

Second 2020 COVID-19 Session (September 2-4)

HB 1105 Coronavirus Relief Act 3.0		
Section 1.2 amends S.L. 2020-4, Section 3.3 – Appropriations from the Coronavirus Relief Fund (Non-recurring federal funds)		
Department of Public Instruction (DPI)	FY 2020-2021	Section
Increases the previous appropriation of \$11 million to \$21 million to provide community and home mobile internet access points to improve internet connectivity for students.	\$10,000,000	3.3 (8)
Increases the previous appropriation of \$7 million to \$27 million to provide personal protective equipment (PPE) for public schools and to facilitate in-person instruction. Expands the use of the funds to provide COVID-19 testing for public schools.	\$20,000,000	3.3 (63)
Increases the previous appropriation of \$5 million to \$22 million to award grants for services to exceptional children who lost critical services due to COVID-19 school closures. DPI is encouraged to use the \$17 million increase in funding for “in-person services for qualifying services.”	\$17,000,000	3.3 (64)
Directs DPI to allocate funds to Communities in Schools of North Carolina, Inc. to purchase PPE for staff and to assist students in grades K through 12 with remote instruction, nutrition, family support, and mental health.	\$1,100,000	3.3 (89)
Directs DPI to allocate funds to Mount Airy Schools to establish the Smart School Bus Safety Pilot Program (see section 4.16).	\$115,000	3.3 (90)
Directs DPI to allocate funds to Alamance-Burlington Schools for school nutrition services, transportation services, technology, remote instruction materials, and services, and PPE.	\$1,000,000	3.3 (91)
Directs DPI to allocate funds based on average daily membership to public school units in Bertie, Camden, Chowan, Perquimans, Tyrrell, Washington counties.	\$500,000	3.3 (92)
Directs DPI to make funds available to public school units to purchase one or more Gaggle safety management products to enhance student safety while providing remote instruction. (These products monitor blocked content and communications.)	\$1,000,000	3.3 (100)

University of North Carolina (UNC)		
Funds the New Teacher Support Program to provide mentoring and coaching support to beginning teachers employed in public schools most impacted by COVID-19 at no cost to the LEAs.	\$1,000,000	3.3 (96)
UNC - State Education Assistance Authority (SEAA)		
Provides \$3.65 million to the Personal Education Savings Account Program and \$2.85 million to the Special Education Scholarships for Students with Disabilities Program to award scholarships to students on the waiting list of each program.	\$6,500,000	3.3 (86)
Provides funding to purchase PPE for nonpublic schools that enroll students receiving Opportunity Scholarships.	\$250,000	3.3 (87)
Department of Health and Human Services		
Provides funds to establish a student health collaborative pilot program in collaboration with the State Board of Education (SBE) and DPI (See Section 4.18).	\$300,000	3.3 (109)
Department of Information Technology		
Expands the Growing Rural Economies with Access to Technology Fund (GREAT) that provides grants to private providers to extend broadband service to unserved areas of the State.	\$30,000,000	3.3 (115)
Allows GREAT grant recipients to receive an “initial lump sum grant fund disbursement equal to the total grant award amount minus amounts assessed to the grant recipient for the matching requirement”.		3.3 (46)
Department of Revenue		
Allocates funds to the Department of Revenue for the Extra Credit Grant Program. Taxpayers with a qualifying child will receive a grant of \$335 to assist with virtual schooling and child care costs during the COVID-19 pandemic (see Section 4.12).	\$440,541,000	3.3 (72)
Office of State Budget and Management (OSBM)		
Directs OSBM to allocate funds to the Steve Smith Family Foundation to be used for its virtual learning support program that assists homeless students during the COVID-19 pandemic.	\$150,000	3.3 (82)
Grants		

Allocates funds to the YMCA of the Triangle Area, Inc. to develop and administer a grant program to facilitate remote learning opportunities during the COVID-19 pandemic. Eligible institutions include YMCAs, YWCAs, Boys and Girls clubs, municipal parks and recreation departments and other community-based organizations.	\$19,000,000	3.3 (103a)
Directs OSBM to provide a grant to Backpack Ministry, Inc., to provide food to students that otherwise would not receive a meal at home, to address increased food service demands due to the impact of COVID-19.	\$100,000	3.3 (108)

Section 1.3 amends S.L. 2020-4 by adding the following new sections:

Section 4.12 Extra Credit Grant Program

Provides a \$335 grant to a taxpayer who filed a 2019 State income tax return on or before October 15, 2020 and (i) was a resident of North Carolina for entire 2019 calendar year and (ii) reported at least one qualifying child on line 10a of the state income tax form D-400. Spouses who filed a joint 2019 State income tax return are considered one eligible individual. The grant is intended to provide economic support to assist with virtual schooling and child care costs during the COVID-19 pandemic. The grants will be paid “as soon as practicable, but no later than December 15, 2020”.

Section 4.13 Temporary Flexibility for Transportation Allotment

For the 2020-2021 school year, allows LEAs to use transportation allotment funds for the following purposes related to the COVID-19 pandemic:

1. School nutrition
2. School- and community-based child care
3. Sanitizing schools and buses
4. To facilitate in-person instruction, PPE that meets applicable federal standards and guidelines from the Centers for Disease Control and Prevention (CDC)
5. Remote instruction

Section 4.16 Smart School Bus Safety Pilot Program

Establishes the Smart School Bus Safety Pilot Program (Program), which uses technology to improve the transportation of public-school students in response to the COVID-19 pandemic. The Program begins no later than November 23, 2020 and ends on or before January 1, 2024. Prohibits the expenditure of Coronavirus Relief Funds past December 30, 2020.

Participation is authorized for only Mount Airy City Schools. Provides a list of eleven minimum requirements that a qualifying vendor's technology and services must meet. Requires every school bus in a participating LEA that is designed for the transportation of children with disabilities to be outfitted with technology appropriate for those children and provided in a cost-effective manner. Specifies that hardware provided to a participating LEA becomes the property of that LEA at the conclusion of the Program.

Requires DPI, in consultation with participating LEAs, to report at least the following about the Program no later than November 1 and March 1 of each year to the Joint Legislative Education Oversight Committee, any House or Senate committee addressing school safety, and the Fiscal Research Division:

1. An itemized breakdown of software and hardware infrastructure and equipment provided by qualifying vendors to participating LEAs
2. A description of services provided by qualifying vendors to participating LEAs
3. A list of qualifying vendors contracting with participating LEAs
4. The impact and effectiveness of the Program
5. All expenditures of State funds

Section 4.17 Special Supplementary G.R.E.A.T. Act Grant Process

From the funds appropriated in Section 3.3.(115) of this act, provides a special supplementary grant process to accelerate the provision of broadband access through the GREAT grant program. Allows grants to be awarded for applications submitted on or before October 23, 2020. Requires the Department of Information Technology (DIT) to post applications no later than October 28, 2020, begin issuing awards no later than November 9, 2020, and award all grants on or before December 30, 2020. Provides exceptions for how grant applications are submitted and grant funds are awarded.

Section 4.18 Establish Student Health Collaborative Pilot Program

Establishes a student health collaborative pilot program that allows LEAs to collaborate with the county department of social services to assist students with their mental and physical health while in a public school setting, in response to the COVID-19 pandemic. Requires the Division of Social Services, in collaboration with the SBE and DPI, to select at least one LEA to participate in the pilot program. Selected LEAs must provide the required local match to funds allocated for this collaborative pilot. Prohibits the expenditure of Coronavirus Relief Funds past December 30, 2020.

Requires the Division of Social Services to submit a progress report six months after implementing the pilot program to the Joint Legislative Oversight Committee on Health and Human Service, the Joint Legislative Education Oversight Committee, and the Fiscal Research Division. The report shall include:

1. The number of students served by age, gender, and ethnicity
2. The types of services provided to students and student outcomes
3. Total project costs, including administrative costs
4. The amount of funds needed to expand the program to other counties or statewide

Section 1.4

When calculating NC taxable income, allows a taxpayer to deduct the \$335 granted to the taxpayer during the taxable year under the *Extra Credit* grant program from their adjusted gross income. Effective for taxable years beginning on or after January 1, 2020 and expires for taxable years beginning on or after January 1, 2021.

G.S.105-153.5(b)

Section 3.1 Average Daily Membership/Hold Harmless

1. For the 2020-2021 fiscal year, the SBE shall determine the allocations for average daily membership (ADM) to applicable public school units by using the higher of the actual or anticipated (allotted) ADM.
2. After funding adjustments are made, the SBE shall not reduce allotments for local school administrative units due to the difference between actual and anticipated (allotted) ADM.

Section 3.1A Revise Definition of ADM in Principal Salary Schedule to Continue Using Membership Amounts from the 2019-2020 School Year

The ADM of a principal's school is determined by using the school's ADM from the 2019-2020 school year. If the school did not have an ADM in the 2019-2020 school year, the school's projected ADM for the 2020-2021 school year must be used.

S.L. 2020-45, Section 4.(b)

Section 3.2 Virtual Charter School Enrollment

Permits North Carolina's two virtual charter schools to increase student enrollment for the 2020-2021 school year as follows:

- NC Cyber Academy can increase enrollment by 1,000 students
- NC Virtual Academy can increase enrollment by 2,800 students

Students enrolled in a virtual charter school prior to this law will have enrollment priority for the 2021-2022 school year.

The virtual charter schools must provide an interim report by March 15, 2021 and a final report by November 15, 2021, to the General Assembly, on the impact of the increase in student enrollment, including data on where students had been previously enrolled.

Section 3.3 Changes to the Opportunity Scholarship Grant Program

Removes cap on K-1 grade funds

Strikes language from G.S. 115C-562.2(2)(b) that limits no more than 40% of remaining funds from being used to award scholarship grants to eligible students entering kindergarten or first grade. Priority to eligible students is now as follows:

1. Eligible students who received a grant the prior school year.
2. Of the remaining funds, at least 50% must be used for eligible students residing in households with an income level not in excess of the amount required for the student to qualify for the federal free or reduced-price lunch program.
3. Any remaining funds are to be used by all other eligible students.

For the 2020-2021 school year, scholarship funds are to be awarded for the fall semester to provide an alternative educational option during the COVID-19 pandemic to eligible students who:

1. Applied for scholarship funds for the 2020-2021 school year within the application deadlines established by the Authority, and
2. Had not been awarded scholarship funds as of the date this becomes law.

Changes the household income eligibility level to not exceeding 150% (was 133%) of the amount required to qualify for the federal free or reduced-price lunch program. The change begins with applications for the spring semester of the 2020-2021 school year.

G.S. 115C-562.2(a); G.S. 115C-562.1(3)b.

Section 3.4 NC Patriot Star Family Scholarship Program

By October 1, 2020, DPI must transfer \$1 million in nonrecurring funds from the cash balance in the School Bus Replacement Fund (Budget Code: 73510) to UNC System Office (Budget Code: 16015). This is a scholarship for children and spouses of veteran or active duty military to attend eligible post-secondary institutions.

Section 3.7A Flexibility for Certain Child Care Licensing Requirements

Care for school-age children during state of emergency

When remote or virtual learning is required for school-age children due to a declared state of emergency under G.S. 166A-19.20, the following must apply:

1. A community-based organization is authorized to provide care for school-age children at a remote learning facility, provided the organization is registered with the Department through a process consistent with the registration process the Department uses for licensed child care facilities. Provides definitions for (a) Community-based organizations and (b) Remote learning.
2. When providing care to school-age children, the limitations regarding the maximum amount of screen time for children three years of age and older do not apply.
3. Care provided to school-age children pursuant to this section is not considered child care.

Defines what child care is and what it is not.

Requires any community-based organization operating pursuant to subsection (a) during the COVID-19 pandemic to comply with the same COVID-related sanitation requirements as required of licensed child care facilities.

G.S. 110, Article 7; G.S. 110-86

Section 3.14 G.R.E.A.T. Act Revision

GREAT program

Makes changes to several definitions associated with the program and adds definitions for (1) business and (2) unserved household or business. Makes several technical and conforming changes. Adds ranges of estimated costs for the formula to determine awards.

G.S. 143B-1373; G.S. 143B-1373(a)(5), as amended by S.L. 2019-230, Section 2; G.S. 143B-1373(l)

Section 3.16 CDL Extensions

Modifies the extension on the intrastate medical waivers. The waiver is still for only up to five months but no longer sunsets on August 1. Instead the waiver is extended until Executive Order 116 is rescinded, or an Executive Order is issued lifting restrictions on DMV functions.

S.L. 2020-3, Section 4.7(b1)

Section 3.20 Re-authorize State Agencies to Exercise Regulatory Flexibility During the Coronavirus Emergency in Order to Protect the Economic Well-Being of the Citizens and Businesses of the State

Extends the provision until Executive Order 116 is rescinded or December 31, 2020, whichever is earlier. If due to the coronavirus, it is in the public's best interest, public agencies, including DPI, are allowed to:

1. Delay the collection, or modify the method of collection, of any fees, fines, or late payments, including interest.

2. Delay the renewal dates of permits, licenses, and other similar certifications, registrations, and authorizations.
3. Delay or modify any educational or examination requirements.