

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2021

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HOUSE BILL 243  
Committee Substitute Favorable 3/18/21  
Committee Substitute #2 Favorable 3/23/21  
Senate Education/Higher Education Committee Substitute Adopted 4/14/21  
Fifth Edition Engrossed 4/19/21  
Proposed Conference Committee Substitute H243-PCCS30501-MQ-7

Short Title: Budget Technical Corrections. (Public)

Sponsors:

Referred to:

March 10, 2021

1 A BILL TO BE ENTITLED  
2 AN ACT TO MAKE TECHNICAL, CLARIFYING, AND OTHER MODIFICATIONS TO  
3 THE CURRENT OPERATIONS APPROPRIATIONS ACT OF 2021 AND TO OTHER  
4 LEGISLATION.

5 The General Assembly of North Carolina enacts:

6  
7 **PART I. GENERAL PROVISIONS**

8  
9 **BASE BUDGET CORRECTION/VETERANS HOME TRUST FUND**

10 **SECTION 1.1.** Notwithstanding any provision of S.L. 2021-180, as amended by  
11 S.L. 2021-189, or the Committee Report described in Section 43.2 of S.L. 2021-180, the base  
12 budget for budget code 63050 is as follows:

	FY 2021-22	FY 2022-23
13		
14		
15 Recommended Base Budget		
16 Requirements	\$48,336,894	\$48,336,894
17 Receipts	\$47,723,019	\$47,723,019
18 Net Appropriation from (Increase to) Fund Balance	(\$613,875)	(\$613,875).

19  
20 **VARIOUS DISASTER RELIEF PROJECT CLARIFICATIONS**

21 **SECTION 1.2.** Section 5.9(a)(30) of S.L. 2021-180 reads as rewritten:

22 "(30) \$32,342,000 to the Department of Public Safety to provide directed grants to  
23 the following entities in the following amounts:

24 ...

25 f. Notwithstanding any provision of law or the Committee Report  
26 referenced in Section 43.2 of this act to the contrary, \$2,000,000 to  
27 Carteret County the Town of Morehead City for the restoration,  
28 stabilization, and erosion control projects for Sugarloaf Island  
29 Mitigation Project.

30 ...

31 k. Notwithstanding any provision of law or the Committee Report  
32 referenced in Section 43.2 of this act to the contrary, \$1,000,000 to the



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1 North Carolina Association of Resource Conservation and  
2 Development Councils Association for flood mitigation projects.

3 ...."  
4

## 5 TROPICAL STORM FRED DAM REPAIR CHANGES

6 SECTION 1.3. Section 5.9A(c) of S.L. 2021-180 reads as rewritten:

7 "SECTION 5.9A.(c) Allocations. – Of the funds appropriated in Section 2.2(j) of this act  
8 for disaster relief, recovery, mitigation, and resiliency, the sum of one hundred twenty-four  
9 million four hundred thousand dollars (\$124,400,000) shall be allocated for relief and recovery  
10 efforts from Tropical Storm Fred as follows:

11 ...

- 12 (4) Notwithstanding any provision of law or the Committee Report referenced in  
13 Section 43.2 of this act to the contrary, \$500,000 to the Wildlife Resources  
14 Commission to repair dams, spillways, and related structures hatcheries  
15 damaged as a result of Tropical Storm Fred."  
16

## 17 REVISED TECHNICAL ADJUSTMENT/VOLUNTEER SAFETY WORKERS' 18 COMPENSATION FUND

19 SECTION 1.4. Notwithstanding any provision of S.L. 2021-180, as amended by  
20 S.L. 2021-189, or the Committee Report described in Section 43.2 of S.L. 2021-180, the  
21 temporary reduction of receipts in the Volunteer Safety Workers' Compensation Fund is fourteen  
22 million five hundred ninety-nine thousand two hundred thirty-nine dollars (\$14,599,239) in  
23 nonrecurring funds for the 2022-2023 fiscal year only.  
24

## 25 PART II. EDUCATION

### 26 SPECIAL EDUCATION DUE PROCESS HEARINGS

27 SECTION 2.2.(a) Notwithstanding the 30-day deadline established by  
28 G.S. 115C-109.6(h2), as enacted by subsection (b) of Section 7.25 of S.L. 2021-180, a party may  
29 institute a civil action in State court within 30 days of the effective date of this section if the party  
30 meets both of the following criteria:  
31

- 32 (1) The party had appealed findings and a decision before a Review Officer  
33 pursuant to G.S. 115C-109.9, as it existed on November 17, 2021.  
34 (2) The appeal of the party meets one of the following:  
35 a. The appeal was pending before the Review Officer on November 18,  
36 2021.  
37 b. The Review Officer issued a decision on the appeal on or after October  
38 19, 2021.

39 SECTION 2.2.(b) As authorized by 20 U.S.C. § 1415(i)(2)(B), a party may institute  
40 a civil action in federal court within 90 days of the effective date of this section if the party meets  
41 both of the following criteria:

- 42 (1) The party had appealed findings and a decision before a Review Officer  
43 pursuant to G.S. 115C-109.9, as it existed on November 17, 2021.  
44 (2) The appeal of the party meets one of the following:  
45 a. The appeal was pending before the Review Officer on November 18,  
46 2021.  
47 b. The Review Officer issued a decision on the appeal on or after August  
48 20, 2021.

49 SECTION 2.2.(c) This section is effective when it becomes law.  
50

1 **ADD FINAL REPORT ON MISSING STUDENT IDENTIFICATION/ESSER**  
2 **ALLOCATION**

3 **SECTION 2.3.** Section 3.5(a)(13) of S.L. 2021-25, as enacted by Section 7.27(a) of  
4 S.L. 2021-180, reads as rewritten:

5 "(13) \$7,265,134 to establish a grant program, in response to the COVID-19  
6 pandemic, to allocate funds to public school units to identify and locate  
7 missing students by contracting with either (i) one or more third-party entities  
8 to provide technology to assist with this purpose or (ii) outside personnel. ~~No~~  
9 ~~later than March 15, 2022, the~~ The Department shall submit an interim report  
10 no later than March 15, 2022, and a final report no later than November 15,  
11 2022, to the Joint Legislative Education Oversight Committee, the Senate  
12 Appropriations Committee on Education/Higher Education, the House  
13 Appropriations Committee on Education, and the Fiscal Research Division on  
14 the following information:

- 15 a. All persons and entities contracted with by public school units  
16 receiving funds to identify and locate missing students pursuant to this  
17 subdivision and the amounts provided to each person or entity.  
18 b. Outcomes resulting from the program, including the number of  
19 missing students identified and located in each public school unit."  
20

21 **CLARIFY SUPPORT SERVICES EXPANDED BY COMMUNITIES IN**  
22 **SCHOOLS/ESSER ALLOCATION**

23 **SECTION 2.4.** Section 3.5(a)(20) of S.L. 2021-25, as enacted by Section 7.27(a) of  
24 S.L. 2021-180, reads as rewritten:

25 "(20) \$3,900,000 to be allocated to Communities in Schools of North Carolina, Inc.,  
26 to expand ~~services and provide for the extension of nine month contracts for~~  
27 ~~its employees for the purpose of providing assistance and enrichment~~  
28 ~~activities over the summers for students in kindergarten through grade 12~~  
29 ~~experiencing learning loss and negative impacts from COVID-19; student~~  
30 support services for students in kindergarten through grade 12 who have  
31 experienced learning loss and negative impacts due to the COVID-19  
32 pandemic. Support services include, but are not limited to, expanded services  
33 during the regular academic year and the extension of contracts for employees  
34 to provide assistance and enrichment activities over the summers."  
35

36 **DUAL ENROLLMENT/OPPORTUNITY STUDY**

37 **SECTION 2.6.** Section 7.85 of S.L. 2021-180 reads as rewritten:

38 **"SECTION 7.85.** The State Board of Education shall partner with a third-party entity to  
39 conduct a study examining the factors impacting all students' ability to complete high school  
40 courses leading to college credit, an associate degree, or a career-ready credential, including an  
41 examination of opportunity, resources, fees, and personnel. The study shall also include an  
42 examination of all dual enrollment courses offered as part of the Career and College Promise  
43 Program that satisfy basic high school graduation requirements to ensure that the content and  
44 skills taught in those courses is aligned to the content and skills outlined in the Standard Course  
45 of Study for the requisite courses that meet graduation requirements. The study shall identify if  
46 dual enrollment courses are or are not aligned with the Standard Course of Study and, if not  
47 aligned, what content or skills are not aligned. The State Board of Education shall report on the  
48 findings of this study to the Joint Legislative Education Oversight Committee, the Fiscal  
49 Research Division, and the Office of State Budget and Management by ~~March 15, 2022;~~ July 15,  
50 2022."  
51

1 **EXTEND DEADLINE FOR STUDENT TRANSPORTATION REPORT ON MEDICAID**  
 2 **REIMBURSEMENT**

3 **SECTION 2.7.** Section 7.70(c) of S.L. 2021-180 reads as rewritten:

4 **"SECTION 7.70.(c)** Proposal to Add Medicaid Coverage for Transportation Provided by  
 5 Public School Units. – No later than ~~March 1,~~ May 1, 2022, the Department of Health and Human  
 6 Services, Division of Health Benefits, and the Department of Public Instruction shall jointly  
 7 submit a report to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice  
 8 and the Joint Legislative Education Oversight Committee with a proposal for adding the  
 9 Medicaid coverage for school-based transportation services described in the November 1, 2016,  
 10 report to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice entitled  
 11 "Medicaid Coverage for School-Based Health Services" to the fullest extent allowed by federal  
 12 Medicaid law and regulations. The proposal shall include all of the following:

- 13 (1) A detailed description of the coverage to be added.  
 14 (2) A detailed description of the required documentation for reimbursement.  
 15 (3) An updated analysis of the fiscal impact both to the Department of Health and  
 16 Human Services and to all public school units of adding the coverage.  
 17 (4) The identification of any State appropriations needed to implement the  
 18 coverage.  
 19 (5) A recommended time frame for implementing the coverage.  
 20 (6) Proposed language for any legislative changes needed to implement the  
 21 coverage."  
 22

23 **MODIFY CERTAIN ELIGIBILITY REQUIREMENTS FOR PATRIOT STAR FAMILY**  
 24 **SCHOLARSHIP PROGRAMS**

25 **SECTION 2.8.(a)** Section 8.3(c) of S.L. 2021-180 reads as rewritten:

26 **"SECTION 8.3.(c)** Definitions. – For the purposes of this section, the following definitions  
 27 apply:

28 ...

- 29 (2) Eligible child or eligible children. – Any person (i) who is attending or has  
 30 been accepted to enroll in an eligible postsecondary institution, (ii) who is a  
 31 legal resident of North Carolina when scholarship documentation is  
 32 completed, provided that if a child is claimed as a dependent by the child's  
 33 parent, residency may be established based on a parent meeting  
 34 sub-sub-subdivision 4. of sub-subdivision a. of this subdivision, (iii) who has  
 35 complied with the requirements of the Selective Service System, if applicable,  
 36 and (iv) whose parent is a veteran or a currently serving member of the Armed  
 37 Forces that meets the following:

38 ...

- 39 3. Is a veteran of the Armed Forces who ~~incurred~~ meets both of  
 40 the following criteria:  
 41 I. Incurred traumatic injuries or wounds or sustained a  
 42 major illness while a member of the Armed Forces  
 43 during a period of ~~war or war,~~ national emergency and  
 44 is emergency, or training in preparation for future  
 45 conflicts, and the injuries, wounds, or illness are a  
 46 direct result of service in the line of duty.  
 47 II. Is receiving compensation for a wartime service-  
 48 connected disability of at least fifty percent (50%) as  
 49 rated by the U.S. Department of Veterans  
 50 Affairs. ~~Affairs~~ for a disability connected to the injuries,

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wounds, or illness identified in accordance with sub-sub-sub-subdivision I. of this sub-sub-subdivision.

4. Is a current member of the Armed Forces who incurred traumatic injuries or wounds or sustained a major illness while a member of the Armed Forces during a period of war, national emergency, or training in preparation for future ~~conflicts and~~ is conflicts, and the injuries, wounds, or illness are a direct result of service in the line of duty. The parent's traumatic wounds, injury, or major illness must be documented by the member's Unit Commander.

(3) Eligible disabled veteran. – Any person who is (i) a ~~veteran of the Armed Forces who incurred traumatic injuries or wounds or sustained a major illness while a member of the Armed Forces during a period of war or national emergency and is receiving compensation for a wartime service connected disability of at least fifty percent (50%) as rated by the U.S. Department of Veterans Affairs,~~ parent of an eligible child pursuant to sub-sub-subdivision 3. of sub-subdivision b. of subdivision (2) of this subsection, (ii) a resident of North Carolina when scholarship documentation is completed, and (iii) is attending or has been accepted to enroll in an eligible postsecondary institution.

...."

**SECTION 2.8.(b)** Section 8.19(c) of S.L. 2021-180 reads as rewritten:

**"SECTION 8.19.(c)** Definitions. – For the purposes of this section, the following definitions apply:

...

(2) Eligible child or eligible children. – Any person (i) who is a legal resident of North Carolina when scholarship documentation is completed, provided that if a child is claimed as a dependent by the child's parent, residency may be established based on a parent meeting sub-sub-subdivision 4. of sub-subdivision a. of this subdivision and (ii) whose parent is a veteran or a currently serving member of the Armed Forces that meets the following:

...

3. Is a veteran of the Armed Forces who ~~incurred~~ meets both of the following criteria:

I. Incurred traumatic injuries or wounds or sustained a major illness while a member of the Armed Forces during a period of war, national emergency, or training in preparation for future ~~conflicts and~~ is conflicts, and the injuries, wounds, or illness are a direct result of service in the line of ~~duty and is duty.~~

II. Is receiving compensation for a wartime service connected disability of at least fifty percent (50%) as rated by the U.S. Department of Veterans ~~Affairs.~~ Affairs for a disability connected to the injuries, wounds, or illness identified in accordance with sub-sub-sub-subdivision I. of this sub-sub-subdivision.

4. Is a current member of the Armed Forces who incurred traumatic injuries or wounds or sustained a major illness while a member of the Armed Forces during a period of ~~war or war,~~ national emergency. ~~emergency,~~ or training in preparation for future conflicts, and the injuries, wounds, or illness are a direct

1 result of service in the line of duty. The parent's traumatic  
 2 wounds, injury, or major illness must be documented by the  
 3 member's Unit Commander.

- 4 (3) Eligible disabled veteran. – Any person who (i) is a ~~veteran of the Armed~~  
 5 ~~Forces who incurred traumatic injuries or wounds or sustained a major illness~~  
 6 ~~while a member of the Armed Forces during a period of war or national~~  
 7 ~~emergency and is receiving compensation for a wartime service connected~~  
 8 ~~disability of at least fifty percent (50%) as rated by the U.S. Department of~~  
 9 ~~Veterans Affairs~~ parent of an eligible child pursuant to sub-sub-subdivision 3.  
 10 of sub-subdivision b. of subdivision (2) of this subsection and (ii) is a resident  
 11 of North Carolina at the time of scholarship documentation completion.

12 ...."

13 **SECTION 2.8.(c)** This section is effective July 1, 2021, and applies to applications  
 14 for scholarship awards submitted on or after that date.

15  
 16 **REVISE DEADLINES FOR REPORT ON SCIENCE OF READING EPP**  
 17 **COURSEWORK IMPLEMENTATION**

18 **SECTION 2.9.** Section 8.4(b) of S.L. 2021-180 reads as rewritten:

19 "**SECTION 8.4.(b)** The Board of Governors shall submit an interim report by ~~March 15,~~  
 20 ~~2022, June 30, 2022,~~ and a final report by ~~June 15, 2022, January 15, 2023,~~ to the Senate  
 21 Appropriations Committee on Education/Higher Education, the House Appropriations  
 22 Committee on Education, the Fiscal Research Division, and the Joint Legislative Education  
 23 Oversight Committee on the progress of implementation of required changes and the results of  
 24 the overall evaluation from the outside consultant required under subsection (a) of this section.  
 25 The interim report submitted by ~~February 15, 2022, June 30, 2022,~~ shall also include the baseline  
 26 of current coursework in literacy training and intervention strategies and practices at EPPs."

27  
 28 **EXTEND DEADLINE FOR COLLABORATORY TO PROVIDE RESULTS OF STUDY**  
 29 **OF COASTAL AND MARINE FISHERIES**

30 **SECTION 2.10.** Section 8.11(a) of S.L. 2021-180 reads as rewritten:

31 "**SECTION 8.11.(a)** In advance of the twenty-fifth anniversary of North Carolina's Fisheries  
 32 Reform Act of 1997 and the fiftieth anniversary of North Carolina's Coastal Area Management  
 33 Act, the North Carolina Collaboratory (Collaboratory) shall conduct a study on the overall status  
 34 of the coastal and marine fisheries regulated by the State. The study shall focus on the following  
 35 regulated species, including the health and extent of the habitats required by these species:

- 36 (1) Bay Scallop.  
 37 (2) Blue Crab.  
 38 (3) Eastern Oyster.  
 39 (4) Estuarine Striped Bass.  
 40 (5) Hard Clam.  
 41 (6) Kingfishes.  
 42 (7) Red Drum.  
 43 (8) River Herring.  
 44 (9) Sheepshead.  
 45 (10) Shrimp.  
 46 (11) Southern Flounder.  
 47 (12) Spotted Seatrout.  
 48 (13) Striped Mullet.

49 The Collaboratory shall analyze trends through time spanning the last few decades or longer  
 50 to assess and develop policy recommendations to better manage the overall health and viability  
 51 of the State's fisheries and fisheries' habitats. The Department of Environmental Quality, the

1 Wildlife Resources Commission, other agencies of the State, and units of local government shall  
2 provide any assistance requested by the Collaboratory to acquire and compile data and complete  
3 the study required by this section. The Collaboratory shall provide the results of this study to the  
4 Environmental Review Commission no later than June 30, ~~2023~~-2025."

5  
6 **CLARIFY TUITION RATES FOR KITTY HAWK PUBLIC-PRIVATE PARTNERSHIP**  
7 **PROJECT**

8 **SECTION 2.11.** G.S. 116-143.11 is amended by adding a new subsection to read:  
9 "(c1) This section does not apply to the rate of tuition charged for digital learning student  
10 credit hours provided with the support of a nonprofit corporation established by The University  
11 of North Carolina System Office pursuant to G.S. 116-30.20."

12  
13 **CLARIFY REPORTING REQUIREMENT FOR HIGHLY TREATED WASTEWATER**  
14 **PILOT**

15 **SECTION 2.12.** Section 8.26(f) of S.L. 2021-180 reads as rewritten:  
16 "**SECTION 8.26.(f)** The Commission for Public Health and the Department of Health and  
17 Human Services shall report quarterly on their implementation of subsection ~~(d)~~(e) of this section  
18 beginning no later than May 1, 2022, and shall continue quarterly reporting until rulemaking  
19 activities required by this section have been completed."

20  
21 **CLARIFY DEFINITION OF ELIGIBLE STUDENT IN EQUITY IN OPPORTUNITY**  
22 **ACT**

23 **SECTION 2.13.(a)** G.S. 115C-562.1(3), as amended by Section 8A.3(c) of S.L.  
24 2021-180, reads as rewritten:

25 "(3) Eligible students. – A student residing in North Carolina who has not yet  
26 received a high school diploma and who meets all of the following  
27 requirements:

28 a. Meets one of the following criteria:

- 29 1. Was a ~~full-time~~-student (i) assigned to and attending a public  
30 school full time pursuant to G.S. 115C-366 or (ii) enrolled full  
31 time in a Department of Defense Elementary and Secondary  
32 School, established pursuant to 10 U.S.C. § 2164 and located  
33 in North Carolina, during the spring semester prior to the  
34 school year for which the student is applying.

35 ...."

36 **SECTION 2.13.(b)** This section applies beginning with applications for scholarship  
37 funds for the 2022-2023 school year.

38  
39 **REVISE AND CLARIFY PESA SCHOLARSHIP AWARDS FOR ELIGIBLE**  
40 **PART-TIME STUDENTS WITH CERTAIN DISABILITIES**

41 **SECTION 2.14.(a)** G.S. 115C-592, as amended by Section 8A.3(l) of S.L.  
42 2021-180, reads as rewritten:

43 "**§ 115C-592. Award of scholarship funds for a personal education student account.**

44 (a) Application Selection. – The Authority shall make available no later than February 1  
45 of each year applications to eligible students for the award of scholarship funds for a personal  
46 education student account to be used for qualifying education expenses to attend a nonpublic  
47 school. Information about scholarship funds and the application process shall be made available  
48 on the Authority's ~~Web site.~~ website. Applications shall be submitted electronically. The  
49 Authority shall award scholarships according to the following criteria for applications received  
50 by March 1 of each year:

- 1 (1) First priority shall be given to eligible students who were awarded scholarship  
2 funds for a PESA during the previous school year.
- 3 (2) After funds have been awarded to prior recipients as provided in subdivision  
4 (1) of this subsection, any remaining funds shall be used to award scholarship  
5 funds for a PESA for all other eligible students.

6 (b) Scholarship Awards. – ~~Except for eligible students who qualify for scholarship funds~~  
7 ~~pursuant to subsection (b1) of this section, as provided in subsection (b1) of this section,~~  
8 scholarships shall be awarded each year for an amount not to exceed (i) nine thousand dollars  
9 (\$9,000) per eligible student for the school year for which the application is received or (ii) for  
10 eligible part-time students, four thousand five hundred dollars (\$4,500) per eligible student for  
11 the school year for which the application is received. Any funds remaining in an electronic  
12 account provided under subsection (b2) of this section at the end of a school year for eligible  
13 students who qualify only under this subsection shall be returned to the Authority.

14 (b1) Scholarship Awards for Students with Certain Disabilities. – ~~An eligible A student~~  
15 ~~who has one or more of the following disabilities listed as a primary or secondary disability on~~  
16 ~~the student's eligibility determination form submitted as required by subsection (e) of this section~~  
17 ~~at the time of application for scholarship funds may be awarded scholarship funds for each school~~  
18 ~~year in an amount of up to (i) seventeen thousand dollars (\$17,000) for each school year only if~~  
19 ~~the student has been determined to have one or more of the following disabilities as a primary or~~  
20 ~~secondary disability at the time of application for scholarship funds: for an eligible student or (ii)~~  
21 ~~eight thousand five hundred dollars (\$8,500) for an eligible part-time student:~~

- 22 (1) Autism.
- 23 (2) Hearing impairment.
- 24 (3) Moderate or severe intellectual or developmental disability.
- 25 (4) Multiple, permanent orthopedic impairments.
- 26 (5) Visual impairment.

27 For eligible students who qualify for scholarship funds under this subsection, no more than  
28 four thousand five hundred dollars (\$4,500) of funds remaining in an electronic account at the  
29 end of a school year shall be carried forward until expended for each school year upon renewal  
30 of the account under subsection (b2) of this section. In no event shall the total amount of funds  
31 carried forward for an eligible student in a personal education student account exceed thirty  
32 thousand dollars (\$30,000). Any funds remaining in the electronic account if an agreement is not  
33 renewed under G.S. 115C-595 shall be returned to the Authority.

34 ...

35 (e) Establishment of Initial Eligibility. – An applicant ~~may shall~~ demonstrate for initial  
36 eligibility that the applicant is a child with a disability, as required by G.S. 115C-591(3)c., by  
37 having the child assessed by a local education agency and the local education agency determining  
38 the child to be a child with a disability with that outcome verified by the local education agency  
39 on ~~a~~ an eligibility determination form provided to the Authority."

40 **SECTION 2.14.(b)** This section is effective when it becomes law and applies  
41 beginning with applications for scholarship funds for the 2022-2023 school year.

#### 42 43 **DELAY TRANSFER OF POSITION FROM NCCU TO OSHR**

44 **SECTION 2.15.** Section 8.22 of S.L. 2021-180 reads as rewritten:

45 "**SECTION 8.22.** As part of the certification of the budget for the ~~2021-2023 fiscal~~  
46 ~~biennium, 2022-2023 fiscal year,~~ The University of North Carolina System Office, in  
47 consultation with the Office of State Budget and Management, shall transfer position number  
48 6503074 and associated costs from North Carolina Central University to the Office of State  
49 Human Resources in accordance with the agency agreement approved on August 15, 2003,  
50 entitled "Operating Budget Revision – DLS-1311-Transfer Position to NCCU."  
51



**REVISE CERTAIN FUNDING CONDITIONS FOR NC COLLABORATORY**

**SECTION 2.16.(a)** G.S. 116-255(c), as enacted by Section 8.8(b) of S.L. 2021-180, reads as rewritten:

"(c) Funding Conditions and Restrictions. – The following applies to funding received by the Collaboratory:

...  
(3) For research or investigations that need to be carried out expeditiously in response to a project, opportunity, or a legislative mandate, the provisions of ~~Article 3~~ Articles 3, 3A, 3B, 3C, 3D, and 8C of Chapter 143 of the General Statutes, G.S. 143-129, and G.S. 116-31.10 shall not apply to the Collaboratory for the purchase of apparatus, supplies, material, services, capital improvements, or equipment in projects addressing an emerging or immediate threat to public health, safety, or welfare. This subdivision shall apply only when at least fifty percent (50%) of the total funding for a project was provided by the Collaboratory. For each project that utilizes this exemption, the Collaboratory shall provide a justification in writing and make this document available on its website for the duration of the project.

...  
(6) In coordination with a constituent institution of The University of North Carolina and subject to applicable statutes and policies regarding capital improvements, the Collaboratory may allocate funds for capital improvements on or in any property owned or operated by any constituent institution necessary to carry out research and development projects in which the Collaboratory has funded completely or in part."

**SECTION 2.16.(b)** This section is effective when it becomes law.

**EXTEND DEADLINE FOR COLLABORATORY TO PROVIDE RESULTS OF STUDY OF A CYANOBACTERIAL ALGAL BLOOM TREATMENT**

**SECTION 2.17.** Section 8.18(b) of S.L. 2021-180 reads as rewritten:

**"SECTION 8.18.(b)** The North Carolina Policy Collaboratory at the University of North Carolina at Chapel Hill (Collaboratory) shall evaluate the effectiveness and efficacy of an approved in situ treatment of the nutrient impaired surface waters in lakes and reservoirs on cyanobacterial harmful algal blooms under subsection (a) of this section. The Collaboratory shall report the results of the evaluation no later than April 1, ~~2023~~, 2025, to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources; the chairs of the House of Representatives Appropriations Committee on Agriculture and Natural and Economic Resources; the chairs of the Senate Appropriations Committee on Agriculture, Natural, and Economic Resources; and the Fiscal Research Division."

**REVISE ALLOCATION OF FUNDS FOR ULTRAVIOLET-C STERILIZATION UNITS IN CERTAIN UNIVERSITIES**

**SECTION 2.18.** Part VIII of S.L. 2021-180 is amended by adding a new section to read:

**"SECTION 8.28.** Notwithstanding any other provision of law or a provision of the Committee Report described in Section 43.2 of this act to the contrary, the two million dollars (\$2,000,000) in nonrecurring funds appropriated from the State Fiscal Recovery Fund to the Board of Governors of The University of North Carolina for the 2021-2022 fiscal year to purchase ultraviolet-C sterilization units to be divided equally between Elizabeth City State University (ECSU), Fayetteville State University (FSU), and the University of North Carolina at Pembroke (UNCP) shall instead be allocated in the following amounts to those universities to purchase ultraviolet-C sterilization units to disinfect surfaces to prevent the spread of COVID-19:

- 1           (1)   Six hundred sixty-six thousand six hundred sixty-six dollars (\$666,666) to  
2           ECSU.
- 3           (2)   Six hundred sixty-six thousand six hundred sixty-seven dollars (\$666,667) to  
4           FSU.
- 5           (3)   Six hundred sixty-six thousand six hundred sixty-seven dollars (\$666,667) to  
6           UNCP."

**REVISE ALLOCATION OF FUNDS FROM SOLDIER TO AGRICULTURE PROGRAM FOR CERTAIN PURPOSES**

**SECTION 2.19.** Part VIII of S.L. 2021-180 is amended by adding a new section to read:

**"SECTION 8.29.** Notwithstanding any other provision of law or a provision of the Committee Report described in Section 43.2 of this act to the contrary, the one hundred fifty thousand dollars (\$150,000) in nonrecurring funds appropriated to the Board of Governors of The University of North Carolina for the 2021-2022 fiscal year to be allocated to North Carolina State University at Raleigh (NC State) for the Soldier to Agriculture Program shall instead be allocated as follows:

- 18           (1)   Fifty thousand dollars (\$50,000) to NC State for the Soldier to Agriculture  
19           Program at the Agricultural Institute at NC State, which introduces veterans  
20           to career opportunities in agriculture.
- 21           (2)   Fifty thousand dollars (\$50,000) as a directed grant to The Veteran's Farm of  
22           North Carolina, Inc., to establish a military to agriculture internship program  
23           for farms, in conjunction with United States Army Installation Management  
24           Command, to provide farm industry experience to military personnel stationed  
25           at Fort Bragg.
- 26           (3)   Fifty thousand dollars (\$50,000) as a directed grant to Southern CC, Inc., to  
27           establish a military to agriculture internship program for farms to provide farm  
28           industry experience to military personnel stationed at Fort Bragg."

**PART III. HEALTH AND HUMAN SERVICES**

**CORRECT REFERENCE TO FUNDING PURPOSES FOR COMPETITIVE GRANT/NONPROFIT ORGANIZATIONS**

**SECTION 3.1.** Section 9B.9(a) of S.L. 2021-180 reads as rewritten:

**"SECTION 9B.9.(a)** Of the funds appropriated in this act to the Department of Health and Human Services, Division of Central Management and Support, for each year of the 2021-2023 fiscal biennium, the following amounts shall be used to allocate funds for nonprofit organizations:

- 39           ...
- 40           (2)   The sum of seven hundred thousand dollars (\$700,000) in nonrecurring funds  
41           for each year of the 2021-2023 fiscal biennium to assist with funding for  
42           purposes described in ~~subdivision~~subdivisions (e)(4) through (e)(6) of this  
43           section.
- 44           ...."

**PARTNERSHIP AND REPORTING REQUIREMENT FOR CERTAIN SUBSTANCE USE DISORDER PREVENTION, TREATMENT, AND RECOVERY FUNDS**

**SECTION 3.2.** Part IX-F of S.L. 2021-180 is amended by adding a new section to read:

**"SUBSTANCE USE DISORDER PREVENTION, TREATMENT, AND RECOVERY FUNDS**

1 "SECTION 9F.3B. Of the funds appropriated in this act to the Department of Health and  
2 Human Services, Division of Mental Health, Developmental Disabilities, and Substance Abuse  
3 Services (DMH/DD/SAS), the sum of five million dollars (\$5,000,000) in nonrecurring funds for  
4 the 2021-2022 fiscal year and the sum of five million dollars (\$5,000,000) in nonrecurring funds  
5 for the 2022-2023 fiscal year shall be allocated as a directed grant to Hope Alive, Inc., a nonprofit  
6 organization. As a condition of the grants allocated in this section and under Part XL of this act,  
7 Hope Alive, Inc., shall partner with Robeson Health Care Corporation, a nonprofit corporation,  
8 and the Robeson Rural Communities Opioid Response Program (RCORP) consortium to utilize  
9 funds received for the prevention of, treatment of, and recovery from substance use disorder. In  
10 addition to all reporting and auditing requirements imposed on these funds under this act and the  
11 relevant provisions of G.S. 143C-6-23, DMH/DD/SAS shall include the following information  
12 in the two reports required under Section 9B.1 of this act:

- 13 (1) Specific, detailed information on how the grant funds were expended.
- 14 (2) The programs or services developed as a result of the grant funds.
- 15 (3) The number of individuals served by the programs or services developed as a  
16 result of the grant funds.
- 17 (4) An analysis of the efficacy of the programs or services developed as a result  
18 of the grant funds.
- 19 (5) A plan for how these programs or services will continue beyond the  
20 2021-2023 fiscal biennium."

## 21 22 **ACCOUNT FOR SELF-DIRECTED AND CONSUMER-DIRECTED OPTIONS IN THE** 23 **RATE INCREASE TO HCBS PROVIDERS**

24 **SECTION 3.3.** Section 9D.15A(a) of S.L. 2021-180 reads as rewritten:

25 **"SECTION 9D.15A.(a)** It is the intent of the General Assembly to assist in increasing the  
26 hourly wages of direct care workers in this State to a minimum of fifteen dollars (\$15.00) per  
27 hour. To that end, the Department of Health and Human Services, Division of Health Benefits  
28 (DHB), shall provide a rate increase to home and community-based providers that are either (i)  
29 enrolled in the Medicaid or NC Health Choice program-program or (ii) approved financial  
30 managers or financial supports agencies billing for personal care service or waiver service hours  
31 provided by direct care workers that are hired by employers of record or managing employers  
32 under consumer-directed or self-directed options in accordance with any of the following  
33 Medicaid Clinical Coverage Policies:

- 34 (1) 8-P: North Carolina Innovations.
- 35 (2) 3K-1: Community Alternatives Program for Children (CAP/C).
- 36 (3) 3K-2: Community Alternatives Program for Disabled Adults (CAP/DA).

37 This rate increase shall be effective on the date approved by the Centers for Medicare and  
38 Medicaid Services. DHB shall determine (i) the amount of the rate increase under this section,  
39 (ii) the manner in which each provider is required to utilize that increased rate and to demonstrate  
40 compliance with those requirements, and (iii) the definition of direct care worker to be applied."  
41

## 42 **CLARIFY USE OF FUNDS FOR MENTAL HEALTH BEDS BY HARNETT HEALTH** 43 **SYSTEMS**

44 **SECTION 3.4.(a)** Section 9F.9(a)(2) of S.L. 2021-180 reads as rewritten:

- 45 "(2) ~~One~~ Notwithstanding the Committee Report described in Section 43.2 of this  
46 act, one million four hundred twenty thousand four hundred eighty-one dollars  
47 (\$1,420,481) in nonrecurring funds shall be used to create a new behavioral  
48 health unit in Betsy Johnson Hospital, a part of Harnett County Health  
49 Systems, in Dunn, North Carolina, by Harnett Health System, Inc., a nonprofit  
50 corporation. A minimum of 12 of the beds in the new unit shall be reserved  
51 for children under the age of 18."

1           **SECTION 3.4.(b)** Notwithstanding the Committee Report described in Section 43.2  
2 of S.L. 2021-180, the funds granted from the State Capital and Infrastructure Fund to Harnett  
3 Health System, Inc., a nonprofit corporation, shall be used to create a new behavioral health unit  
4 with a minimum of 12 of the beds that are reserved for children under the age of 18.  
5

6           **CORRECT REFERENCE TO NONPROFIT ORGANIZATION/USE OF CERTAIN**  
7 **ARPA SUBSTANCE ABUSE PREVENTION AND TREATMENT BLOCK GRANT**  
8 **FUNDS**

9           **SECTION 3.5.** Section 9L.2(d)(4) of S.L. 2021-180 reads as rewritten:

10           "(4) Fifty-three thousand seven hundred dollars (\$53,700) to ~~AYA House, Inc., a~~  
11 ~~nonprofit organization, Bethpage United Presbyterian Church (USA), a~~  
12 nonprofit organization in Cabarrus County, for its AYA House program for  
13 substance abuse treatment and recovery services."  
14

15           **REDIRECT VETERANS HEALTH CARE PILOT PROGRAM FUNDING TO**  
16 **HEALTH-RELATED JOB TRAINING AND SUBSTANCE USE DISORDER**  
17 **TREATMENT SERVICES**

18           **SECTION 3.6.(a)** Notwithstanding any provision of S.L. 2021-180, as amended by  
19 S.L. 2021-189, the Committee Report described in Section 43.2 of S.L. 2021-180, or any other  
20 provision of law to the contrary, the funds appropriated to the Department of Health and Human  
21 Services, Division of Central Management and Support, Office of Rural Health, in the sum of  
22 four hundred thousand dollars (\$400,000) in nonrecurring funds for the 2021-2022 fiscal year  
23 and in the sum of three hundred fifty thousand dollars (\$350,000) in nonrecurring funds for the  
24 2022-2023 fiscal year to support the development and implementation of a two-year pilot  
25 program to provide health care services to veterans shall instead be used as follows:

- 26           (1) \$25,000 for the 2021-2022 fiscal year shall be allocated as a directed grant to  
27 Dominion Health Care Foundation, a nonprofit organization. Dominion  
28 Health Care Foundation shall use these grant funds to cover the cost of job  
29 training programs and internships for individuals seeking careers as  
30 phlebotomy technicians, medical assistants, clinical laboratory assistants, or  
31 certified nursing assistants. The job training programs and internships funded  
32 by this subdivision shall target historically marginalized populations residing  
33 in Cumberland County who (i) are veterans, (ii) are unemployed due to  
34 COVID-19, or (iii) were formerly incarcerated.
- 35           (2) \$375,000 for the 2021-2022 fiscal year and \$350,000 for the 2022-2023 fiscal  
36 year shall be transferred to the Division of Mental Health, Developmental  
37 Disabilities, and Substance Abuse Services, to be allocated as a directed grant  
38 to Community-Based Developmental Services, Inc., a nonprofit organization.  
39 Community-Based Developmental Services, Inc., shall use these grant funds  
40 to increase the organization's capacity to provide certified clinical assessment,  
41 case management, and medication-assisted treatment services for uninsured  
42 individuals with substance use disorders. The substance use disorder treatment  
43 services funded by this subdivision shall target, but are not exclusively for,  
44 uninsured individuals who are members of North Carolina's Hispanic/LatinX  
45 or American Indian populations.

46           **SECTION 3.6.(b)** Section 9B.5 of S.L. 2021-180 is repealed.  
47

48           **PART IV. AGRICULTURE AND CONSUMER SERVICES**

49  
50           **GO GLOBAL CLARIFICATION**

51           **SECTION 4.1.** Section 10.5 of S.L. 2021-180 reads as rewritten:

1 "SECTION 10.5. Funds appropriated in this act to the Department of Agriculture and  
2 Consumer Services for international marketing may be used by the Department for positions and  
3 international outreach to rebrand the Department's international marketing section as Go Global  
4 NC.continue the Go Global NC brand."  
5

#### 6 CLARIFY MEAT AND SEAFOOD PROCESSING GRANT PROGRAM

7 SECTION 4.2. Section 10.7 of S.L. 2021-180 reads as rewritten:

8 "SECTION 10.7.(a) Findings. – The General Assembly finds that the COVID-19 pandemic  
9 of 2020-2021 resulted in serious and substantial impacts on the food supply chain and revealed  
10 bottlenecks and lack of capacity among the small and independent meat processors and producers  
11 of further processed meat products who serve small livestock producers. These bottlenecks and  
12 lack of capacity have a substantial negative impact on the ability of these small livestock  
13 producers to have their livestock slaughtered and processed. In addition, seafood processors lack  
14 capacity to meet increased and altered consumer demand for seafood products due to supply  
15 chain disruptions and other long-term changes in the market for seafood and seafood products.  
16 The General Assembly further finds that financial assistance to these processors for expansion,  
17 facility improvements, and workforce development is necessary to reduce disruptions in the  
18 supply chain for fresh meat and seafood and to help small producers get their products to market.

19 "SECTION 10.7.(b) Use of Funds and Limitation. – The funds appropriated in this act from  
20 the State Fiscal Recovery Fund to the Department of Agriculture and Consumer Services for  
21 grants to meat and seafood processors shall be used to provide grants as specified in this section  
22 to reduce or prevent impacts on the supply chain for fresh meat in the State and to improve the  
23 resiliency of the fresh meat and seafood supply chain to future disruptions. The following  
24 limitations and reservations apply:

- 25 (1) ~~No more than thirty five percent (35%) of the funds allocated in this section~~  
26 ~~may be used for grants to seafood processors.~~  
27 (2) No more than two million dollars (\$2,000,000) of the funds allocated in this  
28 section may be used to supplement grants previously awarded to reflect  
29 construction cost inflation.  
30 (3) No more than three percent (3%) of the total funds allocated in this section  
31 may be used for technical and administrative support.

32 "SECTION 10.7.(c) Grant Types and Criteria. – The Department shall develop policies and  
33 procedures for the disbursement of the grants authorized by this section that include, at a  
34 minimum, the following:

- 35 (1) The Department may provide three categories of grants:  
36 a. Capacity enhancement grant. – This grant is available to an eligible  
37 meat or seafood processing facility that is experiencing slowdowns in  
38 production or has limited capacity to accommodate increased demand  
39 for meat or seafood processing. A capacity enhancement grant may be  
40 used for expansion of an existing eligible facility and for fixtures or  
41 equipment at an existing eligible facility that will expand animal  
42 throughput, processing capacity, the amount or type of products  
43 produced, or processing speed. ~~A grant under this sub-subdivision may~~  
44 ~~not exceed five hundred thousand dollars (\$500,000).~~  
45 b. Workforce development grant. – This grant is available to an eligible  
46 meat or seafood processing facility that is experiencing slowdowns in  
47 production or has limited capacity to accommodate increased demand  
48 for meat or seafood processing due to workforce limitations or  
49 reductions due to a pandemic or other natural disaster. A workforce  
50 development grant may be used for educational and workforce training  
51 provided either by the facility or by an accredited institution of higher

education. ~~A grant under this sub-subdivision may not exceed one hundred thousand dollars (\$100,000).~~

c. Planning grant. – This grant is available to a nonprofit entity or institution of higher education to complete feasibility or siting studies for a new eligible meat processing facility. ~~No more than five percent (5%) of funds allocated by this section may be used for grants under this sub-subdivision.~~

(2) Eligible facility. – For purposes of this section, an eligible meat or seafood processing facility ~~is a~~ includes the following:

a. A food processing facility that meets both of the following requirements:

a.1. The plant contracts with independent livestock producers or seafood harvesters to process animals or seafood.

b.2. The United States Department of Agriculture (USDA) contracts with Department inspectors to conduct federal inspection activities authorized by the Talmadge-Aiken Act of 1962 (7 U.S.C. § 1633) at the plant, the plant is otherwise regulated by the USDA or the United States Food and Drug Administration, or the plant is a State-inspected facility.

b. A facility producing further processed meat products for which the USDA contracts with Department inspectors to conduct federal inspection activities authorized by the Talmadge-Aiken Act of 1962 (7 U.S.C. § 1633) at the plant, or which is a State-inspected facility, or which is a USDA-inspected processor of shelf-stable meat or meat products.

...."

**CLARIFY SWINE AND DAIRY ASSISTANCE PROGRAM**

**SECTION 4.3.** Subsection 10.8(e) of S.L. 2021-180 reads as rewritten:

**"SECTION 10.8.(e)** Financial Assistance Procedures. – The Department shall award financial assistance based on the following procedures:

- (1) The Department shall award a one-time financial assistance relief payment of thirty-one thousand five hundred dollars (\$31,500) to each eligible applicant.
- (2) In addition to the financial assistance awarded under subdivision (1) of this subsection, the Department shall award either, but not both, of the following to a qualifying eligible applicant:

...

b. Financial assistance to swine producers for a fixed dollar amount per head space for producers who are able to secure a production contract with ~~another~~ a swine integrator but must invest in upgrades to existing barns or completely rebuild animal housing. The maximum award under this sub-subdivision for renovations shall be ten dollars (\$10.00) per head space for renovation to animal housing or twenty dollars (\$20.00) per head space for rebuilt animal housing, but no award under this sub-subdivision may exceed ninety percent (90%) of the actual cost of the renovation or construction. A swine producer shall produce documentation of a new contract or letter of intent with a swine integrator to establish eligibility for this financial assistance.

...."

**AGRICULTURAL CROP LOSS PROGRAM EXPANSION**

1           **SECTION 4.4.(a)** Agricultural Crop Loss Program Expansion. – On August 17,  
2 2021, Secretary Thomas J. Vilsack declared a natural disaster in the State based on the damages  
3 and losses caused by freezing temperatures and frost from April 2, 2021, to April 21, 2021, in  
4 several counties in this State (freeze disaster), allowing for counties in the disaster area to apply  
5 for Farm Service Agency emergency loans. The Agricultural Crop Loss Program (Program)  
6 established within the Department of Agriculture and Consumer Services (Department) in  
7 Section 5.9B of S.L. 2021-180 is expanded to include damages and losses to agricultural  
8 commodities caused by the freeze disaster within qualifying counties as listed in subsection (b)  
9 of this section. The Program expansion shall be used to provide financial assistance in accordance  
10 with this section to persons affected by the freeze disaster.

11           **SECTION 4.4.(b)** Eligibility. – To be eligible for financial assistance under the  
12 Program expansion, a person must have experienced a verifiable loss of agricultural commodities  
13 as a result of the freeze disaster and the person's farm is located in a qualifying county.

14           **SECTION 4.4.(c)** Verification of Loss. – A person seeking financial assistance for  
15 losses of agricultural commodities under the Program expansion shall submit to the Department  
16 a Form 578 on file with the USDA Farm Service Agency or a form provided by the Department  
17 for reporting acreage or plantings of crops not typically reported on Form 578, along with any  
18 other documentation deemed appropriate by the Department, on or before April 15, 2022. For  
19 agricultural commodities where the survival level is not immediately known, the Department  
20 may extend this deadline to June 1, 2022, upon written request by the person received on or  
21 before April 15, 2022, and upon approval by the Department. A person who received or applied  
22 for financial assistance for losses of agricultural commodities caused by Tropical Storm Fred  
23 under the Program established in Section 5.9B of S.L. 2021-180 shall submit that information  
24 with the application for financial assistance in accordance with this section. A person receiving  
25 assistance under this Program expansion must provide a signed affidavit, under penalty of  
26 perjury, certifying that each fact of the loss presented by the person is accurate.

27           **SECTION 4.4.(d)** Criteria. – The Department shall administer the financial  
28 assistance program authorized by this section in accordance with the following criteria:

- 29           (1) In determining the payment calculation for agricultural commodities, the  
30 Department shall use a formula based on acreage, county loss estimates,  
31 USDA National Agricultural Statistics Service averages, and any other  
32 measure the Department deems appropriate. Funds shall be distributed based  
33 on county averages for yields and State averages for price. Calculations shall  
34 be based on county or State averages in price, whichever the Department  
35 determines is appropriate.
- 36           (2) The Department shall gather all claim information, except from those  
37 applicants granted a deadline extension, no later than April 15, 2022. The  
38 Department shall, as closely as possible, estimate the amount of the funds  
39 needed to be held in reserve for payments related to losses of agricultural  
40 commodities for which losses will not be fully known or calculated. The  
41 Department shall set aside funds as it deems appropriate based on the  
42 estimated percentage of these losses.
- 43           (3) The Department shall ensure applicants who received financial assistance  
44 under the Program established in Section 5.9B of S.L. 2021-180 for damages  
45 or losses caused by Tropical Storm Fred demonstrate a separate and distinct  
46 loss due to the freeze disaster.

47           **SECTION 4.4.(e)** Definitions. – For purposes of this section, the following  
48 definitions apply:

- 49           (1) Agricultural commodity. – As defined in Section 5.9B(i) of S.L. 2021-180, as  
50 amended by S.L. 2021-189.

- 1 (2) Person. – As defined in Section 5.9B(i) of S.L. 2021-180, as amended by S.L.  
2 2021-189.
- 3 (3) Qualifying counties. – Buncombe, Haywood, Henderson, Polk, Rutherford,  
4 and Transylvania Counties.

5 **SECTION 4.4.(f)** Audit; Expenditure of Awarded Funds; Refund of Award. –  
6 Subsections (f) through (h) of Section 5.9B of S.L. 2021-180 apply to this section.

7 **SECTION 4.4.(g)** Program Expansion Reporting Requirement. – The Department  
8 shall include in the report required in Section 5.9B(j) of S.L. 2021-180 all of the following data  
9 for the Program expansion:

- 10 (1) The number of applicants and the county in which the person incurred the  
11 verified loss.
- 12 (2) The number and amount of grants awarded.
- 13 (3) The geographic distribution of the grants awarded.
- 14 (4) The total amount of funding available to the Program, the total amount  
15 encumbered, and the total amount disbursed to date.
- 16 (5) Any refunds made to the Program pursuant to Section 5.9B(h) of S.L.  
17 2021-180.

## 18 **PART V. COMMERCE**

### 19 **PIEDMONT TRIAD AIRPORT AUTHORITY**

20 **SECTION 5.1.** Section 11.20 of S.L. 2021-180, as enacted by Section 4.4A of S.L.  
21 2021-189, reads as rewritten:

22 **"SECTION 11.20.** Provided the Economic Investment Committee awards a Job  
23 Development Investment Grant (JDIG) for a high-yield project for an airplane manufacturer in  
24 Guilford County and for which the average annual wage is at least sixty thousand dollars  
25 (\$60,000), of the funds appropriated to the Department of Commerce (Department) for the  
26 2021-2022 fiscal year the sum of one hundred six million seven hundred fifty thousand dollars  
27 (\$106,750,000) shall be used for improvements at the Piedmont Triad International Airport  
28 (Airport) as follows:

- 29 ...
- 30 (3) Fifty-six million seven hundred fifty thousand dollars (\$56,750,000) to be  
31 allocated to the Airport for the construction of one or more new hangars at the  
32 Airport for the project. The Piedmont Triad Airport Authority (Authority) may  
33 contract for the design and construction of the new hangars using any delivery  
34 method it deems appropriate, and the Department shall pay the costs of the  
35 design and construction to the Authority or shall reimburse the Authority for  
36 the costs of the design and construction from the funds allocated under this  
37 subdivision. If it deems it appropriate, the Authority may authorize, in writing,  
38 the prospective operator of the new hangars to contract for the design and  
39 construction of the hangars, and the Department shall pay the costs of the  
40 design and construction to the prospective operator or shall reimburse the  
41 prospective operator for the costs of the design and construction from the  
42 funds allocated under this subdivision. For purposes of this subdivision,  
43 neither the Authority nor the prospective operator shall be subject to the  
44 provisions of Article 3D of Chapter 143 of the General Statutes or Article 8  
45 of Chapter 143 of the General Statutes."

### 46 **MOTORSPORT INDUSTRY GRANT APPLICATION DEADLINE**

47 **SECTION 5.2.** Section 11.14 of S.L. 2021-180, as amended by Section 4.4 of S.L.  
48 2021-189, reads as rewritten:



1 "...

2 "SECTION 11.14.(b) Of the funds appropriated in this act from the State Fiscal Recovery  
3 Fund to the Department of Commerce, the sum of five million dollars (\$5,000,000) shall be used  
4 to provide, in collaboration with the North Carolina Motorsports Association, a nonprofit  
5 organization, in the form of grants to local governments to enhance amenities and increase  
6 opportunities for events at motorsport venues in recognition of the impact those events have on  
7 local tourism, travel, and hospitality industries. To be eligible for a grant under this subsection,  
8 a motorsport venue must be located in this State and must be either (i) have been sanctioned at  
9 any time on or after January 1, 2010, by the National Association for Stock Car Auto Racing,  
10 LLC (NASCAR), the National Hot Rod Association, or the International Hot Rod Association  
11 or (ii) have hosted a NASCAR Cup Series race on or after September 29, 1996. An eligible  
12 sanctioned motorsport venue must apply to the Department of Commerce for grant funds under  
13 this subsection before ~~January 31, 2022~~, February 26, 2022, to be eligible. Funds received  
14 pursuant to this subsection shall be used to offset negative economic impacts of the COVID-19  
15 pandemic, support safe reopening, and aid planned expansions or upgrades delayed due to the  
16 COVID-19 pandemic. The local government unit shall select a qualifying use approved by the  
17 motorsport venue. Local governments receiving funds under this subsection shall ensure that uses  
18 for the funds comporting with this subsection are expeditiously undertaken. The Department of  
19 Commerce shall disburse funds in equal amounts among the eligible applicants. The Department  
20 of Commerce may use up to three percent (3%) of funds allocated in this subsection for  
21 administration of the motorsports grant program described in this subsection.

22 "SECTION 11.14.(c) Small Venue Support. – Of the funds appropriated in this act from the  
23 State Fiscal Recovery Fund to the Department of Commerce, the sum of one million dollars  
24 (\$1,000,000) shall be used to provide, in collaboration with applicant small motorsports venues,  
25 ~~in the form of grants~~ to local governments for such venues. The following shall apply to grants  
26 awarded under this subsection:

27 ...

- 28 (2) Application. – A venue eligible under this subsection may apply to the  
29 Department for a grant on a form prescribed by the Department and must  
30 include any supporting documentation required by the Department. The  
31 application must be filed with the Department on or before ~~January 31, 2022~~  
32 February 26, 2022. The Department may not accept late applications.

33 ...."

### 34 SHELLFISH GROWERS LOAN PROGRAM ADMINISTRATIVE EXPENSES

35 SECTION 5.3. G.S. 113-211, as enacted by Section 11.4 of S.L. 2021-180, reads as  
36 rewritten:

#### 37 "§ 113-211. Shellfish Growers Loan Program.

38 ...

39 (b) Program. – There is established the Shellfish Growers Loan Program to be  
40 administered by the Rural Center. The program shall provide a revolving source of low-interest  
41 working capital and equipment loans to emerging and existing small shellfish growers in this  
42 State. Funds credited to the program are available in perpetuity and must be used only to provide  
43 loans to eligible businesses or for administrative expenses as allowed in this section.

44 (c) Loans. – The following shall apply to the program and loans made under the program:

45 ...

- 46 (6) The qualifying lender may retain an amount equal to the interest collected  
47 under subdivision (1) of this ~~subsection and may assess an origination fee not~~  
48 to exceed two percent (2%) of the principal amount of the loan.  
49 subsection.

50 ...

1        (f) Administrative Expenses. – The Rural Center may use up to seven and one-half  
2 percent (7.5%) of the principal amount of each loan provided under this program, not to exceed  
3 a maximum of thirty-seven thousand five hundred dollars (\$37,500) in each fiscal year, for its  
4 expenses and for reimbursement to qualifying lenders of program-related expenses incurred by  
5 the qualifying lenders."  
6

#### 7 **CLARIFY TOWN OF BELMONT DIRECTED GRANT**

8        **SECTION 5.4.** Notwithstanding any provision of the Committee Report referenced  
9 in Section 43.2 of S.L. 2021-180 to the contrary, the directed grant to the Town of Belmont for  
10 TechWorks of Gaston County in the sum of five hundred thousand dollars (\$500,000) for the  
11 2021-2022 fiscal year may be used for scholarships, youth programming, and other purposes  
12 related to education.  
13

#### 14 **EASTERN NC MARKETING CLARIFICATION**

15        **SECTION 5.5.** S.L. 2021-180 is amended by adding a new section to read:

#### 16 **"EASTERN NC MARKETING CLARIFICATION**

17        **"SECTION 11.11B.** Notwithstanding any provision of law or the Committee Report  
18 referenced in Section 43.2 of this act to the contrary, the funds appropriated to the Department  
19 of Commerce for its contract with which the Department contracts pursuant to  
20 G.S. 143B-431.01(b) for Eastern NC marketing shall instead be used as a directed grant to the  
21 Pitt County Committee of 100, Inc., d/b/a Greenville-ENC Alliance, a nonprofit corporation, for  
22 the marketing and branding of Eastern North Carolina."  
23

#### 24 **PART VI. ENVIRONMENTAL QUALITY**

#### 25 **WATER AND SEWER INFRASTRUCTURE FUNDING CATEGORIZATION** 26 **AMENDMENTS**

27        **SECTION 6.1.(a)** Section 12.13(a) of S.L. 2021-180 reads as rewritten:

28        **"SECTION 12.13.(a)** Allocation. – ~~Funds~~ Notwithstanding any provision of the Committee  
29 Report referenced in Section 43.2 of this act to the contrary, funds appropriated in this act from  
30 the State Fiscal Recovery Fund to the Department of Environmental Quality for the Water  
31 Infrastructure Fund shall be allocated for water and sewer infrastructure as follows:  
32

33        (1) ~~Four hundred fifty-six million four hundred thousand dollars (\$456,400,000)~~  
34 Four hundred forty-four million four hundred thousand dollars  
35 (\$444,400,000) for the Viable Utility Reserve to be used for the purposes set  
36 forth in subdivisions (1) through (5) of G.S. 159G-32(d).  
37

38        ...

39        (3a) Twelve million dollars (\$12,000,000) for the Drinking Water Reserve and the  
40 Wastewater Reserve to provide project construction grants to the Town of  
41 Norwood in the amount of two million dollars (\$2,000,000) and to  
42 Rockingham County in the amount of ten million dollars (\$10,000,000).  
43 Funds allocated to the Town of Norwood under this subdivision shall only be  
44 used for the expansion of Lake Tillery and shall not be used to supplant  
45 existing funds or funds received or awarded to the Town for other projects.  
46 The limits set forth in G.S. 159G-36(c)(3) shall not apply to grants awarded  
47 from funds allocated by this subdivision. Funds allocated by this subdivision  
48 in excess of the amounts needed to complete these projects shall revert to the  
49 Drinking Water Reserve and the Wastewater Reserve and may be used for  
50 other eligible projects for the purposes set forth in subdivisions (2) through  
51 (3a) of G.S. 159G-34(a) and subdivisions (2) through (3a) of  
G.S. 159G-33(a).

1 ...."

2 **SECTION 6.1.(b)** Subdivisions (8), (11), (12), (14), (16), and (17) of subsection  
3 12.13(d) of S.L. 2021-180 are repealed.

4 **SECTION 6.1.(c)** Subsection 12.13(e) of S.L. 2021-180 reads as rewritten:

5 **"SECTION 12.13.(e)** At-Risk Projects. – Of the funds allocated by subdivision (a)(2) of this  
6 section, the following sums shall be granted to the indicated local governments and public entities  
7 for water and wastewater infrastructure projects:

8 ...

9 (12) Two million dollars (\$2,000,000) to the Town of Littleton.

10 (12a) Eight million three hundred fifty thousand dollars (\$8,350,000) to the Town  
11 of Madison.

12 ...

13 (23a) Two million eight hundred thousand dollars (\$2,800,000) to the City of  
14 Southport.

15 ...

16 (25a) One million seventy thousand dollars (\$1,070,000) to the Town of Topsail  
17 Beach.

18 (26) Seven million dollars (\$7,000,000) to Transylvania County.

19 (26a) Five million nine hundred ninety-four thousand dollars (\$5,994,000) to the  
20 City of Trinity.

21 (27) One hundred thousand dollars (\$100,000) to the Town of Winton."  
22

### 23 LAKE JUNALUSKA PROJECT CLARIFICATION

24 **SECTION 6.2.(a)** Notwithstanding the Committee Report referenced in Section 43.2  
25 of S.L. 2021-180, no funds shall be allocated to Haywood County for Lake Junaluska from the  
26 Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund.

27 **SECTION 6.2.(b)** The Department of Environmental Quality shall transfer the sum  
28 of one million five hundred thousand dollars (\$1,500,000) in nonrecurring funds for the  
29 2021-2022 fiscal year from the Shallow Draft Navigation Channel Dredging and Aquatic Weed  
30 Fund (Budget Code 24300, Fund Code 2182) to the Office of State Budget and Management –  
31 Special Appropriations (Budget Code 13085). The funds transferred by this subsection are  
32 appropriated to the Office of State Budget and Management for a directed grant to Haywood  
33 County for various projects at Lake Junaluska.

34 **SECTION 6.2.(c)** Section 12.5(b) of S.L. 2021-180 reads as rewritten:

35 **"SECTION 12.5.(b)** Notwithstanding G.S. 143-215.73F, there shall be no match required  
36 for funds appropriated by this act from the Shallow Draft Navigation Channel Dredging and  
37 Aquatic Weed Fund for the following projects:

38 (1) The Highway 24 Boat Ramp park in Carteret County.

39 (2) ~~Dredging of Lake Junaluska in Haywood County.~~

40 (3) Dredging of Walden Pond Lake in Union County."  
41

### 42 PART VII. NATURAL AND CULTURAL RESOURCES

#### 43 SYMPHONY CHALLENGE GRANT TECHNICAL CLARIFICATION

44 **SECTION 7.1.** Section 14.6 of S.L. 2021-180 reads as rewritten:

45 **"SECTION 14.6.(a)** Of the funds appropriated in this act to the ~~Office of State Budget and~~  
46 ~~Management—Special Appropriations,~~ Department of Natural and Cultural Resources, the sum  
47 of two million dollars (\$2,000,000) in recurring funds for each year of the 2021-2023 fiscal  
48 biennium shall be allocated to the North Carolina Symphony as provided in this section. It is the  
49 intent of the General Assembly that the North Carolina Symphony raise at least five million  
50 dollars (\$5,000,000) in non-State funds for the 2021-2022 fiscal year and five million dollars  
51

1 (\$5,000,000) in non-State funds for the 2022-2023 fiscal year. The North Carolina Symphony  
 2 cannot use funds transferred from the organization's endowment to its operating budget to  
 3 achieve the fundraising targets set out in subsections (b) and (c) of this section.

4 **"SECTION 14.6.(b)** For the 2021-2022 fiscal year, the North Carolina Symphony shall  
 5 receive allocations from the ~~Office of State Budget and Management~~ Department of Natural and  
 6 Cultural Resources as follows:

- 7 (1) Upon raising the initial sum of two million dollars (\$2,000,000) in non-State  
 8 funding, the North Carolina Symphony shall receive the sum of six hundred  
 9 thousand dollars (\$600,000).
- 10 (2) Upon raising an additional sum of two million dollars (\$2,000,000) in  
 11 non-State funding for a total amount of four million dollars (\$4,000,000) in  
 12 non-State funds, the North Carolina Symphony shall receive the sum of seven  
 13 hundred thousand dollars (\$700,000).
- 14 (3) Upon raising an additional sum of one million dollars (\$1,000,000) in  
 15 non-State funding for a total amount of five million dollars (\$5,000,000) in  
 16 non-State funds, the North Carolina Symphony shall receive the final sum of  
 17 seven hundred thousand dollars (\$700,000) in the 2021-2022 fiscal year.

18 **"SECTION 14.6.(c)** For the 2022-2023 fiscal year, the North Carolina Symphony shall  
 19 receive allocations from the ~~Office of State Budget and Management~~ Department of Natural and  
 20 Cultural Resources as follows:

- 21 (1) Upon raising the initial sum of two million dollars (\$2,000,000) in non-State  
 22 funding, the North Carolina Symphony shall receive the sum of six hundred  
 23 thousand dollars (\$600,000).
- 24 (2) Upon raising an additional sum of two million dollars (\$2,000,000) in  
 25 non-State funding for a total amount of four million dollars (\$4,000,000) in  
 26 non-State funds, the North Carolina Symphony shall receive the sum of seven  
 27 hundred thousand dollars (\$700,000).
- 28 (3) Upon raising an additional sum of one million dollars (\$1,000,000) in  
 29 non-State funding for a total amount of five million dollars (\$5,000,000) in  
 30 non-State funds, the North Carolina Symphony shall receive the final sum of  
 31 seven hundred thousand dollars (\$700,000) in the 2022-2023 fiscal year."  
 32

33 **SUPPORT FOR NC TRAILS CONFORMING AND AMENDATORY CHANGES**

34 **SECTION 7.2.(a)** Section 14.7(d)(2) of S.L. 2021-180 reads as rewritten:

35 "(2) Development funds for land-based trails. – The sum of ~~twenty-five million~~  
 36 ~~one hundred thousand dollars (\$25,100,000)~~ twenty-five million fifty  
 37 thousand dollars (\$25,050,000) shall be distributed by the Department in  
 38 accordance with the partner organization MOUs developed under subdivision  
 39 (1) of this subsection for each component of the State Trail System that is  
 40 land-based, or has significant land-based components as follows:

- 41 a. The Department shall distribute ~~fifteen million one hundred thousand~~  
 42 ~~dollars (\$15,100,000)~~ fifteen million fifty thousand  
 43 dollars (\$15,050,000) to the partner organizations for each land-based trail in  
 44 proportion to the number of miles of that trail not yet constructed.  
 45 These funds may be used for any of the purposes described in  
 46 subsection (b) of this section, provided that no more than fifteen  
 47 percent (15%) of the funds may be used for the purpose set out in  
 48 subdivision (b)(1) of this section.

49 "...."

50 **SECTION 7.2.(b)** Subsection 14.7(d) of S.L. 2021-180 is amended by adding a new  
 51 subdivision to read:

"(7) Overmountain Victory Trail MOU. – The partner organization designated by the Department to enter into an MOU for activities related to the Overmountain Victory Trail shall be OVNCST-Friends, a nonprofit corporation."

**PADDLE TRAIL DEVELOPMENT FUNDING CLARIFICATION**

**SECTION 7.2A.** Section 14.7(d) of S.L. 2021-180 reads as rewritten:

"**SECTION 14.7.(d)** Funding Requirements. – Funds appropriated by this act to the State Capital and Infrastructure Fund and allocated to the Department of Natural and Cultural Resources for the CTF shall be distributed as set forth in this subsection.

...

(4) Development funds for existing paddle trails. – The sum of four hundred twenty-five thousand dollars (\$425,000) shall be distributed by the Department in equal amounts to the partners for the Yadkin River Paddle Trail and the French Broad River Paddle Trail. These trails are not eligible for additional funding under ~~subdivision (2)~~ sub-subdivision (2)a. of this ~~subsection~~ subsection but are eligible for funds under sub-subdivision (2)b. of this subsection.

...."

**SCIENCE MUSEUM GRANTS TECHNICAL CLARIFICATION**

**SECTION 7.3.** Section 14.12 of S.L. 2021-180 reads as rewritten:

"**SECTION 14.12.** The maximum grant amounts set forth in G.S. 143B-135.227(b1) shall not apply to the nonrecurring funds appropriated by this act to the Department of Natural and Cultural Resources for the 2021-2023 fiscal biennium for Science Museum grants and allocated as provided in the Committee Report described in Section ~~42.2~~ 43.2 of this act."

**AMERICAN INDIAN HERITAGE COMMISSION CLARIFICATION**

**SECTION 7.4.** G.S. 143B-135.5 reads as rewritten:

"**§ 143B-135.5. American Indian Heritage Commission established.**

...

(b) Members. – The Commission shall consist of 12 members. The initial board shall be selected on or before February 1, 2022, as follows:

(1) One representative recommended by each of the following tribes: Coharie, Eastern Band of Cherokee ~~Nation~~, Indians, Haliwa-Saponi, Lumbee, Meherrin, Occaneechi Band of the Saponi Nation, Sappony, and Waccamaw-Siouan.

...

(c) Terms. – The members recommended by the Coharie, Eastern Band of Cherokee ~~Nation~~, Indians, Haliwa-Saponi, and Lumbee Tribes and the members recommended by the Cumberland County Association for Indian People and the Guilford Native American Association shall serve initial terms of two years expiring on June 30, 2023. The members recommended by the Meherrin, Occaneechi Band of the Saponi Nation, Sappony, and Waccamaw-Siouan Tribes and the members recommended by the Metrolina Native American Association and the Triangle Native American Society shall serve initial terms of three years expiring on June 30, 2024. Upon the expiration of the terms of the initial members of the Commission, each member shall be appointed to terms for three years and shall serve until a successor is appointed.

...."

**PART VIII. ADMINISTRATIVE OFFICE OF THE COURTS**

**REDIRECT NEWLY CREATED MAGISTRATE POSITION FROM PERQUIMANS COUNTY TO CURRITUCK COUNTY**

**SECTION 8.1.** G.S. 7A-133(c) reads as rewritten:

"(c) Each county shall have the numbers of magistrates and additional seats of district court, as set forth in the following table:

County	Magistrates Min.	Additional Seats of Court
...		
Currituck	<u>34</u>	
...		
Perquimans	<u>43</u>	
...."		

**CONFORMING CHANGES RELATED TO RECENTLY ENACTED LANGUAGE RENAMING AND EXPANDING DRUG TREATMENT COURT PROVISIONS TO REFERENCE JUDICIALLY MANAGED ACCOUNTABILITY AND RECOVERY COURTS**

**SECTION 8.2.(a)** G.S. 7A-271(f) reads as rewritten:

"(f) The superior court has exclusive jurisdiction over all hearings to revoke probation pursuant to G.S. 15A-1345(e) where the district court is supervising a ~~drug treatment court or therapeutic local judicially managed accountability and recovery court~~ probation judgment under G.S. 7A-272(e), except that the district court has jurisdiction to conduct the revocation proceedings when the chief district court judge and the senior resident superior court judge agree that it is in the interest of justice that the proceedings be conducted by the district court. If the district court exercises jurisdiction under this subsection to revoke probation, appeal of an order revoking probation is to the appellate division."

**SECTION 8.2.(b)** G.S. 7A-272 reads as rewritten:

**"§ 7A-272. Jurisdiction of district court; concurrent jurisdiction in guilty or no contest pleas for certain felony offenses; appellate and appropriate relief procedures applicable.**

...

(e) With the consent of the chief district court judge and the senior resident superior court judge, the district court has jurisdiction to preside over the supervision of a probation judgment entered in superior court in which the defendant is required to participate in a ~~drug treatment local judicially managed accountability and recovery court~~ program pursuant to G.S. 15A-1343(b1)(2b) or a ~~therapeutic court as defined in subsection (f) of this section, or is participating in the drug treatment a local judicially managed accountability and recovery court program~~ pursuant to a deferred prosecution agreement under G.S. 15A-1341(a2) or the terms of a conditional discharge under G.S. 15A-1341(a5). The district court may modify or extend the probation judgment, but jurisdiction to revoke probation supervised under this subsection is as provided in G.S. 7A-271(f).

(f) ~~As used in subsection (e) of this section, the term "therapeutic court" refers to a court, other than drug treatment court established pursuant to Article 62 of Chapter 7A of the General Statutes, in which a criminal defendant, either as a condition of probation or pursuant to a deferred prosecution agreement or the terms of a conditional discharge under G.S. 15A-1341, is ordered to participate in specified activities designed to address underlying problems of substance abuse and mental illness that contribute to the person's criminal activity. The ordered activities shall, at a minimum, require the person to participate in treatment and attend regular court sessions of the therapeutic court over an extended period of time. The senior resident superior court judge and the chief district court judge shall agree in writing that the therapeutic~~

1 court is being established and shall file the written agreement with the Administrative Office of  
 2 the Courts before jurisdiction established by subsection (c) of this section may be exercised by  
 3 the district court."

4 **SECTION 8.2.(c)** A therapeutic court established pursuant to G.S. 7A-272 prior to  
 5 enactment of subsection (b) of this section shall be allowed to remain in effect and shall be  
 6 considered a local judicially managed accountability and recovery court subject to the provisions  
 7 of Article 62 of Chapter 7A of the General Statutes.

8 **SECTION 8.2.(d)** Subchapter XIV of Chapter 7A of the General Statutes reads as  
 9 rewritten:

10 **"SUBCHAPTER XIV. LOCAL JUDICIALLY MANAGED ACCOUNTABILITY AND**  
 11 **RECOVERY COURTS.**

12 "Article 62.

13 "Local Judicially Managed Accountability and Recovery Court Act.

14 ...

15 **"§ 7A-792. Goals.**

16 The goals of the local judicially managed accountability and recovery courts funded under  
 17 this Article include the following:

- 18 (1) To reduce alcoholism and other substance abuse and dependencies among  
 19 adult and juvenile offenders and defendants and among respondents in  
 20 juvenile petitions for abuse, neglect, or ~~both;~~both.
- 21 (2) To reduce criminal and delinquent recidivism and the incidence of child abuse  
 22 and ~~neglect;~~neglect.
- 23 (3) To reduce the alcohol-related and other substance-related court  
 24 ~~workload;~~workload.
- 25 (3a) To reduce the mental, behavioral, or medical health-related court  
 26 ~~workload;~~workload.
- 27 (4) To increase the personal, familial, and societal accountability of adult and  
 28 juvenile offenders and defendants and respondents in juvenile petitions for  
 29 abuse, neglect, or ~~both;~~ and both.

30 ...

31 **"§ 7A-793. Establishment of North Carolina Judicially Managed Accountability and**  
 32 **Recovery Court Program.**

33 The North Carolina Judicially Managed Accountability and Recovery Court Program is  
 34 established in the Administrative Office of the Courts to facilitate the creation, administration,  
 35 and funding of local judicially managed accountability and recovery courts. The Director of the  
 36 Administrative Office of the Courts shall provide any necessary staff for planning, organizing,  
 37 and administering the program. Local ~~drug treatment~~ judicially managed accountability and  
 38 recovery court programs funded pursuant to this Article shall be operated consistently with the  
 39 guidelines adopted pursuant to G.S. 7A-795. Local judicially managed accountability and  
 40 recovery courts established and funded pursuant to this Article may consist of local judicially  
 41 managed accountability and recovery court programs approved by the Administrative Office of  
 42 the Courts. With the consent of either the chief district court judge or the senior resident superior  
 43 court judge, a local judicially managed accountability and recovery court may be established.

44 ...

45 **"§ 7A-795. State Judicially Managed Accountability and Recovery Court Advisory**  
 46 **Committee.**

47 The State Judicially Managed Accountability and Recovery Court Advisory Committee is  
 48 established to develop and recommend to the Director of the Administrative Office of the Courts  
 49 guidelines for the ~~judicially managed accountability~~ North Carolina Judicially Managed  
 50 Accountability and recovery court program Recovery Court Program and to monitor local  
 51 judicially managed accountability and recovery courts wherever ~~they~~ these courts are

1 implemented and administered. The Committee shall be chaired by the Director or the Director's  
 2 designee and shall consist of not less than seven members appointed by the Director and broadly  
 3 representative of the courts, law enforcement, corrections, juvenile justice, child protective  
 4 services, and substance abuse treatment communities. In developing guidelines, the Advisory  
 5 Committee shall provide minimum standards of local judicially managed accountability and  
 6 recovery courts.

7 "**§ 7A-796. Local judicially managed accountability and recovery court**  
 8 **committee committees.**

9 Each judicial district choosing to establish a local judicially managed accountability and  
 10 recovery court shall form a local judicially managed accountability and recovery court  
 11 committee, which shall be comprised to assure representation appropriate to the type or types of  
 12 local judicially managed accountability and recovery court operations to be conducted in the  
 13 district and shall consist of persons appointed by the senior resident superior court judge with the  
 14 concurrence of the chief district court judge and the district attorney for that district, chosen from  
 15 the following list:

- 16 (1) A judge of the superior ~~court;~~court.
- 17 (2) A judge of the district ~~court;~~court.
- 18 (3) A district attorney or assistant district ~~attorney;~~attorney.
- 19 (4) A public defender or assistant public defender in judicial districts served by a  
 20 public defender, a member of the private criminal defense bar, or a member  
 21 of the private bar who represents respondents in department of social services  
 22 juvenile ~~matters;~~matters.
- 23 (5) An attorney representing a county department of social services, the director  
 24 or director's designee of the child welfare services division of a county  
 25 department of social services, or a representative of the guardian ad litem from  
 26 within the ~~district;~~district.
- 27 (6) Repealed by Session Law 2021-180.
- 28 (7) Repealed by Session Law 2021-180.
- 29 (8) Repealed by Session Law 2021-180.
- 30 (9) A clerk of superior ~~court;~~court.
- 31 (10) Repealed by Session Law 2021-180.
- 32 (11) Repealed by Session Law 2021-180.
- 33 (12) The chief juvenile court counselor for the ~~district;~~district.
- 34 (13) A probation ~~officer;~~officer.
- 35 (13a) The sheriff or sheriff's ~~designee;~~designee.
- 36 (14) A local law enforcement ~~officer;~~officer.
- 37 (15) A representative of the local school administrative ~~unit;~~unit.
- 38 (16) A representative of the local community college or other adjacent secondary  
 39 educational institution with a school of social ~~work;~~work.
- 40 (17) A representative of the treatment ~~providers;~~providers.
- 41 (18) A representative of the area mental health entity managed care  
 42 ~~organization;~~organization.
- 43 (19) Any local recovery court ~~coordinator; and~~coordinator.

44 ...

45 The local judicially managed accountability and recovery court committee shall develop local  
 46 guidelines and procedures, not inconsistent with the State guidelines and minimum standards,  
 47 that are necessary for the operation and evaluation of the local judicially managed accountability  
 48 and recovery court.

49 "**§ 7A-797. Eligible population; drug treatment local judicially managed accountability and**  
 50 **recovery court procedures.**



1 The Director of the Administrative Office of the Courts, in conjunction with the State  
 2 Judicially Managed Accountability and Recovery Court Advisory Committee, shall develop  
 3 criteria for eligibility, minimum standards, and other procedural and substantive guidelines for  
 4 local judicially managed accountability and recovery court operation.

5 ...

6 **"§ 7A-800. Payment of costs of ~~treatment program~~,~~treatment~~.**

7 Each defendant, offender, or respondent in a juvenile petition for abuse, neglect, or both, who  
 8 receives treatment under a local judicially managed accountability and recovery court shall  
 9 contribute to the cost of ~~the alcohol and other substance abuse or dependency that~~ treatment  
 10 ~~received in the judicially managed accountability and recovery court~~, based upon guidelines  
 11 developed by the local judicially managed accountability and recovery court committee.

12 ...

13 **"§ 7A-802. Exemption from Article.**

14 This Article does not apply to drug treatment courts or local judicially managed  
 15 accountability and recovery courts in existence on or before ~~December~~ January 1, 2021, 2022, to  
 16 the extent that compliance with this Article would disqualify the court for grant funding provided  
 17 by the National Association of Drug Court Professionals."

18 **SECTION 8.2.(e)** G.S. 15A-1340.11 reads as rewritten:

19 **"§ 15A-1340.11. Definitions.**

20 The following definitions apply in this Article:

21 ...

22 (2) Community punishment. – A sentence in a criminal case that does not include  
 23 an active ~~punishment or punishment~~, assignment to a ~~drug treatment~~ local  
 24 judicially managed accountability and recovery court, or special probation as  
 25 defined in G.S. 15A-1351(a). It may include any one or more of the conditions  
 26 set forth in G.S. 15A-1343(a1).

27 ...

28 (3a) ~~Drug treatment court program. – Program to which offenders are required, as~~  
 29 ~~a condition of probation, to comply with the rules adopted for the program as~~  
 30 ~~provided for in Article 62 of Chapter 7A of the General Statutes and to report~~  
 31 ~~on a regular basis for a specified time to participate in:~~  
 32 a. ~~Court supervision.~~  
 33 b. ~~Drug screening or testing.~~  
 34 c. ~~Drug or alcohol treatment programs.~~

35 ...

36 (6) Intermediate punishment. – A sentence in a criminal case that places an  
 37 offender on supervised probation. It may include ~~drug treatment~~ local  
 38 judicially managed accountability and recovery court, special probation as  
 39 defined in G.S. 15A-1351(a), and one or more of the conditions set forth in  
 40 G.S. 15A-1343(a1).

41 (6c) Local judicially managed accountability and recovery court program. – Local  
 42 program in which offenders are required, as a condition of probation, to  
 43 comply with the rules adopted for the program as provided for in Article 62  
 44 of Chapter 7A of the General Statutes and to report on a regular basis for a  
 45 specified time to participate in any of the following:

- 46 a. Court supervision.  
 47 b. Drug screening or testing.  
 48 c. Drug or alcohol treatment programs.  
 49 d. Mental, behavioral, or medical health-related treatment programs.

- 1 (7) Prior conviction. – A person has a prior conviction when, on the date a  
 2 criminal judgment is entered, the person being sentenced has been previously  
 3 convicted of a ~~crime~~crime in either:  
 4 a. ~~In the~~The district court, and the person has not given notice of appeal  
 5 and the time for appeal has ~~expired~~or expired.  
 6 b. ~~In the~~The superior court, regardless of whether the conviction is on  
 7 appeal to the appellate ~~division~~or division.  
 8 c. ~~In the~~The courts of the United States, another state, the Armed Forces  
 9 of the United States, or another country, regardless of whether the  
 10 offense would be a crime if it occurred in North Carolina, regardless  
 11 of whether the crime was committed before or after the effective date  
 12 of this Article.

13 ...."

14 **SECTION 8.2.(f)** G.S. 15A-1340.16(e) reads as rewritten:

15 "(e) Mitigating Factors. – The following are mitigating factors:

16 ...

- 17 (16) The defendant has entered and is currently involved in or has successfully  
 18 completed either (i) a drug treatment program or program, (ii) an alcohol  
 19 treatment program or program, or (iii) a mental, behavioral, or medical  
 20 health-related treatment program, subsequent to arrest and prior to trial.

21 ...."

22 **SECTION 8.2.(g)** G.S. 15A-1341 reads as rewritten:

23 **"§ 15A-1341. Probation generally.**

24 ...

25 (a2) Deferred Prosecution for Purpose of ~~Drug Treatment~~Local Judicially Managed  
 26 Accountability and Recovery Court Program. – A defendant eligible for a ~~Drug Treatment Court~~  
 27 ~~Program~~local judicially managed accountability and recovery court program pursuant to Article  
 28 62 of Chapter 7A of the General Statutes may be placed on probation if the court finds that  
 29 prosecution has been deferred by the prosecutor, with the approval of the court, pursuant to a  
 30 written agreement with the defendant, for the purpose of allowing the defendant to participate in  
 31 and successfully complete the ~~Drug Treatment Court Program~~local judicially managed  
 32 accountability and recovery court program.

33 ...

34 (a5) Conditional Discharge for Purpose of ~~Drug Treatment~~Local Judicially Managed  
 35 Accountability and Recovery Court Program. – When a defendant is eligible for a ~~Drug~~  
 36 ~~Treatment Court Program~~local judicially managed accountability and recovery court program  
 37 pursuant to Article 62 of Chapter 7A of the General Statutes, the court may, without entering a  
 38 judgment of guilt and with the consent of the defendant, defer further proceedings and place the  
 39 defendant on probation for the purpose of allowing the defendant to participate in and  
 40 successfully complete ~~the Drug Treatment Court Program~~a local judicially managed  
 41 accountability and recovery court program.

42 ...."

43 **SECTION 8.2.(h)** G.S. 15A-1343(b1) reads as rewritten:

44 "(b1) Special Conditions. – In addition to the regular conditions of probation specified in  
 45 subsection (b), the court may, as a condition of probation, require that during the probation the  
 46 defendant comply with one or more of the following special conditions:

47 ...

- 48 (2b) Participate in and successfully complete a ~~Drug Treatment Court Program~~  
 49 local judicially managed accountability and recovery court program pursuant  
 50 to Article 62 of Chapter 7A of the General Statutes.

51 ...."

1           **SECTION 8.2.(i)** G.S. 15A-1343.2(d) reads as rewritten:

2           "(d) Lengths of Probation Terms Under Structured Sentencing. – Unless the court makes  
3 specific findings that longer or shorter periods of probation are necessary, the length of the  
4 original period of probation for offenders sentenced under Article 81B shall be as follows:

- 5           (1) For misdemeanants sentenced to community punishment, not less than six nor  
6 more than 18 ~~months;~~months.  
7           (2) For misdemeanants sentenced to intermediate punishment, not less than 12  
8 nor more than 24 ~~months;~~months.  
9           (3) For felons sentenced to community punishment, not less than 12 nor more  
10 than 30 ~~months; and~~months.

11           ...

12           If the court finds at the time of sentencing that a longer period of probation is necessary, that  
13 period may not exceed a maximum of five years, as specified in G.S. 15A-1342 and  
14 G.S. 15A-1351.

15           Extension. – The court may with the consent of the offender extend the original period of the  
16 probation if necessary to complete a program of restitution or to complete medical or psychiatric  
17 treatment ordered as a condition of probation. This extension may be for no more than three  
18 years, and may only be ordered in the last six months of the original period of probation."

19           **SECTION 8.2.(j)** G.S. 15A-1344(a1) reads as rewritten:

20           "(a1) Authority to Supervise Probation in ~~Drug Treatment~~Local Judicially Managed  
21 Accountability and Recovery Court. – Jurisdiction to supervise, modify, and revoke probation  
22 imposed in cases in which the offender is required to participate in a ~~drug treatment local~~  
23 judicially managed accountability and recovery court ~~or a therapeutic court program~~ is as  
24 provided in ~~G.S. 7A-272(e) and G.S. 7A-271(f).~~G.S. 7A-272(e). Proceedings to modify or  
25 revoke probation in these cases must be held in the county in which the ~~drug treatment local~~  
26 judicially managed accountability and recovery court ~~or therapeutic court~~ is located."

27           **SECTION 8.2.(k)** Subsections (e) and (g) of this section are effective when this  
28 section becomes law and apply to probation imposed on or after that date. Subsections (d) and  
29 (h) of this section are effective when this section becomes law and apply to offenses committed  
30 on or after that date. Subsection (f) of this section is effective when this section becomes law and  
31 applies to sentences imposed on or after that date. The remainder of this section is effective when  
32 this section becomes law.

33  
34           **REMOVE STATUTORY REFERENCE TO SPECIFIC COURT COST AMOUNT THAT**  
35 **HAS BEEN REPEALED AND REDISTRIBUTE AMOUNT OF REPEALED COURT**  
36 **COST TO OTHER RECIPIENTS**

37           **SECTION 8.3.(a)** G.S. 20-135.2A(e) reads as rewritten:

38           "(e) Any driver or front seat passenger who fails to wear a seat belt as required by this  
39 section shall have committed an infraction and shall pay a penalty of twenty-five dollars and fifty  
40 cents (\$25.50) plus the following court costs:

- 41           (1) ~~the~~The General Court of Justice fee provided for in ~~G.S. 7A-304(a)(4),~~  
42 G.S. 7A-304(a)(4).  
43           (2) ~~the telephone facilities~~The fee provided for in ~~G.S. 7A-304(a)(2a), and the~~  
44 ~~law enforcement training and certification fee provided for in~~  
45 ~~G.S. 7A-304(a)(3b).~~G.S. 7A-304(a)(2a).  
46           (3) One dollar and fifty cents (\$1.50) to be remitted to the county wherein the  
47 infraction was issued, except in those cases in which the infraction was issued  
48 by a law enforcement officer employed by a municipality, the fee shall be paid  
49 to the municipality employing the officer.

- 1           (4) One dollar and fifty cents (\$1.50) for the supplemental pension benefits of  
 2           sheriffs to be remitted to the Department of Justice and administered under  
 3           the provisions of Article 12H of Chapter 143 of the General Statutes.

4           Any rear seat occupant of a vehicle who fails to wear a seat belt as required by this section  
 5 shall have committed an infraction and shall pay a penalty of ten dollars (\$10.00) and no court  
 6 costs. Court costs assessed under this section are for the support of the General Court of Justice  
 7 and shall be remitted to the State Treasurer. Conviction of an infraction under this section has no  
 8 other consequence."

9           **SECTION 8.3.(b)** G.S. 20-140.4(c) reads as rewritten:

10          "(c) Any person convicted of violating this section shall have committed an infraction and  
 11 shall pay a penalty of twenty-five dollars and fifty cents (\$25.50) plus the following court costs:

- 12          (1) ~~the~~ The General Court of Justice fee provided for in ~~G.S. 7A-304(a)(4);~~  
 13          G.S. 7A-304(a)(4).  
 14          (2) ~~the telephone facilities~~ The fee provided for in ~~G.S. 7A-304(a)(2a), and the~~  
 15          ~~law enforcement training and certification fee provided for in~~  
 16          ~~G.S. 7A-304(a)(3b);~~ G.S. 7A-304(a)(2a).  
 17          (3) One dollar and fifty cents (\$1.50) to be remitted to the county wherein the  
 18          infraction was issued, except in those cases in which the infraction was issued  
 19          by a law enforcement officer employed by a municipality, the fee shall be paid  
 20          to the municipality employing the officer.  
 21          (4) One dollar and fifty cents (\$1.50) for the supplemental pension benefits of  
 22          sheriffs to be remitted to the Department of Justice and administered under  
 23          the provisions of Article 12H of Chapter 143 of the General Statutes.

24          Conviction of an infraction under this section has no other consequence."

25          **SECTION 8.3.(c)** This section becomes effective July 1, 2022, and applies to costs  
 26 assessed on or after that date, however, in cases disposed of on or after that date by written  
 27 appearance, waiver of trial or hearing, or plea of guilt or admission of responsibility pursuant to  
 28 G.S. 7A-180(4) or G.S. 7A-273(2), and within the time limit imposed by G.S. 7A-304(a)(6), in  
 29 which the citation or other criminal process was issued before July 1, 2022, the costs or fees shall  
 30 be the lesser of those specified in this section or those specified in the notice portion of the  
 31 defendant's or respondent's copy of the citation or other criminal process, if any costs or fees are  
 32 specified in that notice.

### 33 34 **ALLOW MAGISTRATES TO PERFORM CRIMINAL FIRST APPEARANCES UNDER** 35 **CERTAIN CIRCUMSTANCES**

36          **SECTION 8.4.** G.S. 15A-601(e) reads as rewritten:

37          "(e) The clerk of the superior court in the county in which the defendant is taken into  
 38 custody may conduct a first appearance as provided in this Article if a district court judge is not  
 39 available in the county within 72 hours after the defendant is taken into custody, or 96 hours after  
 40 the defendant is taken into custody if the courthouse is closed for transactions for a period longer  
 41 than 72 hours. A magistrate may conduct the first appearance if the clerk is not available. ~~The~~  
 42 ~~clerk,~~ ~~clerk or magistrate,~~ in conducting a first appearance, shall proceed under this Article as  
 43 would a district court judge."

### 44 45 **PART IX. PUBLIC SAFETY**

#### 46 47 **DIVISION OF EMERGENCY MANAGEMENT REPORTING CLARIFICATION**

48          **SECTION 9.1.** Section 19E.5(b) of S.L. 2021-180 reads as rewritten:

49          "**SECTION 19E.5.(b)** The Division shall report to the chairs of the Joint Legislative  
 50 Emergency Management Oversight Committee, the chairs of the Joint Legislative Oversight  
 51 Committee on Justice and Public Safety, and the Fiscal Research Division on the awarding of

1 grant funds pursuant to subsection (a) of this section by February 1, 2022, and by January 15 of  
2 each year thereafter until the funds appropriated by this section are expended."  
3

#### 4 **MODIFY REPORTING DATES RELATED TO LOCAL STAR PROGRAMS**

5 **SECTION 9.3.(a)** Section 19A.13 of S.L. 2021-180 reads as rewritten:

#### 6 **"PILOT SUPPORT TEAM ASSISTED RESPONSE (STAR) PROGRAMS IN CERTAIN** 7 **CITY POLICE DEPARTMENTS**

8 ...

9 **"SECTION 19A.13.(b)** No later than ~~April~~June 1, 2022, the Department of Public Safety,  
10 in consultation with the city police departments of Charlotte, Greensboro, and Greenville, shall  
11 report to the Joint Legislative Oversight Committee on Justice and Public Safety regarding the  
12 following:

- 13 (1) The general progress of each STAR Program.
- 14 (2) The number of incidents in which each police department utilized its STAR  
15 Program.
- 16 (3) The outcomes of the incidents in which each police department utilized its  
17 STAR Program.
- 18 (4) An itemized accounting from each police department of the use of grant funds  
19 received for pilot STAR Programs funded in this act.

20 **"SECTION 19A.13.(c)** No later than ~~April~~June 1, 2022, the Department of Public Safety  
21 shall provide the same report created pursuant to subsection (b) of this section to the Criminal  
22 Justice Education and Training Standards Commission and the Sheriffs' Education and Training  
23 Standards Commission. No later than ~~May~~July 1, 2022, each Commission shall make the report  
24 publicly available on its website and shall jointly and electronically deliver a copy of the report  
25 to each county sheriff and municipal chief of police in the State."

26 **SECTION 9.3.(b)** This section is effective when it becomes law.

#### 27 28 **NORTH CAROLINA NATIONAL GUARD CYBER SECURITY RESPONSE FORCE**

29 **SECTION 9.4.** Notwithstanding any provision of law or the Committee Report  
30 referenced in Section 43.2 of S.L. 2021-180 to the contrary, the funds granted to the North  
31 Carolina National Guard for supporting operations of the Cyber Security Response Force may  
32 be used for up to 10 full-time equivalent positions to support the Cyber Security Response Force.  
33

#### 34 **PART X. BUDGET AND MANAGEMENT**

#### 35 36 **LOCAL FISCAL RECOVERY FUNDS/TECHNICAL ASSISTANCE**

37 **SECTION 10.1.** Section 23.3(a) of S.L. 2021-180 reads as rewritten:

38 **"SECTION 23.3.(a)** Of the funds appropriated in this act from the State Fiscal Recovery  
39 Fund to the Office of State Budget and Management, Pandemic Recovery Office, the sum of  
40 thirty million dollars (\$30,000,000) in nonrecurring funds for the 2021-2022 fiscal year shall be  
41 allocated equally to the North Carolina League of Municipalities, the North Carolina Association  
42 of County Commissioners, and the North Carolina Association of Regional Councils of  
43 Government to provide guidance and technical assistance to units of local government in the  
44 administration of funds from the Local Fiscal Recovery Fund, as established in Section 2.6 of  
45 ~~S.L. 2021-25~~S.L. 2021-25, and in the administration of projects funded through the State Fiscal  
46 Recovery Fund, as established in Section 2.2 of S.L. 2021-25."  
47

#### 48 **EXTEND DEADLINE FOR THE COUNCIL OF INTERNAL AUDITING TO SUBMIT** 49 **REPORT TO GOV OPS**

50 **SECTION 10.2.** G.S. 143-747(c)(11a), as enacted by Section 24.5(b) of S.L.  
51 2021-180, reads as rewritten:

1 "(11a) Gather and assess the extent to which State agencies have met the minimum  
2 key performance indicators and criteria required under subdivision (3a) of this  
3 subsection. The Council shall report its findings to the Joint Legislative  
4 Commission on Governmental Operations on ~~October 1, 2022,~~ or before  
5 December 31, 2022, and annually thereafter."  
6

## 7 FUTURE CITY COMPETITION IMPLEMENTATION

8 SECTION 10.3. Section 24.1F of S.L. 2021-180 reads as rewritten:

9 "SECTION 24.1F. Of the funds appropriated in this act to the Office of State Budget and  
10 Management, the sum of two hundred thousand dollars (\$200,000) in nonrecurring funds for the  
11 2021-2022 fiscal year shall be used to provide a directed grant to the Professional Engineers of  
12 North Carolina Educational Foundation (Foundation), a nonprofit organization, to support the  
13 NC Future City competition, a statewide program for sixth, seventh, and eighth grade students  
14 that engages students in a hands-on future challenge to foster engineering skills and create interest  
15 in S.T.E.M. careers. Funds appropriated for the purposes described in this section may be used  
16 by the Foundation to contract for services implementing the NC Future City competition but shall  
17 not be used to fund any portion of the salary for any employee of the Foundation."  
18

## 19 PART X-A. BUDGET AND MANAGEMENT – DIRECTED GRANTS

### 20 YMCAS/FUNDS TO RECOVER FROM ECONOMIC IMPACTS OF COVID-19

21 SECTION 10A.1. Section 24.4 of S.L. 2021-180 reads as rewritten:

22 "SECTION 24.4. Of the funds appropriated in this act from the State Fiscal Recovery Fund  
23 to the Office of State Budget and Management, the sum of eleven million four hundred thousand  
24 dollars (\$11,400,000) in nonrecurring funds for the 2021-2022 fiscal year shall be provided to  
25 ~~The Young Men's Christian Association of the Triangle Area, Inc., (YMCA), a nonprofit~~  
26 ~~corporation,~~ for the North Carolina Alliance of YMCAs (Alliance) YMCAs, Inc., (Alliance), a  
27 nonprofit corporation, which shall develop and administer a grant program to provide funds to  
28 YMCAs in the State to assist them in their recovery from the economic impacts of the COVID-19  
29 pandemic. ~~For purposes of the grant program, the YMCA shall serve only as the fiscal agent for~~  
30 ~~the Alliance.~~ The following shall apply to the grant program developed and administered by the  
31 Alliance pursuant to this section:  
32

- 33 (1) Individual grants shall not exceed one hundred thousand dollars (\$100,000).
- 34 (2) Applicants shall demonstrate the ability to obligate and use all grant funds by  
35 the dates established by applicable federal law or guidance.
- 36 (3) Of the funds provided for the grant program in this section, the Alliance ~~and~~  
37 ~~YMCA~~ may use a total of one hundred thousand dollars (\$100,000) for  
38 administrative costs."  
39

## 40 PART XI. HOUSING FINANCE AGENCY

### 41 EXTEND THE DEADLINE FOR THE QUALIFIED ALLOCATION PLAN STUDY

42 SECTION 11.1. Section 29.1(b) of S.L. 2021-180 reads as rewritten:

43 "SECTION 29.1.(b) No later than ~~July 1, 2022,~~ December 1, 2022, the Agency shall submit  
44 the results of the study required by subsection (a) of this section, and any proposed modifications  
45 to the amenities policies in the Qualified Allocation Plan, to the North Carolina Federal Tax  
46 Reform Allocation Committee (hereinafter "Committee"), established pursuant to Article 51B of  
47 Chapter 143 of the General Statutes, and the Fiscal Research Division. The Committee may  
48 propose any recommended modifications resulting from the study as part of the 2023 Qualified  
49 Allocation Plan."  
50  
51

**WORKFORCE HOUSING LOAN PROGRAM**

**SECTION 11.2.** Section 29.4(d) of S.L. 2021-180, as amended by Section 6.4 of S.L. 2021-189, reads as rewritten:

"**SECTION 29.4.(d)** Funds appropriated in this act from the State Fiscal Recovery Fund to the North Carolina Housing Finance Agency for the 2021-2022 fiscal year shall be used first to address funding gaps in previously awarded deals for eligible projects under G.S. 122A-5.15 resulting from the COVID-19 pandemic, including any cost increases, as determined by the Agency. Any funds remaining after the funding gaps have been addressed shall be used to make loans for new eligible projects under G.S. 122A-5.15. The cap on the amount of loans that may be made under G.S. 122A-5.15(c) shall not apply to funds used to address funding gaps in previously awarded deals for eligible projects. Funds appropriated as provided in this subsection may be used in any manner authorized by the Final Rule issued by the United States Department of the Treasury for the State and Local Coronavirus Fiscal Recovery Fund, established under the American Rescue Plan Act (P.L. 117-2), including the issuance of grants."

**DARE COUNTY AFFORDABLE HOUSING FUNDS**

**SECTION 11.3.(a)** Section 24.3 of S.L. 2021-180 is repealed.

**SECTION 11.3.(b)** Notwithstanding any provision of S.L. 2021-180 or the Committee Report described in Section 43.2 of that act to the contrary, the sum of thirty-five million dollars (\$35,000,000) in nonrecurring funds appropriated in that act for the 2021-2022 fiscal year to the Office of State Budget and Management for Dare County to use to make forgivable loans for the construction of affordable housing shall instead be used to provide a directed grant to Dare County for the purpose of providing affordable housing.

**PART XII. INSURANCE****FIREFIGHTER AND EMS/RESCUE WORKER PAYMENTS TO WORKERS' COMPENSATION FUND FOR 2022-2023 AND 2023-2024 FISCAL YEARS**

**SECTION 12.1.** Section 30.3 of S.L. 2021-180 reads as rewritten:

"**SECTION 30.3.** Notwithstanding the provisions of G.S. 58-87-10, for the ~~2021-2022 fiscal year and the 2022-2023 fiscal year and the 2023-2024 fiscal year~~, the State Fire and Rescue Commission shall not set an amount to be paid by every eligible unit and eligible entity, as those terms are defined in G.S. 58-87-10(a), that elects to participate in the Workers' Compensation Fund (Fund) created pursuant to G.S. 58-87-10(b). For the ~~2021-2022 fiscal year and the 2022-2023 fiscal year and the 2023-2024 fiscal year~~, no eligible unit or eligible entity shall be required to submit to the State Fire and Rescue Commission any payment to participate in the Fund."

**PART XIII. MILITARY AND VETERANS AFFAIRS****CORRECT NAMES OF REPORTING ENTITIES FOR THE VETERANS JUSTICE INTERVENTION PILOT PROGRAM**

**SECTION 13.1.** Subdivision (5) of Section 33.7(b) of S.L. 2021-180 reads as rewritten:

"(5) By June 30, 2022, report to the Joint Legislative Oversight Committee on General Government, the Joint Legislative Oversight Committee on Justice and Public Safety, and the Fiscal Research Division on the effectiveness of the pilot program, including the feasibility of expanding the program throughout the State."

**PART XIII-A. REVENUE**

**BUSINESS RECOVERY GRANT PROGRAM CHANGES**

**SECTION 13A.1.(a)** Section 34.3A of S.L. 2021-180, as amended by Section 6.5 of S.L. 2021-189, reads as rewritten:

**"SECTION 34.3A.(a)** Purpose; Use. – The purpose of this section is to use funds from the American Rescue Plan Act to aid businesses in North Carolina that suffered substantial economic damage from the COVID-19 pandemic.

...

**"SECTION 34.3A.(c)** Eligibility. – A business is eligible for a grant under this Program if it meets one of the following conditions:

- (1) A hospitality grant if the business (i) is classified for the period for which economic loss is measured in NAICS Code 71 or 72 and (ii) demonstrates that it suffered an economic loss of at least twenty percent (20%).
- (2) A reimbursement grant if the business (i) is not classified for the period for which economic loss is measured in NAICS Code 71 or ~~72~~, 72 and (ii) demonstrates that it suffered an economic loss of at least twenty percent (~~20%~~), and (iii) has not previously received an award amount.(20%).

**"SECTION 34.3A.(d)** Applications. – A business must apply to the Department of Revenue for a grant on a form prescribed by the Department and must include any supporting documentation required by the Department. The application must be filed with the Department on or before the deadline prescribed by the Department, which must be at least 60 days after the effective date of this section but no more than 90 days after the effective date of this section. The Department may not accept late applications.

~~If funds reserved for both types of grants under this section remain after disposition of all timely filed applications for grants, the Department shall remit any funds remaining to the Office of State Budget and Management which shall deposit the funds into the State Fiscal Recovery Reserve. Amounts deposited into the Reserve under this section are receipts that do not constitute an "appropriation made by law," as that phrase is used in Section 7(1) of Article V of the North Carolina Constitution.~~

~~If funds reserved for one type of grant under this section remain after disposition of all timely filed applications for that type of grant, the Department shall allocate any funds remaining to the other type of grant allowed under this section. The Department shall, first, fully fund any prorated awards and, second, if funds remain after fully funding prorated awards, reopen the type of grant for which funds become available under this paragraph for additional applications. The additional applications reopen both grants for a second round of applications. The second round of applications must be filed with the Department on or before the deadline prescribed by the Department, which must be at least 90-165 days after the effective date of this section but no more than 120-195 days after the effective date of this section. Applications from a business that received a grant under the first round of applications are limited to only additional economic loss shown by gross receipts reported pursuant to sub-sub-subdivisions (7)b.2. through 4. of subsection (h) of this section. The Department may not accept late additional applications permitted under this paragraph.~~

If funds remain for one or both types of grants under this section after disposition of all timely filed applications for the second round, the Department shall distribute the remaining amount for each type of grant by acting according to the following priority:

- (1) Disregarding the five hundred thousand dollar (\$500,000) cap imposed in subsection (e) of this section for recipient businesses and distributing the remainder proportionately.
- (2) Increasing the percentage of economic loss of recipient businesses proportionately until all awards to recipient businesses have reached the economic loss demonstrated in subsection (c) of this section.



(3) Remitting any funds remaining to the Office of State Budget and Management which shall deposit the funds into the State Fiscal Recovery Reserve. Amounts deposited into the Reserve under this section are receipts that do not constitute an "appropriation made by law," as that phrase is used in Section 7(1) of Article V of the North Carolina Constitution.

"SECTION 34.3A.(e) Grant Amount. – The grant amount is equal to the lesser of five hundred thousand dollars (\$500,000) or a percentage of the economic loss of the business demonstrated in subsection (c) of this section. For applicants who have not previously received an award amount, the percentage is equal to twenty percent (20%). For all other applicants, the percentage is equal to ten percent (10%).

"SECTION 34.3A.(f) Grant Program Limit. – The total of all funds granted under this Program, including the amounts specifically allowed for administration, marketing, and recruiting, may not exceed five hundred million dollars (\$500,000,000), of which two hundred million dollars (\$200,000,000) shall be reserved for reimbursement grants. ~~If a business qualifies for both a hospitality grant and a reimbursement grant, the amount of the grant to the business shall be deducted from the amount available for hospitality grants.~~ The Department must calculate the total amount of grants requested from the applications timely filed under subsection (d) of this section. If the total amount of grants requested exceeds the maximum amount of funds available for a type of grant allowed under this subsection, the Department shall ~~do the following:~~

(1) ~~For hospitality grants,~~ (i) prioritize and fully fund grants to applicants who have not previously received an award amount and (ii) reduce each grant award to applicants who have previously received an award amount on a proportionate basis.

(2) ~~For reimbursement grants, reduce each grant award on a proportionate basis.~~

The Department's grant determinations based on applications timely filed are final.

"SECTION 34.3A.(g) Clawback. – If a business receives a grant under this program for which it is ineligible, the business forfeits the grant awarded under this section and is liable for the amounts received. An award forfeited under this section shall bear interest at the rate determined in accordance with G.S. 105-241.21 as of the date of receipt until repaid. Failure to pay an award forfeited shall be collected by a civil action in the name of the State, and the recipient business shall pay the cost of the action. The Attorney General, at the request of the Secretary of Revenue, shall institute the action in the proper court for the collection of the award forfeited, including interest thereon.

"SECTION 34.3A.(h) Definitions. – The following definitions apply in this section:

...

(7) Gross receipts. – The sum of the following:

- a. The North Carolina gross receipts listed on line 1 of Form E-500, Sales and Use Tax Return, for sales occurring during a specified time period. If a taxpayer did not list gross receipts on line 1 of Form E-500, it may substitute the sum of the receipts listed on lines 4-8 of Form E-500 in place of North Carolina gross receipts listed on line 1 of Form E-500.
- b. Gross receipts not listed on Form E-500 but reported on ~~line 1a of Form 1065 for one of the following~~ federal returns, if any, provided the gross receipts are for transactions apportioned to the ~~State~~.State:
  1. Line 1a of Form 1065.
  2. Line 1a of Form 1120 or Form 1120-S.
  3. Line 1 of Form 1040, Schedule C.
  4. Line 9 of Form 1040, Schedule F.

...."

SECTION 13A.1.(b) This section is effective when it becomes law and applies to applications received on or after that date.

1  
2 **PART XIV. GENERAL GOVERNMENT OVERSIGHT REPORTING**

3  
4 **MODIFY REPORTING LANGUAGE FOR THE DISTRIBUTION OF GRANTS FOR**  
5 **SEXUAL ASSAULT TO BE CONSISTENT WITH THE REPORTING LANGUAGE**  
6 **FOR DISTRIBUTION OF DOMESTIC VIOLENCE GRANTS**

7 **SECTION 14.1.** G.S. 143B-394.21(c), as amended by Section 37.1(h) of S.L.  
8 2021-180, reads as rewritten:

9 "(c) ~~The~~ On or before September 1, the North Carolina Council for Women and Youth  
10 Involvement shall report on the quarterly distributions of the grants from the Sexual Assault and  
11 Rape Crisis Center Fund to the ~~House and Senate chairs of the General Government~~  
12 ~~Appropriations Committee within five business days of distribution. The report shall include the~~  
13 ~~date,~~ chairs of the House Appropriations Committee on General Government, the chairs of the  
14 Senate Appropriations Committee on General Government and Information Technology, and the  
15 Fiscal Research Division. The report shall include the following:

- 16 (1) Date, amount, and recipients of the fund disbursements. ~~The report shall also~~  
17 ~~include any eligible~~  
18 (2) Eligible programs which are ineligible to receive funding during the relative  
19 reporting cycle, as well as the reason of the ineligibility for that relative  
20 reporting cycle."

21  
22 **PART XV. GENERAL ASSEMBLY**

23  
24 **RECEIPT AND CONFIDENTIALITY OF REPORTS TO THE JOINT LEGISLATIVE**  
25 **COMMISSION ON GOVERNMENTAL OPERATIONS**

26 **SECTION 15.1.(a)** G.S. 120-76 reads as rewritten:

27 **"§ 120-76. Powers and duties of the Commission.**

28 The Commission shall have the following powers:

29 ...

- 30 (16) To receive reports alleging improper activities or matters of public concern  
31 listed in G.S. 126-84. The individual making the report may, at the individual's  
32 discretion, remain anonymous. Any report received under this subdivision, in  
33 whatever form, is confidential, shall not be a public record, as defined by  
34 G.S. 132-1, and becomes available to the public only as provided in  
35 G.S. 120-131."

36 **SECTION 15.1.(b)** G.S. 126-85(c), as amended by Section 27.2(e) of S.L. 2021-180,  
37 reads as rewritten:

38 "(c) The protections of this Article shall include State employees who report any activity  
39 described in G.S. 126-84 to the State Auditor as authorized by G.S. 147-64.6B, to the Joint  
40 Legislative Commission on Governmental Operations as authorized by G.S. 120-76, or to a  
41 legislative committee as required by G.S. 120-19."

42 **SECTION 15.1.(c)** This section is effective when it becomes law.

43  
44 **JOINT LEGISLATIVE COMMISSION ON GOVERNMENTAL OPERATIONS –**  
45 **BEACON/HR PAYROLL SYSTEM ACCESS**

46 **SECTION 15.2.** G.S. 120-77 reads as rewritten:

47 **"§ 120-77. Additional powers.**

48 (a) The Commission, while in the discharge of official duties, shall have access to any  
49 paper or document, and may compel the attendance of any State official or employee before the  
50 Commission or secure any evidence under the provisions of G.S. 120-19. In addition, the

1 provisions of G.S. 120-19.1 through 120-19.4 shall apply to the proceedings of the Commission  
2 as if it were a joint committee of the General Assembly.

3 (b) Each cochair of the Commission shall designate one Commission staff member who  
4 shall have access to the BEACON/HR payroll system."

## 6 PART XVI. INFORMATION TECHNOLOGY

### 8 DIT TECHNICAL CHANGES

9 SECTION 16.1.(a) Part XXXVIII of S.L. 2021-180 is amended by adding a new  
10 section to read:

#### 11 "BROADBAND INFRASTRUCTURE FUNDING CHANGES

12 "SECTION 38.15. Except as otherwise provided, the Department of Information  
13 Technology shall have flexibility to transfer funding between the programs outlined in Section  
14 38.4, Section 38.5, and Section 38.6 of this act, so long as the total allocations for the programs  
15 remain the same."

16 SECTION 16.1.(b) Section 38.5 of S.L. 2021-180, as amended by Section 10.1 of  
17 S.L. 2021-189, reads as rewritten:

18 "SECTION 38.5. The Department of Information Technology shall use the funds  
19 appropriated in this act ~~from the State Fiscal Recovery Fund~~ for Stopgap Solutions–Federal  
20 Broadband Funds to provide grants to internet service providers, local government entities, and  
21 nonprofits for the provision and installation of infrastructure, as that term is defined in  
22 G.S. 143B-1373(a), that will expand the provision of broadband service to unserved and  
23 underserved households in this State. The Department shall ensure that grant funds are awarded  
24 and utilized in compliance with applicable federal guidelines. No more than five percent (5%) of  
25 the funds described in this section may be granted for broadband projects located in any single  
26 county."

27 SECTION 16.2. G.S. 143B-1373.1(a), as enacted in Section 38.6 of S.L. 2021-180,  
28 reads as rewritten:

29 "(a) As used in this section, the following definitions apply:

30 ...

31 (3) Eligible area. – An area that is unserved or underserved in a county. ~~A~~ With  
32 the exception of funds expended under this section, or under Section 38.4 or  
33 Section 38.5 of S.L. 2021-180, a county that has utilized federal funding for  
34 broadband infrastructure projects on or after May 1, 2021, is not eligible.

35 ...."

36 SECTION 16.3. Section 38.10(c) of S.L. 2021-180, as amended by Section 10.2(a)  
37 of S.L. 2021-189, reads as rewritten:

38 "SECTION 38.10.(c) The funds appropriated in this act for the Program shall be held by the  
39 Department in a special fund and shall not revert to the General Fund but shall remain available  
40 to reimburse communications service providers as authorized in this section until December 30,  
41 2026, provided that reimbursements shall comply with applicable federal guidelines for the use  
42 of these recovery funds. The Department may use up to one percent (1%) of the funds  
43 appropriated for the Program, not to exceed the total sum of two hundred fifty thousand dollars  
44 (\$250,000) in each fiscal year, to administer the Program. The Department shall issue guidelines  
45 for the implementation of the Program."

### 47 POLE REPLACEMENT MAKE-READY TIME LINE CHANGES

48 SECTION 16.4. Section 38.10(g) of S.L. 2021-180 reads as rewritten:

49 "SECTION 38.10.(g) A pole owner shall promptly review a request for access, perform  
50 surveys, provide estimates and final invoices, and complete, or require the completion by other  
51 attaching entities of, any make-ready work necessary for purposes of offering broadband service

1 in an unserved area. A pole owner shall provide a good-faith estimate for any make-ready costs  
2 to the communications service provider within 60 days after receipt of a complete application for  
3 access. If requested by the communications service provider, the pole owner shall provide  
4 accompanying documentation indicating the basis of all estimated fees or other charges,  
5 including, but not limited to, administrative costs, that form the basis of its estimate. A good-faith  
6 estimate shall remain valid for 14 days. To accept a good-faith estimate, a communications  
7 service provider must provide the pole owner with written acceptance and payment of the  
8 good-faith estimate. ~~For a request for access affecting up to 30 utility poles for the purpose of~~  
9 ~~providing broadband service to an unserved area, make ready work shall be completed within 90~~  
10 ~~days of written acceptance and payment of the good faith estimate by the communications~~  
11 ~~service provider. For a request for access affecting more than 30 utility poles for the purpose of~~  
12 ~~providing broadband service to an unserved area, make ready~~ Make-ready work shall be  
13 conditioned upon payment of the good-faith estimate and shall be completed within a reasonable  
14 time frame mutually agreed to by the communications service provider and the pole owner. A  
15 pole owner may treat multiple requests from a single communications service provider as one  
16 application for access when the requests are filed within 90 days of one another. A pole owner  
17 may deviate from the time limits specified in this subsection during performance of make-ready  
18 work for good and sufficient cause that renders it infeasible to complete make-ready work within  
19 the time limits specified in this subsection. Any deviation from the time limits specified in this  
20 subsection shall extend for a period no longer than necessary. A communications service provider  
21 shall promptly be notified, in writing, of the reason for a deviation and the new completion date  
22 estimate. A communications service provider shall provide notice, in writing, to the pole owner  
23 no later than 14 days after attaching equipment to a pole in an unserved area."  
24

## 25 **PART XVII. SALARIES AND BENEFITS**

### 26 **DPS/ADULT CORRECTION – ADDITIONAL PAY CLARIFICATION**

27 **SECTION 17.2.** Part XXXIX of S.L. 2021-180 is amended by adding a new section  
28 to read:

#### 29 **"DPS/ADULT CORRECTION – ADDITIONAL PAY CLARIFICATION**

30 **"SECTION 39.15B.** To alleviate salary compression among certified personnel working in  
31 the Department of Public Safety, Adult Correction Section, the funds appropriated in this act to  
32 the Department for Certified Staff Salary Adjustments shall be awarded to each identified  
33 employee as two salary adjustments in these two ways:

- 34 (1) As a salary increase to employees identified by the Department to receive a  
35 salary increase to alleviate salary compression; and
- 36 (2) An additional retroactive service bonus payment, paid in the 2021-2022 fiscal  
37 year, to identified employees for service provided in the respective position  
38 during the 2021-2022 fiscal year. The Department shall calculate this salary  
39 adjustment by applying the annualized salary increase provided to the  
40 employee in subdivision (1) of this section to the service provided by the  
41 employee in the respective position in the 2021-2022 fiscal year prior to the  
42 effective date of the increase in subdivision (1)."  
43  
44

### 45 **NON-DESIGNATED SURVIVING SPOUSE BENEFICIARIES/FIREFIGHTERS' AND** 46 **RESCUE SQUAD WORKERS' PENSION FUND**

47 **SECTION 17.3.** G.S. 58-86-55(d1) reads as rewritten:

48 "(d1) Benefits shall be paid in the following manner when a member is killed in the line of  
49 duty and the requirements of Article 12A of Chapter 143 of the General Statutes are met:

- 50 (1) If the member had been receiving a monthly pension fund benefit prior to  
51 being killed in the line of duty, there shall be paid to the member's principal

beneficiary, if only one principal beneficiary is eligible and has not accepted a return of contributions, an amount of one hundred seventy dollars (\$170.00) per month beginning the month following the member's month of death, payable until the beneficiary's death. If the member became a member prior to July 1, 2018, and had not designated a principal beneficiary prior to being killed in the line of duty, there shall be paid to the member's living spouse upon the spouse's application to the Board, an amount of one hundred seventy dollars (\$170.00) per month beginning the month following the member's month of death, payable until the spouse's death.

...

(3) If the member had not yet begun receiving a monthly benefit prior to being killed in the line of duty, there shall be paid to the member's principal beneficiary, if only one principal beneficiary is eligible and has not accepted a return of contributions, an amount of one hundred seventy dollars (\$170.00) per month beginning the month following the month the member would have attained age 55, or if the member had already attained age 55, beginning the month following the member's month of death, payable until the beneficiary's death. If the member became a member prior to July 1, 2018, and had not designated a principal beneficiary prior to being killed in the line of duty, there shall be paid to the member's living spouse upon the spouse's application to the Board, an amount of one hundred seventy dollars (\$170.00) per month beginning the month following the month the member would have attained age 55, or if the member had attained age 55, beginning the month following the member's month of death, payable until the spouse's death.

...."

**ADDITIONAL FUNDS FOR PUBLIC SAFETY EMPLOYEES' DEATH BENEFITS**

**SECTION 17.4.** Section 39.2(j) of S.L. 2021-180 reads as rewritten:

"SECTION 39.2.(j) Any-For the 2021-2022 fiscal year only, the Office of State Budget and Management shall transfer up to one million two hundred thousand dollars (\$1,200,000) of the funds remaining after these bonuses are awarded in accordance with this section shall be credited to the State Fiscal Recovery Fund to the Department of State Treasurer, as needed and to the extent allowed under federal law, to pay for line of duty death benefits awarded by the Industrial Commission under Article 12A of Chapter 143 of the General Statutes. Any funds remaining after bonuses are awarded and funds are transferred in accordance with this section shall be credited to the State Fiscal Recovery Fund."

**PART XVIII. CAPITAL**

**SCIF GRANT CHANGES**

**SECTION 18.1.** Section 40.17 of S.L. 2021-180, as enacted by Section 9.1(d) of S.L. 2021-189, reads as rewritten:

**"SECTION 40.17.(a)** Notwithstanding any provision of law or the Committee Report referenced in Section 43.2 of this act to the contrary, the following grants and funds allocated from the State Capital and Infrastructure Fund are amended as follows:

...

(22) The funds to the Town of Valdese in the sum of five hundred thousand dollars (\$500,000) for the 2021-2022 fiscal year may also be used for capital improvements or repairs and renovations.

(24) The funds for Historic Hope David Stone House in the sum of two hundred fifty thousand dollars (\$250,000) for the 2021-2022 fiscal year may also be

- 1                   used for the repair and renovation of the historic buildings on its property in  
2                   Bertie County.
- 3                   (25)   The funds to the Town of Spindale in the sum of five hundred thousand dollars  
4                   (\$500,000) for the 2021-2022 fiscal year shall instead be provided as a grant  
5                   to Rutherford County for the expansion of the Town of Spindale EMS base.
- 6                   (26)   The funds to the Town of Columbus in the sum of nine million five hundred  
7                   thousand dollars (\$9,500,000) for the 2021-2022 fiscal year shall instead be  
8                   provided as a grant to Columbus County for capital improvements, subject to  
9                   the requirements provided in Section 40.16 of this act.
- 10                  (27)   The funds to Brunswick County for Ryley's Ranch Playground in the sum of  
11                  one million dollars (\$1,000,000) for the 2021-2022 fiscal year shall instead be  
12                  provided as a grant to the Town of Varnamtown for an all-inclusive  
13                  playground to be named Ryley's Ranch Playground.
- 14                  (28)   The funds to New Hanover County for SEATech in the sum of four million  
15                  dollars (\$4,000,000) for the 2021-2022 fiscal year shall instead be provided  
16                  as a grant to New Hanover County Schools for capital improvements at  
17                  Southeast Area Technical High School.
- 18                  (29)   The funds to Yadkin County in the sum of one million five hundred thousand  
19                  dollars (\$1,500,000) for the 2021-2022 fiscal year may be used for  
20                  renovations.
- 21                  (30)   The funds to the Town of Coats in the sum of seventy thousand dollars  
22                  (\$70,000) for the 2021-2022 fiscal year shall instead be provided in the form  
23                  of grants as follows:
- 24                   a.       Forty thousand dollars (\$40,000) for the 2021-2022 fiscal year to the  
25                   Town of Coats for capital improvements.
- 26                   b.       Thirty thousand dollars (\$30,000) for the 2021-2022 fiscal year to the  
27                   Coats Area Chamber of Commerce, Inc., a nonprofit corporation, for  
28                   renovation of the community building.
- 29                  (31)   The funds to Senior Resources of Guilford in the sum of one hundred thousand  
30                  dollars (\$100,000) for the 2021-2022 fiscal year shall be provided as a grant  
31                  to Senior Resources of Guilford for ongoing program support.
- 32                  (32)   The funds to the Community of Ash in the sum of three hundred thousand  
33                  dollars (\$300,000) for the 2021-2022 fiscal year shall instead be provided as  
34                  a grant to Brunswick County for capital improvements, subject to the  
35                  requirements provided in Section 40.16 of this act.
- 36                  (33)   The funds to the Town of Fairfield in the sum of seventy-five thousand dollars  
37                  (\$75,000) for the 2021-2022 fiscal year shall instead be provided as a grant to  
38                  Fairfield Mountains Volunteer Fire Department, Inc., a nonprofit corporation,  
39                  for expansion of the fire/EMS facility.
- 40                  (34)   The funds to Swain County for street lighting and sidewalk improvements in  
41                  the sum of two hundred thousand dollars (\$200,000) for the 2021-2022 fiscal  
42                  year shall instead be provided as a grant to the Town of Bryson City to be used  
43                  for street lighting and sidewalk improvements.
- 44                  (35)   The funds for Scotland Neck Senior Center in the sum of two hundred fifty  
45                  thousand dollars (\$250,000) for the 2021-2022 fiscal year shall instead be  
46                  provided to the Town of Scotland Neck to be used for repairs and renovation  
47                  of the senior center.
- 48                  (36)   The funds for the Acme-McCrary Textile Mill in the sum of one million five  
49                  hundred thousand dollars (\$1,500,000) for the 2021-2022 fiscal year may be  
50                  used to purchase property related to the renovation of the mill.

- 1           (37)   The funds for Cooleemee RiverPark Bridge in the sum of two hundred fifty  
2           thousand dollars (\$250,000) for the 2021-2022 fiscal year shall instead be  
3           provided to RiverPark at Cooleemee Falls, Inc., a nonprofit corporation, for a  
4           new pedestrian bridge at Cooleemee RiverPark.
- 5           (38)   The funds for Martin and Edgecombe Counties in the sum of five hundred  
6           thousand dollars (\$500,000) for the 2021-2022 fiscal year shall instead be  
7           provided as a grant to Opportunities Industrialization Center, Inc., a nonprofit  
8           corporation in Rocky Mount, to be used for a mobile medical unit.
- 9           (39)   The funds to the Town of Dover in the sum of one hundred thirty-five  
10          thousand dollars (\$135,000) for the 2021-2022 fiscal year may also be used  
11          for the construction of a new community center.
- 12          (40)   The funds to the Piedmont Triad Charitable Foundation in the sum of five  
13          hundred thousand dollars (\$500,000) may also be used to offset expenditures  
14          incurred for the purpose of the grant prior to July 1, 2021.
- 15          (41)   The funds for Big Hungry Dam in the sum of seven million five hundred  
16          thousand dollars (\$7,500,000) for the 2021-2022 fiscal year shall instead be  
17          provided to Friends of the Ecusta Trail, Inc., a nonprofit corporation, to be  
18          used for the removal of the Big Hungry Dam.
- 19          (42)   The funds for Halifax Community College Manufacturing Center in the sum  
20          of one million nine hundred forty-nine thousand three hundred eighty-four  
21          dollars (\$1,949,384) for the 2021-2022 fiscal year may be used for  
22          replacement of the water line/water loop on campus.
- 23          (43)   The funds to the Town of Sylva in the sum of three million dollars  
24          (\$3,000,000) for the 2021-2022 fiscal year shall be used for Bryson Park  
25          capital improvements and playground equipment.
- 26          (44)   The funds to the City of Lumberton for one million five hundred thousand  
27          dollars (\$1,500,000) for the 2021-2022 fiscal year may also be used for other  
28          infrastructure.
- 29          (45)   The funds for Jones County Library in the sum of one hundred thousand  
30          dollars (\$100,000) for the 2021-2022 fiscal year shall instead be provided as  
31          a grant to Jones County Public Library for the renovation of the public library.
- 32          (46)   The funds to Mayland Community College of Avery County in the sum of  
33          four million dollars (\$4,000,000) for the 2021-2022 fiscal year shall instead  
34          be provided as a grant to Mayland Community College Foundation, Inc., a  
35          nonprofit corporation, to be used for improvements to Three Peaks  
36          Enrichment Center.
- 37          (47)   The funds for Richmond Community College Truck Driver Training Project  
38          in the sum of one million five hundred thousand dollars (\$1,500,000) for the  
39          2021-2022 fiscal year shall be used for a truck driver training program.
- 40          (48)   The funds for Woodlake Dam in the sum of nine million six hundred thousand  
41          dollars (\$9,600,000) for the 2021-2022 fiscal year shall instead be provided  
42          as a grant to Woodlake Property Owners Association, Inc., a nonprofit  
43          corporation, for repairs to Woodlake Dam.
- 44          (49)   The funds for Randolph County Hospital Psychiatric Unit in the sum of four  
45          million dollars (\$4,000,000) for the 2021-2022 fiscal year shall instead be  
46          provided as a grant to Randolph County to be used for healthcare.
- 47          (50)   The funds for Carteret Community College Culinary Program in the sum of  
48          one million dollars (\$1,000,000) for the 2021-2022 fiscal year shall instead be  
49          provided as a grant to Carteret Community College to be used for capital  
50          improvements.

- 1           (51)   The funds for the Town of Falcon in the sum of fifty-five thousand dollars  
2           (\$55,000) for the 2021-2022 fiscal year may be used for capital improvements,  
3           subject to the requirements provided in Section 40.16 of this act.
- 4           (52)   The funds for Davidson-Davie Community College in the aggregate sum of  
5           sixteen million two hundred thousand dollars (\$16,200,000) for the  
6           2021-2022 fiscal year shall instead be provided to Davidson-Davie  
7           Community College to be used for the construction of the Davidson-Davie  
8           Community College Regional Training and Distribution Center which will be  
9           used for emergency response and public health.
- 10          (53)   The funds for Catawba Valley Community College Regional Building in the  
11          sum of seven million five hundred thousand dollars (\$7,500,000) for each year  
12          of the 2021-2023 fiscal biennium shall instead be provided to the City of  
13          Hickory for the construction of a new regional advising center and flexible  
14          use space for educational training at Catawba Valley Community College.
- 15          (54)   The funds for the Town of Lake Waccamaw in the sum of two million five  
16          hundred thousand dollars (\$2,500,000) for the 2021-2022 fiscal year shall  
17          instead be provided as a grant to Columbus County for pedestrian and bike  
18          trails to be constructed in and adjacent to Lake Waccamaw State Park.
- 19          (55)   The funds for Nikwasi Town Cherokee Settlement in the sum of seven  
20          hundred thirteen thousand four hundred dollars (\$713,400) for the 2021-2022  
21          fiscal year shall instead be provided as follows:
- 22                a.    A grant in the sum of six hundred thousand dollars (\$600,000) to  
23                Mainspring Conservation Trust, Inc., a nonprofit corporation, for the  
24                purchase of approximately 0.6 acres at the site of the Cherokee  
25                settlement of Nikwasi Town in the Town of Franklin in Macon County  
26                with a conservation and preservation easement to be held by the  
27                Department of Natural and Cultural Resources.
- 28                b.    A grant in the sum of one hundred thirteen thousand four hundred  
29                dollars (\$113,400) to the Department of Natural and Cultural  
30                Resources for the purchase of a conservation and preservation  
31                easement of approximately 0.7 acres at the site of the Cherokee  
32                settlement of Nikwasi Town in the Town of Franklin in Macon  
33                County.
- 34          (56)   The funds for Pamlico County Library in the sum of three hundred thirty-three  
35          thousand three hundred thirty-three dollars (\$333,333) for the 2021-2022  
36          fiscal year may be used for capital and equipment purposes at the Pamlico  
37          County Library.
- 38          (57)   The funds for Severn Fire Department for three hundred fifty thousand dollars  
39          (\$350,000) for the 2021-2022 fiscal year may be used for the purchase of a  
40          fire truck and fire truck equipment.

41           **"SECTION 40.17.(b)** Notwithstanding any provision of law or the Committee Report  
42           referenced in Section 43.2 of this act to the contrary, there is appropriated from the State Capital  
43           and Infrastructure Fund to the Office of State Budget and Management the following amounts  
44           for the following purposes:

- 45           ...
- 46           (2)   The sum of one million five hundred thousand dollars (\$1,500,000) in  
47           nonrecurring funds for the 2021-2022 fiscal year to be allocated in the form  
48           of a grant to the City of Lenoir to be used ~~for water and sewer projects for the~~  
49           following:
- 50                a.    Seven hundred fifty thousand dollars (\$750,000) for greenway  
51                expansion.



b. Seven hundred fifty thousand dollars (\$750,000) for downtown improvements.

...."

## WATER RESOURCES DEVELOPMENT CHANGES

**SECTION 18.2.** Section 40.3 of S.L. 2021-180 is amended by adding a new subsection to read:

"SECTION 40.3.(f) Notwithstanding any other provision of law to the contrary, there shall be no local match required for the North Topsail Beach Shoreline Protection – Phases 1-4 project referenced in subsection (b) of this section."

## LOCAL GOVERNMENT SCIF GRANT USE CLARIFICATION

**SECTION 18.3.** Section 40.16 of S.L. 2021-180 reads as rewritten:

"SECTION 40.16. Funds appropriated from the State Capital and Infrastructure Fund for Local Government Infrastructure Grants, as identified in the Committee Report referenced in Section 43.2 of this act, shall be used exclusively for property owned by the grant recipient city, county, or county, regional council of government, government, or any local government member of a regional council of government. Funds may also be used by the grant recipient for the purchase of real property, acquisition of easements, and the purchase of equipment and vehicles."

## COMMUNITY COLLEGES CAPITAL PROJECT EFFECTIVE DATE CHANGE

**SECTION 18.4.** Section 40.6 of S.L. 2021-180 reads as rewritten:

"SECTION 40.6.(a) G.S. 143-341 reads as rewritten:

**"§ 143-341. Powers and duties of Department.**

...

"SECTION 40.6.(b) This section becomes effective July 1, 2022."

## PART XIX. TRANSPORTATION

### SPECIAL REGISTRATION PLATES FOR SUPERIOR COURT CLERKS

**SECTION 19.1.(a)** G.S. 20-79.4 reads as rewritten:

**"§ 20-79.4. Special registration plates.**

...

(b) Types. – The Division shall issue the following types of special registration plates:

...

~~(47) Clerk of Superior Court. – Expired July 1, 2016.~~

...."

**SECTION 19.1.(b)** G.S. 20-79.6 reads as rewritten:

**"§ 20-79.6. Special registration plates for members of the judiciary.**

...

(b1) Clerk of Superior Court. – A special plate issued to a clerk of superior court shall bear the words "Clerk Superior Court" and the letter "C" followed by a number indicative of the county the clerk serves. Special plates issued to retired clerks of superior court shall bear a number indicating the clerk's county of service at the time of retirement followed by the letter "X" to indicate the clerk's retired status.

...."

## CORRECTIONS AND REVISIONS TO THE DEPARTMENT OF TRANSPORTATION COMMITTEE REPORT

**SECTION 19.2.** S.L. 2021-180 is amended by adding a new section to read:

1 **"CORRECTIONS AND REVISIONS TO THE DEPARTMENT OF TRANSPORTATION**  
2 **COMMITTEE REPORT**

3 **"SECTION 41.62. Notwithstanding any provision of law or the Committee Report described**  
4 **in Section 43.2 of this act to the contrary, for the 2021-2022 fiscal year:**

- 5 (1) The sum of fifty thousand dollars (\$50,000) in nonrecurring funds  
6 appropriated from the State Emergency Response and Disaster Relief Fund  
7 (SERDRF) to the Department of Transportation for the purpose of addressing  
8 waterflow issues from the roadwork upstream from the Town of Aberdeen  
9 and to repair the dam in front of the Bethesda Presbyterian Church shall be  
10 directed to the Bethesda Presbyterian Church for that same purpose.
- 11 (2) The sum of seven hundred fifty thousand dollars (\$750,000) in nonrecurring  
12 funds appropriated from the State Emergency Response and Disaster Relief  
13 Fund (SERDRF) to the Department of Transportation for the Town of  
14 Princeton shall be used for drainage improvement expenditures at Princeton  
15 High School.
- 16 (3) The sum of fourteen million eight hundred ninety-six thousand five hundred  
17 sixty-seven dollars and eighteen cents (\$14,896,567.18) in nonrecurring funds  
18 shall be substituted for the sum of fifteen million eight hundred thousand  
19 dollars (\$15,800,000) in nonrecurring funds for the "Ferry Revenues – Route  
20 Specific Fund Codes," and the net change shall be adjusted accordingly."

21  
22 **FERRY CAPITAL SPECIAL FUND/ENCUMBERED FUNDS**

23 **SECTION 19.3.** G.S. 136-82(h), as enacted by Section 41.15(a) of S.L. 2021-180,  
24 reads as rewritten:

25 "(h) Transfer of Funds. – Notwithstanding G.S. 136-44.2(f), G.S. 136-44.2(f1), and any  
26 other provision of law to the contrary, beginning with the 2021-2022 fiscal year, no later than 45  
27 days after the first day of the fiscal year, the Department of Transportation shall transfer from the  
28 Highway Fund to the ~~Ferry Systemwide fund code of the Ferry Capital Special Fund all~~  
29 ~~unexpended funds for the Ferry Division's budget from the prior fiscal year to the Ferry Capital~~  
30 Special Fund all unexpended funds appropriated to the Ferry Division's budget from the prior  
31 fiscal year. Any funds categorized as unencumbered shall be deposited in the Ferry Systemwide  
32 fund code. Any funds categorized as encumbered shall be deposited into a specified fund code  
33 for encumbrances."

34  
35 **PART XX. OTHER CORRECTIONS**

36  
37 **TREATMENT FACILITY OPERATOR CERTIFICATION RECIPROCITY**

38 **SECTION 20.1.(a)** G.S. 90A-25 reads as rewritten:

39 **"§ 90A-25. Issuance of certificates.**

40 (a) The Board shall issue a certificate to an applicant who meets the requirements for  
41 certification and pays the required fee. The certificate shall state the grade of certification  
42 appropriate for the classification of water treatment facilities the applicant is qualified to operate.

43 (b) ~~Certificates may be issued. The board shall issue a certificate, without examination,~~  
44 in a comparable grade to any person who holds a certificate in any state, territory or possession  
45 of the United States, if in the judgment of the Board of Certification the requirements for  
46 operators under which the person's certificate was issued ~~do not conflict with the provisions of~~  
47 ~~this Article, and~~ are of a standard not lower than that specified under rules and regulations  
48 adopted under this Article.

49 ...."

50 **SECTION 20.1.(b)** G.S. 90A-40 reads as rewritten:

51 **"§ 90A-40. Issuance of certificates.**

1 ...  
2 (b) A certificate ~~may~~shall be issued in an appropriate grade without examination to any  
3 person who is properly registered on the "National Association of Boards of Certification"  
4 reciprocal registry and who meets all other requirements of rules adopted under this Article.  
5 ...."

#### 7 LAKE LURE/REGULATE PILINGS IN LAKE LURE

8 SECTION 20.2.(a) The Town of Lake Lure may make, adopt, and enforce  
9 ordinances regulating the installation, location, condition, and removal of the pilings of any dock,  
10 pier, or similar structure driven down into the lake bed of Lake Lure, a navigable body of water  
11 owned by the Town and located within the Town's municipal limits. The Town may provide for  
12 the enforcement of ordinances adopted under the authority of this section in accordance with  
13 G.S. 160A-175. Duly sworn law enforcement officers of the Town shall have the authority to  
14 enforce any ordinances adopted under the authority of this section.

15 SECTION 20.2.(b) In the event of conflict between any local ordinance adopted  
16 under the authority of this section and the rules or regulations of the Wildlife Resources  
17 Commission, the Department of Environmental Quality, the United States Coast Guard, or the  
18 United States Army Corps of Engineers, the State or federal rule or regulation shall supersede  
19 and prevail over the local ordinance to the extent of the conflict.  
20

#### 21 CLEVELAND COMMUNITY COLLEGE LAND TRANSFER CORRECTION

22 SECTION 20.4.(a) Section 1 of S.L. 2012-177, as amended by Section 1 of S.L.  
23 2014-19 and Section 10.7(a) of S.L. 2016-94, reads as rewritten:

24 "SECTION 1. The State of North Carolina shall convey to the Board of Trustees of  
25 Cleveland Community College, for consideration of one dollar (\$1.00), all its right, title, and  
26 interest in the property used for the former Cleveland County Correctional Facility, more  
27 particularly described as that portion of Parcel 22252 Cleveland County, deed reference Book  
28 4F, Page 064, consisting of approximately ~~13.25~~12.60 acres and access easement, currently  
29 allocated to the Department of Public Safety, Division of Adult Corrections, SPO File No.  
30 23-008. The conveyance is subject to a reversionary interest reserved by the State. The property  
31 shall be conveyed to the Board of Trustees of Cleveland Community College for so long as it is  
32 utilized for educational purposes consistent with the mission of the North Carolina Community  
33 College System."

34 SECTION 20.4.(b) This section is effective when it becomes law.  
35

#### 36 REPEAL MINIMUM VOTING PLACE REQUIREMENT/MITCHELL COUNTY

37 SECTION 20.6. S.L. 1997-183 is repealed.  
38

#### 39 ADJUSTMENTS TO 2022 DELAYED MUNICIPAL ELECTIONS AND SECOND 40 PRIMARY SCHEDULE

41 SECTION 20.6A.(a) Section 1(e) of S.L. 2021-56 reads as rewritten:

42 "SECTION 1.(e) Date of Municipal Election. – With respect to any elected office with an  
43 election delayed to 2022 in accordance with this act, the following dates of election shall apply:

- 44 (1) For any municipality elected by the partisan primary and election method, the  
45 primary shall be ~~March 8, 2022, May 17, 2022,~~ and the general election shall  
46 be on ~~the date of any second primary held under G.S. 163-111. If no second~~  
47 ~~primary is held under G.S. 163-111, the general election shall be on April 26,~~  
48 ~~2022. July 26, 2022.~~ No second primary shall be held for these offices in 2022.  
49 (2) For any municipality elected by the nonpartisan primary and election method,  
50 the primary shall be ~~March 8, 2022, May 17, 2022,~~ and the general election  
51 shall be held on ~~the date of any second primary held under G.S. 163-111. If~~

1 ~~no second primary is held under G.S. 163-111, the general election shall be~~  
2 ~~on April 26, 2022.~~July 26, 2022.

3 (3) For any municipality elected by the nonpartisan plurality method, the date of  
4 the election shall be ~~March 8, 2022.~~May 17, 2022.

5 (4) For any municipality elected by the nonpartisan elections and runoff method,  
6 the election shall be ~~March 8, 2022,~~May 17, 2022, and the runoff election  
7 shall be held on ~~the date of any second primary held under G.S. 163-111. If~~  
8 ~~no second primary is held under G.S. 163-111, the runoff election shall be on~~  
9 ~~April 26, 2022.~~July 26, 2022."

10 **SECTION 20.6A.(b)** Section 1.5 of S.L. 2021-56 is repealed.

11 **SECTION 20.6A.(c)** G.S. 163-111(e) reads as rewritten:

12 "(e) Date of Second Primary; Procedures. – If a second primary is required under the  
13 provisions of this section, the appropriate board of elections, State or county, shall order that it  
14 be held 10 weeks after the first primary ~~if any of the offices for which a second primary is required~~  
15 ~~are for a candidate for the office of United States Senate or member of the United States House~~  
16 ~~of Representatives. Otherwise, the second primary shall be held seven weeks after the first~~  
17 primary.

18 ~~There shall be no registration of voters between the dates of the first and second primaries.~~  
19 ~~Persons whose qualifications to~~Subject to G.S. 163-82.6 and G.S. 163-82.6A, persons who  
20 register and to vote ~~after the day of the first primary and before the day of the second~~  
21 ~~primary may register on the day of the second primary and, when thus registered, shall be entitled~~  
22 to vote in the second primary. The second primary is a continuation of the first primary and any  
23 voter who files a proper and timely written affirmation of change of address within the county  
24 under the provisions of G.S. 163-82.15, in the first primary may vote in the second primary  
25 without having to refile that written affirmation if the voter is otherwise qualified to vote in the  
26 second primary. Notwithstanding G.S. 163-82.17, no person shall be permitted to change party  
27 affiliation or unaffiliated status between the date of a primary and a second primary. Subject to  
28 this provision for registration, the second primary shall be held under the laws, rules, and  
29 regulations provided for the first primary."

30 **SECTION 20.6A.(d)** G.S. 163-82.6(f) reads as rewritten:

31 "(f) Instances When Person May Register and Vote on Primary or Election Day. – If a  
32 person has become qualified to register and vote between the twenty-fifth day before a primary  
33 or election and primary or election day, then that person may apply to register on primary or  
34 election day by submitting an application form described in G.S. 163-82.3(a) or (b) to:

- 35 (1) A member of the county board of elections;  
36 (2) The county director of elections; or  
37 (3) The chief judge or a judge of the precinct in which the person is eligible to  
38 vote,

39 and, if the application is approved, that person may vote the same day. The official in  
40 subdivisions (1) through (3) of this subsection to whom the application is submitted shall decide  
41 whether the applicant is eligible to vote. The applicant shall present to the official written or  
42 documentary evidence that the applicant is the person he represents himself to be. The official,  
43 if in doubt as to the right of the applicant to register, may require other evidence satisfactory to  
44 that official as to the applicant's qualifications. If the official determines that the person is  
45 eligible, the person shall be permitted to vote in the primary or election and the county board  
46 shall add the person's name to the list of registered voters. If the official denies the application,  
47 the person shall be permitted to vote a challenged ballot under the provisions of G.S. 163-88.1,  
48 and may appeal the denial to the full county board of elections. The State Board of Elections  
49 shall promulgate rules for the county boards of elections to follow in hearing appeals for denial  
50 of primary or election day applications to register. ~~No person shall be permitted to register on the~~

1 day of a second primary unless he shall have become qualified to register and vote between the  
2 date of the first primary and the date of the succeeding second primary."

3 **SECTION 20.6A.(e)** G.S. 163-302(b) reads as rewritten:

4 "(b) The provisions of Articles 20 and 21 of this Chapter shall apply to absentee voting in  
5 municipal elections, special district elections, and other elections for an area less than an entire  
6 county other than elections for the General Assembly, except that the earliest date by which  
7 absentee ballots shall be required to be available for absentee voting in such elections shall be 30  
8 days prior to the primary or election or as quickly following the filing deadline ~~specified in~~  
9 ~~G.S. 163-291(2) or G.S. 163-294(e)~~ as the county board of elections is able to secure the official  
10 ballots. In elections on incorporation of a municipality not held at the same time as another  
11 election in the same area, the county board of elections shall adopt a special schedule of meetings  
12 of the county board of elections to approve absentee ballot applications so as to reduce the cost  
13 of the process, and to further implement the last paragraph of G.S. 163-230(2)a. If no application  
14 has been received since the last meeting, no meeting shall be held of the county board of elections  
15 under such schedule unless the meeting is scheduled for another purpose. If another election is  
16 being held in the same area on the same day, or elsewhere in the county, the cost of per diem for  
17 meetings of the county board of elections to approve absentee ballots shall not be considered a  
18 cost of the election to be billed to the municipality being created."

19 **SECTION 20.6A.(f)** Subsections (a) and (b) of this section are effective when they  
20 become law. The remainder of this section is effective when it becomes law and expires on  
21 August 1, 2022.

## 22 23 GRANT PROGRAM TAX DEDUCTIONS

24 **SECTION 20.7.(a)** G.S. 105-130.5(b) reads as rewritten:

25 "(b) The following deductions from federal taxable income shall be made in determining  
26 State net income:

27 ...

28 (31a) To the extent included in federal taxable income, the amount received by a  
29 taxpayer ~~under for one or more of the following:~~

30 a. The Business Recovery Grant Program.

31 b. The ReTOOLNC grant program for recovery from the economic  
32 impacts of the COVID-19 pandemic.

33 c. Rent and utility assistance pursuant to Section 3.3 of S.L. 2020-4, as  
34 amended by Section 1.2 of S.L. 2020-97."

35 **SECTION 20.7.(b)** G.S. 105-153.5(b) reads as rewritten:

36 "(b) Other Deductions. – In calculating North Carolina taxable income, a taxpayer may  
37 deduct from the taxpayer's adjusted gross income any of the following items that are included in  
38 the taxpayer's adjusted gross income:

39 ...

40 (14a) The amount received by a taxpayer ~~under for one or more of the following:~~

41 a. The Business Recovery Grant Program.

42 b. The ReTOOLNC grant program for recovery from the economic  
43 impacts of the COVID-19 pandemic.

44 c. Rent and utility assistance pursuant to Section 3.3 of S.L. 2020-4, as  
45 amended by Section 1.2 of S.L. 2020-97.

46 ...."

47 **SECTION 20.7.(c)** This section is effective for taxable years beginning on or after  
48 January 1, 2020, and applies to amounts received by a taxpayer on or after that date.

49

1 **CLARIFY GENERAL CONTRACTOR/PLUMBING AND HEATING**  
2 **CONTRACTOR/ELECTRICAL CONTRACTOR LICENSURE EXCEPTION**  
3 **IMPLEMENTATION RULEMAKING AUTHORITY**

4 **SECTION 20.9.(a)** G.S. 87-1.1, as amended by S.L. 2021-122, reads as rewritten:

5 **"§ 87-1.1. Exception for licensees under Article 2 or 4.**

6 G.S. 87-1 shall not apply to a licensee under Article 2 or 4 of this Chapter of the General  
7 Statutes, G.S. 87-43 shall not apply to a licensee under Article 2 of this Chapter of the General  
8 Statutes, and G.S. 87-21(a)(5) shall not apply to a licensee under Article 4 of this Chapter of the  
9 General Statutes when the licensee is bidding and contracting directly with the owner of a  
10 building project if all of the following apply:

- 11 (1) A licensed general contractor performs all work that falls within the  
12 classifications in G.S. 87-10(b) and the State Licensing Board of General  
13 Contractor's rules.
- 14 (2) The total amount of the general contracting work so classified does not exceed  
15 a percentage of the total bid price pursuant to rules established by the Board.
- 16 (3) A licensee with the appropriate license under Article 2 or Article 4 of this  
17 Chapter performs all work that falls within the classifications in Article 2 and  
18 Article 4 of this Chapter.
- 19 (4) The total amount of the work under the classifications in Article 2 of this  
20 Chapter does not exceed a percentage of the total bid price pursuant to rules  
21 established by the State Board of Examiners of Electrical Contractors.
- 22 (5) The total amount of the work under the classifications in Article 4 of this  
23 Chapter does not exceed a percentage of the total bid price pursuant to rules  
24 established by the State Board of Examiners of Plumbing, Heating, and Fire  
25 Sprinkler Contractors."

26 **SECTION 20.9.(b)** This section is effective when it becomes law. The State Board  
27 of Examiners of Plumbing, Heating, and Fire Sprinkler Contractors and the State Board of  
28 Examiners of Electrical Contractors may adopt temporary rules to implement the provisions of  
29 this section, including limiting the percentage of the total bid price of work falling under the  
30 classifications in Articles 2 and 4 of Chapter 87 of the General Statutes that can be bid by  
31 licensees holding a license from that Board.

32  
33 **COMMERCIAL AND RESIDENTIAL SPACES AIR DUCT INSULATION**  
34 **TEMPORARY REQUIREMENTS**

35 **SECTION 20.10.(a)** Definitions. – As used in this section, "Council" means the  
36 North Carolina Building Code Council, "Code" means the North Carolina Residential Code and  
37 amendments to the Code as adopted by the Council, and "Residential Spaces Insulation Rule"  
38 means Section N1103.3.1 of the 2018 North Carolina Residential Code for One- and Two-Family  
39 Dwellings, incorporating R403.3.1 of the 2018 North Carolina Energy Conservation Code.

40 **SECTION 20.10.(b)** Code Amendment. – Until the effective date of the temporary  
41 rule that the Council is required to adopt pursuant to this section, the Council, Code enforcement  
42 official, or fire code official enforcing the Code shall follow the provisions of this subsection  
43 instead of the Residential Spaces Insulation Rule with respect to minimal insulation requirements  
44 for supply and return air ducts located in ventilated or non-ventilated unconditioned spaces.  
45 Supply and return air ducts located in ventilated or non-ventilated unconditioned spaces shall be  
46 insulated to a minimum R-4.2.

47 **SECTION 20.10.(c)** Additional Rulemaking Authority. – The Council shall adopt  
48 temporary rules to amend the Residential Spaces Insulation Rule consistent with subsection (b)  
49 of this section. Notwithstanding G.S. 150B-19(4), rules adopted by the Council pursuant to this  
50 subsection shall be substantively identical to the provisions of subsection (b) of this section.

1           **SECTION 20.10A.(a)** Definitions. – As used in this section, "Council" means the  
2 North Carolina Building Code Council, "Code" means the North Carolina Energy Conservation  
3 Code and amendments to the Code as adopted by the Council, and "Commercial Spaces  
4 Insulation Rule" means C403.2.9 of the 2018 North Carolina Energy Conservation Code.

5           **SECTION 20.10A.(b)** Code Amendment. – Until the effective date of the temporary  
6 rule that the Council is required to adopt pursuant to this section, the Council, Code enforcement  
7 official, or fire code official enforcing the Code shall follow the provisions of this subsection as  
8 it relates to the Commercial Spaces Insulation Rule with respect to the minimal insulation  
9 requirements for supply and return air ducts located in ventilated or non-ventilated unconditioned  
10 spaces in Climate Zones 3 through 5. Supply and return air ducts located in ventilated or  
11 non-ventilated unconditioned spaces shall be insulated with a minimum of R-4 insulation in  
12 Climate Zones 3 and 4 and a minimum of R-6 insulation in Climate Zone 5.

13           **SECTION 20.10A.(c)** Additional Rulemaking Authority. – The Council shall adopt  
14 temporary rules to amend the Commercial Spaces Insulation Rule consistent with subsection (b)  
15 of this section. Notwithstanding G.S. 150B-19(4), rules adopted by the Council pursuant to this  
16 subsection shall be substantively identical to the provisions of subsection (b) of this section.

17           **SECTION 20.10B.(a)** Rule Expiration. – Notwithstanding G.S. 150B-21.1(d),  
18 temporary rules adopted by the Council pursuant to Section 20.10 and Section 20.10A shall  
19 expire two years after the date this section becomes law.

20           **SECTION 20.10.B.(b)** Effective Date. – Section 20.10, Section 20.10A, and Section  
21 20.10B of this act are effective when they become law.

## 22 23 **RAPID RECOVERY LOAN PROGRAM REVISIONS**

24           **SECTION 20.11.(a)** Section 4.2 of S.L. 2020-4, as amended by Section 1.6 of S.L.  
25 2020-97, reads as rewritten:

26           **"SECTION 4.2.(a)** Program. – Of the funds allocated in subdivision (45) of Section 3.3 of  
27 this act, Golden LEAF shall provide grants to entities for the purpose of making emergency loans  
28 to assist small businesses with business needs during periods of economic hardship occasioned  
29 by the COVID-19 pandemic. It is the intent of the General Assembly for an equitable portion of  
30 funds allocated in this section to be used for the benefit of historically underutilized small  
31 businesses. The following shall apply to the program and loans made under the program:

32           ...

33           (4) ~~The~~ Except as provided in subdivision (9a) of this subsection, the loan shall  
34 have an interest rate of up to four percent (4%) before the date of a triggering  
35 event and an interest rate of at least five and one-half percent (5.5%) on and  
36 after the date of a triggering event.

37           (5) ~~The~~ Except as provided in subdivision (9a) of this subsection, the term of the  
38 loan shall not exceed 120 months and shall be amortized over the term of the  
39 loan.

40           ...

41           (8) Upon the occurrence of a triggering event, repayment of the loan shall  
42 commence. A triggering event occurs at the time specified in the loan  
43 documents, provided it is not more than 18 months following the closing of a  
44 loan made under the program.

45           ...

46           (9a) A lender, as authorized by Golden LEAF, may take prudent and commercially  
47 reasonable efforts to remedy a default, a likelihood of default, or bankruptcy  
48 filing by a business, including restructuring the terms of a loan and entering  
49 into settlement agreements, provided that the following requirements are met:

50           a. The interest rate is not reduced below prime rate.

51           b. The term of the loan is not extended by more than 36 months.

1           ...  
2           "SECTION 4.2.(b) Definitions. – For purposes of this section, the following definitions  
3 apply:

4           ...  
5           (5a) Prime rate. – The interest rate that a commercial bank holds out as its lowest  
6           rate for a loan with less than a 36-month term to its most creditworthy  
7           borrowers.

8           ...  
9           "SECTION 4.2.(c) Miscellaneous. – In order to receive the funds appropriated under this  
10 act, Golden LEAF shall provide matching funds from other non-State funds for such funds in the  
11 amount of fifteen dollars (\$15.00) of non-State funds for every one hundred twenty-five dollars  
12 (\$125.00) of State funds allocated in this section. State funds allocated in this section may be  
13 matched with any prior expenditure by Golden LEAF of non-State funds for entities making  
14 short-term loans to businesses during periods of economic hardship occasioned by the  
15 COVID-19 pandemic. ~~On the date the authority to award new loans using State funds~~  
16 ~~appropriated in this section ceases or before March 15, 2022,~~ and every six months thereafter,  
17 Golden LEAF shall remit the net loan funds that have been received to the Office, which shall  
18 deposit the funds into the Coronavirus Relief Reserve. Amounts deposited into the Reserve under  
19 this subsection are receipts that do not constitute an "appropriation made by law," as that phrase  
20 is used in Section 7(1) of Article V of the North Carolina Constitution. Section 1.5 of this act  
21 does not apply to this section.

22           "SECTION 4.2.(d) Reporting. – ~~Every six months,~~ Golden LEAF shall submit a report on  
23 the program to the Joint Legislative Economic Development and Global Engagement Oversight  
24 Committee and the Fiscal Research Division. ~~The duty to report pursuant to this section shall~~  
25 ~~cease after the submission of the report following when Division on or before March 15, 2022,~~  
26 ~~and every six months thereafter until~~ Golden LEAF has remitted the entirety of the net loan funds  
27 to the Office. Each report shall contain all of the following:

28           ..."

29           **SECTION 20.11.(b)** This section is effective when it becomes law and applies  
30 retroactively to all loans made under the program.

## 31 **MILITARY TRAINING ANNUAL REPORT CLARIFICATION**

32           **SECTION 20.12.(a)** G.S. 93B-2 reads as rewritten:

33           "**§ 93B-2. Annual reports required; contents; open to inspection; sanction for failure to**  
34 **report.**

35           (a) No later than October 31 of each year, each occupational licensing board shall file  
36 electronically with the Secretary of State, the Attorney General, and the Joint Legislative  
37 Administrative Procedure Oversight Committee an annual report containing all of the following  
38 information:

39           ...

40           (9c) ~~The number of applicants with military training, who are active duty military~~  
41 ~~or military veterans,~~ the number granted a license, the number denied a license  
42 for any reason, and a summary of the reasons for denial. The information  
43 provided in accordance with this subdivision shall not disclose any identifying  
44 information of any applicant.

45           ...

46           (e) No later than October 31 of each year, each State agency licensing board shall file  
47 electronically with the Secretary of State, the Attorney General, and the Joint Legislative  
48 Administrative Procedure Oversight Committee an annual report containing all of the following  
49 information:

50           ...



(3) The number of applicants ~~with military training,~~ who are active duty military or military veterans, the number granted a license, the number denied a license for any reason, and a summary of the reasons for denial. The information provided in accordance with this subdivision shall not disclose any identifying information of any applicant.

...."

**SECTION 20.12.(b)** This section is effective when it becomes law.

**AUTHORIZE THE UTILITIES COMMISSION TO ADOPT PROCEDURES TO ALLOW LESSORS WHO PROVIDE WATER AND SEWER SERVICE TO LESSEES IN CERTAIN DWELLINGS TO CHARGE FOR THE COST OF THE SERVICE IN THE SAME MANNER AS ELECTRIC SERVICE AND NATURAL GAS SERVICE**

**SECTION 20.13.(a)** G.S. 62-110 reads as rewritten:

**"§ 62-110. Certificate of convenience and necessity.**

...

(g) In addition to the authority to issue a certificate of public convenience and necessity and establish rates otherwise granted in this Chapter, for the purpose of encouraging water conservation, the Commission may, consistent with the public interest, adopt procedures that allow a lessor of any leased residential premises, as that term is defined under G.S. 42-59(3), to charge for the costs of providing water or sewer service to persons who occupy the leased premises. The following provisions shall apply:

(1) ~~All~~ Except as provided in subdivisions (1a), (1b), and (1c) of this subsection, all charges for water or sewer service shall be based on the user's metered consumption of water, which shall be determined by metered measurement of all water consumed. The rate charged by the lessor shall not exceed the unit consumption rate charged by the supplier of the service.

...

(1b) Notwithstanding the provisions of subdivisions ~~(1) and (1a)~~ (1), (1a), and (1c) of this subsection, if the Commission approves a flat rate to be charged by a water or sewer utility for the provision of water or sewer services to contiguous dwelling units, the lessor may pass through and charge the tenants of the contiguous dwelling units the same flat rate for water or sewer services, rather than a rate based on metered consumption, and an administrative fee as authorized in subdivision (2) of this subsection. Bills for water and sewer service sent by the lessor to the lessee shall contain all the information required by sub-sub-subdivisions e.2. through e.5. of subdivision (1a) of this subsection.

(1c) The lessor may equally divide the amount of the water and sewer bill for a unit among all the lessees in the unit and may send one bill to each lessee. The amount charged shall be prorated when a lessee has not leased the unit for the same number of days as the other lessees in the unit during the billing period. Each bill may include an administrative fee up to the amount of the then-current administrative fee authorized by the Commission in Rule 18-6 for water service and, when applicable, a late fee in an amount determined by the Commission. The lessor shall not charge the cost of water and sewer from any other unit or common area in a lessee's bill sent pursuant to this subdivision.

...

(h) In addition to the authority to issue a certificate of public convenience and necessity and establish rates otherwise granted in this Chapter, the Commission may, consistent with the public interest, adopt procedures that allow a lessor of ~~a single family dwelling, residential~~

1 ~~building, or multiunit apartment complex~~ any leased residential premises, as that term is defined  
2 under G.S. 42-59(3), that has individually metered units for electric service in the lessor's name  
3 to charge for the actual costs of providing electric service to each lessee. The following provisions  
4 shall apply to the charges authorized under this subsection:

5 ...

6 (i) In addition to the authority to issue a certificate of public convenience and necessity  
7 and establish rates otherwise granted in this Chapter, the Commission may, consistent with the  
8 public interest, adopt procedures that allow a lessor of ~~single-family dwelling, a residential~~  
9 ~~building, or multiunit apartment complex~~ any leased residential premises, as that term is defined  
10 under G.S. 42-59(3), that has individually metered units for natural gas service in the lessor's  
11 name to charge for the actual costs of providing natural gas service to each lessee. The following  
12 provisions shall apply to the charges authorized under this subsection:

13 ...."

14 **SECTION 20.13.(b)** This section is effective when it becomes law.

15  
16 **ALLOW STATE INCOME TAX DEDUCTION FOR EMPLOYERS WHO TOOK THE**  
17 **FEDERAL PAYROLL TAX CREDIT FOR EMPLOYEE RETENTION IN LIEU OF A**  
18 **FEDERAL INCOME TAX DEDUCTION WHERE NORTH CAROLINA HAS NO**  
19 **SIMILAR TAX CREDIT**

20 **SECTION 20.15.(a)** G.S. 105-153.5(b) is amended by adding a new subdivision to  
21 read:

22 "(11a) The amount by which the deduction for an ordinary and necessary business  
23 expense was required to be reduced or was not allowed under the Code  
24 because the taxpayer claimed a federal employee retention tax credit against  
25 employment taxes in lieu of a deduction. This deduction is allowed only to the  
26 extent that a similar credit is not allowed by this Chapter for the amount."

27 **SECTION 20.15.(b)** G.S. 105-130.5(b) is amended by adding a new subdivision to  
28 read:

29 "(11a) The amount by which the deduction for an ordinary and necessary business  
30 expense was required to be reduced or was not allowed under the Code  
31 because the taxpayer claimed a federal employee retention tax credit against  
32 employment taxes in lieu of a deduction. This deduction is allowed only to the  
33 extent that a similar credit is not allowed by this Chapter for the amount."

34 **SECTION 20.15.(c)** This section is effective retroactively for taxable years  
35 beginning on or after January 1, 2020.

36  
37 **SURPLUS RAIL AND FERRY EQUIPMENT**

38 **SECTION 20.16.(a)** No later than May 1, 2022, the State agency for State surplus  
39 property shall establish a method for disposing of certain Department of Transportation (DOT)  
40 surplus rail and ferry equipment, as designated by DOT, by live public auction and via live  
41 simulcast or electronic means in accordance with subsection (b) of this section without requiring  
42 the movement of DOT surplus property. The DOT shall cooperate with the State agency for State  
43 surplus property and the auctioneer selected pursuant to this method. In implementing this  
44 method, the State agency for State surplus property shall prepare a request for proposal pursuant  
45 to subsection (b) of this section for a public auction conducted by a private licensed auctioneer.

46 **SECTION 20.16.(b)** By July 1, 2022, the State agency for State surplus property  
47 shall issue a request for proposal (RFP) for the sale of certain pieces of DOT surplus rail and  
48 ferry equipment at live public auction and via live simulcast or other electronic means without  
49 requiring surplus rail or ferry equipment movement to a centralized auction location. The State  
50 agency for State surplus property shall consult with the DOT Rail Division to determine the live  
51 public auction locations based on surplus rail equipment storage locations and shall consult with

1 the DOT Ferry Division to determine the live public auction locations based upon surplus ferry  
2 equipment storage locations. The DOT shall provide any records of maintenance or work  
3 completed since acquisition by DOT for inspection prior to auction. The State agency for State  
4 surplus property shall consult with the DOT Rail Division, or the DOT Ferry Division, as  
5 appropriate, to further determine (i) adequate staffing requirements to work with the auctioneer  
6 in conducting an auction, including staff who are knowledgeable about the respective surplus  
7 equipment, (ii) adequate arrangements to allow for the auctioneer to document by photograph or  
8 video, as appropriate, the respective surplus equipment for auction, and (iii) adequate  
9 arrangements to allow interested buyers access to DOT storage locations to inspect and view the  
10 surplus equipment to be auctioned. Net proceeds of the auction for surplus rail equipment shall  
11 be credited to the Rail Equipment Overhaul Fund, and net proceeds of the auction for surplus  
12 ferry equipment shall be credited to the Ferry Systemwide Fund Code. The RFP shall contain the  
13 following auctioneer requirements:

- 14 (1) Must accept payment by any commercially reasonable manner. The auction  
15 company may charge credit card and platform fees of up to three percent (3%)  
16 of the highest and final bid.
- 17 (2) Must have capability to conduct auctions via live simulcast or other electronic  
18 means in conjunction with conducting live auctions.
- 19 (3) Must have capability to electronically document, via photographs and video,  
20 as appropriate, surplus property, equipment, and motor vehicles and make  
21 information electronically available for inspection prior to an auction.
- 22 (4) Must remit the net proceeds from the auction to the DOT within 14 business  
23 days after the auction is completed. The auction company may offset up to  
24 one-fourth of one percent (0.25%) of the gross sale for advertisement cost  
25 reimbursement.
- 26 (5) Must post a cash bond or equivalent guarantee in the amount of two hundred  
27 fifty thousand dollars (\$250,000), made payable to the State of North  
28 Carolina.
- 29 (6) Must have a minimum coverage of two million dollars (\$2,000,000) in  
30 commercial general liability insurance.
- 31 (7) Must agree to charge no commission to the State. The auction company may  
32 charge a buyer premium, not to exceed ten percent (10%) to the final and  
33 highest bid.
- 34 (8) Must be a licensed auction company with a current and valid North Carolina  
35 Auctioneer license issued pursuant to Chapter 85B of the General Statutes.  
36 Preference shall be given to an auction company based in this State.
- 37 (9) Must require that successful bidders provide and complete proper transfer  
38 documents for titled equipment or motor vehicles.
- 39 (10) Must be capable of conducting live simulcast public auctions in regions as  
40 agreed upon by the DOT.
- 41 (11) Must have the capability to acquire and complete, for access to the equipment  
42 storage locations, the following:
  - 43 a. For rail equipment, railroad safety training for all staff participating in  
44 the auctions, as recommended or required by DOT Rail Division.
  - 45 b. For ferry equipment, ferry safety training for all staff participating in  
46 the auctions, as recommended or required by DOT Ferry Division.

47 **SECTION 20.16.(c)** By August 1, 2022, the State agency for State surplus property  
48 shall review the proposals submitted and shall enter into a contract with the lowest responsible  
49 bidder who provides evidence satisfactory to the State agency for State surplus property that it  
50 meets the requirements of the RFP.

1           **SECTION 20.16.(d)** No later than June 1, 2023, the State agency for State surplus  
2 property shall report to the Joint Legislative Transportation Oversight Committee the results of  
3 the auction.  
4

5 **LEAGUE OF MUNICIPALITIES FINANCIAL SOFTWARE AND ASSISTANCE**

6           **SECTION 20.17.** Notwithstanding any provision of S.L. 2021-180 or the Committee  
7 Report described in Section 43.2 of that act to the contrary, the sum of fifteen million dollars  
8 (\$15,000,000) in nonrecurring funds appropriated in S.L. 2021-180 to the North Carolina League  
9 of Municipalities for audit software shall not be used for that purpose but shall instead be used  
10 for financial software and assistance programs for units of local government for expenses related  
11 to the COVID-19 pandemic.  
12

13 **PART XXI. MISCELLANEOUS**

14 **SEVERABILITY**

15           **SECTION 21.1.** If any provision of this act or its application is held invalid, the  
16 invalidity does not affect other provisions or applications of this act that can be given effect  
17 without the invalid provisions or application, and to this end, the provisions of this act are  
18 severable.  
19

20 **OSBM/RECERTIFICATION OF 2021-2022 FISCAL YEAR BUDGET**

21           **SECTION 21.2.** In accordance with G.S. 143C-6-1, the Director of the Budget shall  
22 recertify the budget for the 2021-2023 fiscal biennium to reflect any change set forth in this act  
23 to the total requirements, receipts, or net appropriations for a budget code. For purposes of this  
24 section, the term "Director of the Budget" has the same meaning as the term "Director" in  
25 G.S. 143C-1-1.  
26

27 **EFFECTIVE DATE**

28           **SECTION 21.3.** Except as otherwise provided, this act is effective July 1, 2021.  
29