

# North Carolina Legislative Update, February 5, 2021

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Work at the General Assembly this week focused on COVID relief and school reopening.

## **2020 COVID Relief Bill Modifications (S 36)**

Legislators this week passed a bill (S 36) to address various COVID issues. Consistent with changes in federal law, it extends deadlines for spending these federal funds appropriated in 2020, extends the time for parents of school-aged children to apply for \$335 state grants to help pay for educational expenses, allocates \$39 million in state tax money to expand broadband in rural areas (this became necessary when it was determined that federal funds allocated last year could not be used for this purpose), and requires additional reporting from the Pandemic Recovery Office to the General Assembly about the federal funds.

In addition, the bill allocates COVID relief funds appropriated by Congress in late 2020 as follows: \$95 million to health care providers, local health departments and hospitals for coronavirus vaccinations; \$1.6 billion to help schools reopen and ensure that students, teachers, and staff can safely return to in-person learning; and \$546 million in emergency rental assistance.

## **Governor's Budget Supplementary Recommendations**

Gov. Roy Cooper [outlined recommendations](#) this week to address COVID and other priorities using newly appropriated federal funds and some state funds.

He recommended using \$4 billion of federal funds for a number of purposes including \$2 billion for emergency assistance for public and private K-12 schools and higher education institutions; \$336 million for childcare and development block grants; approximately \$700 million for access to vaccines and testing, tracing and prevention

measures to slow the spread of the virus; \$546 million for emergency rental assistance; \$258 million for Highway Infrastructure and \$65 million for airports; \$47 million for Community Mental Health Services, and funding for food assistance programs.

In addition, the Governor recommended using \$695 million from the state's General Fund with \$50 million for continued hazard duty pay for state employees on the frontlines of COVID-19, especially law enforcement and corrections personnel; \$64.5 million for the replenishment of the North Carolina State Health Plan; \$468 million for bonuses for educators and school personnel in public K-12 schools, community colleges and the university system; \$30 million for broadband and other connectivity initiatives, such as IT infrastructure, security for community colleges and enhancement of 35,000 hotspots used for education; \$37 million to support small businesses, and expansion of state unemployment benefits, with an increase of the maximum duration of benefits to 26 weeks and an increase of the maximum benefit from \$350 to \$500 per week.

Legislators are expected to consider these and other ideas in the coming weeks.

### **Opening of K-12 Schools**

A bill (S 37) that could lead to a return to in-person learning at many K-12 schools passed the Senate on second reading this week and will be considered again in that chamber on Feb. 9. The bill, among other things, would require school districts to offer a full-time, in-person instruction option – known as Plan A – to special needs students. It would also require schools to offer either Plan A or Plan B, which requires 6 feet of social distancing, to all students.

In addition, Gov. Cooper, Superintendent of Public Instruction Catherine Truitt, Chair of the State Board of Education Eric Davis, and NC Department of Health and Human Services (DHHS) Secretary Mandy Cohen sent a letter to school board members and superintendents recommending a return to in-person learning using the [NC Strong Schools Toolkit](#). The Toolkit was developed by NC DHHS.

### **ABC permits**

A bill (H 4) to address the impact of COVID on ABC permittees was considered this week. It delays certain permit fees and reinstates or reactivates some ABC permits. The House passed the bill and sent it to the Senate.

### **Other bills of note**

Some other bills recently introduced are a bill (S 20) which would make it unlawful to use a wireless communication device while operating a motor vehicle on a public street or highway, a bill (S 26) to clarify state law on terminal groins on the shoreline, and a bill (S 4) which would equalize tax treatment of military and government retirees.

For more information, contact a member of the Brooks Pierce Government Affairs Team, linked below.