8 the 2019 novel coronavirus. DHB is authorized to provide this medical assistance retroactively  
9 to the earliest date allowable.

10  
11 **TEMPORARY MEDICAID COVERAGE FOR THE PREVENTION, TESTING, AND**  
12 **TREATMENT OF COVID-19**

13 **SECTION 3A.3.(a)** The Department of Health and Human Services, Division of  
14 Health Benefits (DHB), is authorized to provide temporary, targeted Medicaid coverage to  
15 individuals with incomes up to two hundred percent (200%) of the federal poverty level, as  
16 requested by the Secretary of the Department of Health and Human Services in the 1115 waiver  
17 application submitted to the Centers for Medicare and Medicaid Services (CMS) on March 27,  
18 2020. If CMS grants approval for different coverage or a different population than requested in  
19 that 1115 waiver application, DHB may implement the approved temporary coverage, provided  
20 that all the following criteria are met:

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

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

30  
31 **IMPLEMENT TEMPORARY PROVIDER ENROLLMENT CHANGES AUTHORIZED**  
32 **UNDER THE MEDICAID 1135 WAIVER**

33 **SECTION 3A.4.** In order for the Department of Health and Human Services,  
34 Division of Health Benefits, to implement the temporary provider enrollment changes under the  
35 1135 waiver approved by the Centers for Medicare and Medicaid Services for the North Carolina  
36 Medicaid program and NC Health Choice program, the following statutes shall not apply to the  
37 North Carolina Medicaid program and the NC Health Choice program from March 1, 2020,  
38 through the duration of the declared nationwide public health emergency as a result of the 2019  
39 novel coronavirus:

- 40 (1) G.S. 108C-2.1.
- 41 (2) G.S. 108C-4(a).
- 42 (3) G.S. 108C-9(a) with respect to any required trainings prior to enrollment.
- 43 (4) G.S. 108C-9(c).

44  
45 **PART III-B. ESTABLISHMENT OF TEMPORARY PANDEMIC RECOVERY OFFICE**

46 **SECTION 3B.1.** OSBM shall establish a temporary North Carolina Pandemic  
47 Recovery Office (Office) to oversee and coordinate funds made available under COVID-19  
48 Recovery Legislation. This Office shall also provide technical assistance and ensure coordination  
49 of federal funds received by State agencies and local governments and ensure proper reporting  
50 and accounting of all funds. The authorization set forth in this section expires 12 months from

1 the effective date of this act and the Office shall cease to operate upon expiration of the  
2 authorization.

### 3 4 **PART III-C. FUNDS FOR OVERDOSE MEDICATIONS**

5 **SECTION 3C.1.(a)** It is the intent of the General Assembly to prevent the  
6 overburdening of the State's health care system, hospital emergency departments, and intensive  
7 care units with patients addicted to opioids or experiencing opioid overdose during the  
8 COVID-19 emergency, and to mitigate the loss of life associated with opioid overdose in this  
9 State during the COVID-19 emergency. To that end, the Department of Mental Health,  
10 Developmental Disabilities, and Substance Abuse Services (DMH/DD/SAS) shall use the funds  
11 allocated in Section 3.3(21)(c) of this act to purchase units of opioid antagonist, as defined in  
12 G.S. 90-12.7 of the General Statutes. DMH/DD/SAS shall distribute these opioid antagonist units  
13 at no charge to opioid treatment programs operating in this State for the purposes specified in  
14 subsection (b) of this section. As used in this section, an opioid treatment program means a  
15 program or practitioner with a current and valid registration under 21 U.S.C. § 823(g)(1) that is  
16 engaged in dispensing opioid agonist medication for the treatment of individuals with opioid use  
17 disorders.

18 **SECTION 3C.1.(b)** Each opioid treatment program operating in this State shall do  
19 all of the following within two weeks after receipt of the opioid antagonist distributed by  
20 DMH/DD/SAS pursuant to subsection (a) of this section:

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

41 **SECTION 3C.1.(c)** Nothing in this section shall be construed as an obligation by  
42 the General Assembly to appropriate funds for the purpose of this section, or as an entitlement to  
43 any opioid treatment program or any opioid treatment program participant to receive opioid  
44 antagonist under this section.

### 45 46 **PART IV. ADDITIONAL ALLOCATIONS AND APPROPRIATIONS**

#### 47 48 **APPROPRIATION OF COVID-19 FEDERAL GRANT FUNDS AND RECEIPTS**

49 **SECTION 4.1.(a)** Except for funds subject to subsection (c) of this section or Section  
50 2.1 of this act, funds received from federal grants authorized under the COVID-19 Recovery  
51 Legislation are appropriated in the amounts provided in the notification of award from the federal

1 government or any entity acting on behalf of the federal government to administer the federal  
 2 funds. State agencies may, with approval of the Director of the Budget, spend funds received  
 3 from federal receipts and federal grants resulting from enactment of the COVID-19 Recovery  
 4 Legislation that are not otherwise subject to Section 2.1 of this act. Section 2.2(c) of S.L.  
 5 2019-192 shall not apply to grant funds received under the COVID-19 Recovery Legislation.

6 **SECTION 4.1.(b)** The programs and grant amounts in the schedule set forth in this  
 7 subsection are estimates of North Carolina's allocations from the COVID-19 Recovery  
 8 Legislation to be deposited in the State's Treasury and administered by State agencies. This  
 9 schedule is meant to be illustrative of federal grants that have, or will be, received by the State  
 10 in addition to the approximately three billion five hundred million dollars (\$3,500,000,000) from  
 11 the Coronavirus Relief Fund created under the CARES Act, P.L. 116-136. These amounts are  
 12 not inclusive of federal funds distributed or paid directly to individuals, businesses, health care  
 13 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

1	Airports Grants	\$2,765,000
2	<b>Total Estimated Funding</b>	<b>\$1,235,859,000</b>

3

4 **LIMITATION ON STATE BOARD OF ELECTIONS BUDGETING**

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

11

12 **PART V. SEVERABILITY**

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

16

17 **PART VI. EFFECTIVE DATE**

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