

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2021**

S

2

**SENATE BILL 172  
Appropriations/Base Budget Committee Substitute Adopted 4/29/21**

Short Title: Additional COVID-19 Response & Relief. (Public)

---

Sponsors:

---

Referred to:

---

March 2, 2021

A BILL TO BE ENTITLED

1 AN ACT TO ESTABLISH THE STATE FISCAL RECOVERY RESERVE AND FUND,  
2 CORONAVIRUS CAPITAL PROJECTS RESERVE AND FUND, AND LOCAL FISCAL  
3 RECOVERY RESERVE AND FUND TO MAINTAIN FUNDS PAID TO THE STATE  
4 FROM THE CORONAVIRUS STATE FISCAL RECOVERY FUND, CORONAVIRUS  
5 CAPITAL PROJECTS FUND, AND CORONAVIRUS LOCAL FISCAL RECOVERY  
6 FUND; TO APPROPRIATE FUNDS FROM THE LOCAL FISCAL RECOVERY FUND  
7 FOR DISTRIBUTION TO NONENTITLEMENT UNITS OF LOCAL GOVERNMENT;  
8 TO APPROPRIATE CERTAIN FEDERAL GRANT FUNDS PROVIDED TO THE STATE  
9 UNDER THE AMERICAN RESCUE PLAN ACT; AND TO MAKE TECHNICAL AND  
10 OTHER CHANGES.  
11

12 The General Assembly of North Carolina enacts:

13  
14 **PART I. GENERAL PROVISIONS**

15  
16 **DEFINITIONS**

17 **SECTION 1.1.** Except as otherwise provided, the following definitions apply in this  
18 act:

- 19 (1) American Rescue Plan Act. – The American Rescue Plan Act of 2021, P.L.  
20 117-2.
- 21 (2) Consolidated Appropriations Act. – The Consolidated Appropriations Act,  
22 2021, P.L. 116-260.
- 23 (3) Coronavirus or COVID-19. – The coronavirus disease 2019.
- 24 (4) FTA. – Federal Transit Administration.
- 25 (5) IDEA. – Individuals with Disabilities Education Act.
- 26 (6) Nonentitlement unit of local government. – A city, as that term is defined in  
27 section 102(a)(5) of the Housing and Community Development Act of 1974  
28 (42 U.S.C. § 5302(a)(5)), that is not a metropolitan city, as that term is defined  
29 in Section 603 of the Social Security Act.
- 30 (7) OSBM. – The Office of State Budget and Management.
- 31 (8) SNAP. – Supplemental Nutrition Assistance Program.
- 32 (9) Social Security Act. – Title VI of the Social Security Act, 42 U.S.C. § 801, et  
33 seq., as amended by the American Rescue Plan Act.
- 34 (10) WIC. – Special Supplemental Nutrition Program for Women, Infants, and  
35 Children.  
36



**REQUIRED REPORT ON USE OF FUNDS**

**SECTION 1.2.** In addition to any report required under this act or any other law, each State agency or department that receives federal grant funds under Section 3.2 of this act shall submit a quarterly report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division beginning on July 15, 2021, detailing the use of funds. The report required from each State agency or department that receives federal grant funds under Section 3.2 of this act shall include the amount of funds granted, the source of the funds, how the funds were used during the quarter, and the amount of funds that remained unspent at the end of the quarterly reporting period. The quarterly report required under this section shall end upon submission of the final report from each State agency or department, which shall be no later than 90 days from the date the grant period ends for the relevant funds.

**PART II. ESTABLISHMENT OF RESERVES AND FUNDS****ESTABLISHMENT OF STATE FISCAL RECOVERY RESERVE**

**SECTION 2.1.** The State Controller shall establish a State Fiscal Recovery Reserve (Reserve) in the General Fund to maintain federal funds received from the Coronavirus State Fiscal Recovery Fund, pursuant to the authorization set forth in the Social Security Act. The State Controller shall transfer funds to the State Fiscal Recovery Fund established in Section 2.2 of this act only as needed to meet the appropriations set out in subsequent legislation and only upon request of the Director of the Budget. Funds reserved in the Reserve 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.

**ESTABLISHMENT OF STATE FISCAL RECOVERY FUND**

**SECTION 2.2.** The State Fiscal Recovery Fund (Fund) is established. The purpose of the Fund is to respond to the public health emergency with respect to the COVID-19 public health emergency and its negative economic impacts; to respond to workers performing essential work during the COVID-19 public health emergency; to provide for government services, including revenue reductions due to the COVID-19 public health emergency; and to make necessary investments in water, sewer, or broadband infrastructure. The Fund shall be maintained as a special fund and administered by OSBM to carry out the provisions of this act and subsequent acts necessitated as a result of the COVID-19 public health emergency. All funds allocated from the Fund shall be used in accordance with applicable federal law and guidance.

**ESTABLISHMENT OF CORONAVIRUS CAPITAL PROJECTS RESERVE**

**SECTION 2.3.** The State Controller shall establish a Coronavirus Capital Projects Reserve (Capital Reserve) in the General Fund to maintain federal funds received from the Coronavirus Capital Projects Fund, pursuant to the authorization set forth in the Social Security Act. The State Controller shall transfer funds to the Coronavirus Capital Projects Fund established in Section 2.4 of this act only as needed to meet the appropriations set out in subsequent legislation and only upon request of the Director of the Budget. Funds reserved in the Capital Reserve 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.

**ESTABLISHMENT OF CORONAVIRUS CAPITAL PROJECTS FUND**

**SECTION 2.4.** The Coronavirus Capital Projects Fund (Capital Fund) is established. The purpose of the Capital Fund is to carry out critical capital projects directly enabling work, education, and health monitoring, including remote options, in response to the COVID-19 public health emergency. The Capital Fund shall be maintained as a special fund and administered by OSBM to carry out the provisions of this act and subsequent acts necessitated as a result of the

1 COVID-19 public health emergency. All funds allocated from the Capital Fund shall be used in  
2 accordance with applicable federal law and guidance.

#### 3 4 **ESTABLISHMENT OF LOCAL FISCAL RECOVERY RESERVE**

5 **SECTION 2.5.** The State Controller shall establish a Local Fiscal Recovery Reserve  
6 (Local Reserve) in the General Fund to maintain federal funds received from the Coronavirus  
7 Local Fiscal Recovery Fund, pursuant to the authorization set forth in the Social Security Act.  
8 Funds that are reserved in the Local Reserve do not constitute an "appropriation made by law,"  
9 as that phrase is used in Section 7(1) of Article V of the North Carolina Constitution.

#### 10 11 **ESTABLISHMENT OF LOCAL FISCAL RECOVERY FUND**

12 **SECTION 2.6.** The Local Fiscal Recovery Fund (Local Fund) is established. The  
13 purpose of the Local Fund is to provide funds consistent with section 603 of the Social Security  
14 Act to nonentitlement units of local government to use to mitigate the impact of the COVID-19  
15 public health emergency. The Local Fund shall be maintained as a special fund and administered  
16 by OSBM to carry out the provisions of this act and subsequent acts necessitated as a result of  
17 the COVID-19 public health emergency. All funds allocated from the Local Fund shall be used  
18 in accordance with applicable federal law and guidance.

#### 19 20 **PART III. APPROPRIATION OF CERTAIN FEDERAL GRANT FUNDS AND LOCAL** 21 **FISCAL RECOVERY FUNDS**

#### 22 23 **TRANSFER AND APPROPRIATION OF LOCAL FISCAL RECOVERY FUNDS**

24 **SECTION 3.1.(a)** As soon as practicable, the State Controller shall transfer the total  
25 sum of funds in the Local Reserve established in Section 2.5 of this act to the Local Fund  
26 established in Section 2.6 of this act.

27 **SECTION 3.1.(b)** There is appropriated from the Local Fund to OSBM the total sum  
28 of funds in the Local Fund in nonrecurring funds to be distributed to and used by nonentitlement  
29 units of local government in accordance with applicable federal law and guidance.

30 **SECTION 3.1.(c)** OSBM shall distribute the funds appropriated in subsection (b) of  
31 this section by the later of (i) 30 days from the date the funds are allocated to the State from the  
32 Coronavirus Local Fiscal Recovery Fund created under the Social Security Act or (ii) the date to  
33 which an extension under section 603 of the Social Security Act has been granted. The total  
34 amount distributed to a nonentitlement unit of government shall not exceed the capped amount,  
35 as determined under section 603 of the Social Security Act. If OSBM is unable to meet the 30-day  
36 deadline set forth in this subsection and the Social Security Act, OSBM shall submit to the chairs  
37 of the Senate Appropriations/Base Budget Committee, the chairs of the House Appropriations  
38 Committee, and the Fiscal Research Division a copy of each written extension submitted to the  
39 United States Secretary of the Treasury in accordance with section 603 of the Social Security  
40 Act. OSBM shall submit a copy of each written extension in accordance with this subsection no  
41 later than three days from the date it submits the written extension to the United States Secretary  
42 of the Treasury.

43 **SECTION 3.1.(d)** Any funds appropriated under subsection (b) of this section that  
44 are in excess of the amount needed under subsection (c) of this section shall be returned to the  
45 United States Secretary of the Treasury in accordance with section 603 of the Social Security  
46 Act.

47 **SECTION 3.1.(e)** No later than 30 days from the date OSBM makes the last  
48 distribution required under subsection (c) of this section, OSBM shall submit a report to the  
49 chairs of the Senate Appropriations/Base Budget Committee, the chairs of the House  
50 Appropriations Committee, and the Fiscal Research Division detailing the amount of funds  
51 provided under subsection (c) of this section to each nonentitlement unit of government.

1  
2 **APPROPRIATION OF CERTAIN FEDERAL GRANT FUNDS PROVIDED UNDER**  
3 **THE AMERICAN RESCUE PLAN ACT**

4 **SECTION 3.2.** Except as otherwise provided in this section, federal funds received  
5 by the State under the American Rescue Plan Act for the programs set forth in the schedule below  
6 are appropriated in the amounts provided in the notification of award from the federal  
7 government or any entity acting on behalf of the federal government to administer the federal  
8 funds. Federal funds received by the State under the American Rescue Plan Act from the  
9 Elementary and Secondary School Emergency Relief Fund are only appropriated up to the  
10 estimated amount set forth in the schedule below for the program. State agencies may, with  
11 approval of the Director of the Budget, spend these funds received from federal receipts and  
12 federal grants. Any positions created with the funds shall terminate at the earlier of the funds  
13 being fully expended or the deadline established by applicable federal law and guidance for use  
14 of the funds. The grant amounts in the schedule set forth in this subsection are estimates of North  
15 Carolina's allocations to be deposited in the State's Treasury and administered by State agencies.

<u>Program</u>	<u>Amount</u>
Higher Education Emergency Relief Fund	\$701,279,800
Emergency Assistance to Non-Public Schools	82,952,000
IDEA: Grants to States	81,359,400
IDEA: Preschool Grants	5,961,100
IDEA: Infants & Toddlers	6,298,200
Child Care Stabilization Grants	805,767,400
Child Care Entitlement to States	16,096,000
Community-Based Child Abuse Prevention	7,695,000
Child Abuse State Grants	3,067,000
Supportive Services	13,984,000
Congregate and Home Delivered Meals	23,045,000
Preventive Services	1,363,000
Family Caregiver	4,463,000
Title VII Long-Term Care Ombudsman	310,000
SNAP State Administrative Expense Grants	35,443,000
FTA Urbanized Area Formula	4,696,400
HOME Investment Partnerships Program	137,414,000
Emergency Management Performance Grants	2,660,000
National Endowment for the Arts: State Arts Agencies	912,000
Emergency Rental Assistance	556,611,000
Homeowner Assistance Fund	273,337,000
Elementary and Secondary School Emergency Relief Fund	3,239,272,535
Expand Genomic Sequencing	6,662,900
Epidemiology and Lab Capacity for School Testing	315,895,900
Community Health Centers Expanded Access to COVID-19 Vaccines, Build Vaccine Confidence	4,057,900
WIC Cash Value Vouchers Increase	19,930,600
<b>Total Estimated Funding</b>	<b>\$6,350,534,135</b>

46 **HOMEOWNER ASSISTANCE FUND/ADMINISTERING AGENCY**

47 **SECTION 3.3.** The agency responsible for administering the Homeowner  
48 Assistance Fund funds appropriated under Section 3.2 of this act is the North Carolina Housing  
49 Finance Agency.  
50

1 **EMERGENCY RENTAL ASSISTANCE FUNDS/ADMINISTERING AGENCY AND**  
2 **ALLOCATION**

3 **SECTION 3.4.(a)** For purposes of this section, the term "Emergency Rental  
4 Assistance funds" means funds appropriated for Emergency Rental Assistance under (i) Section  
5 5 of S.L. 2021-1, as amended by Section 1.4 of S.L. 2021-3, and (ii) Section 3.2 of this act.

6 **SECTION 3.4.(b)** Subsections (e) through (h) of Section 5 of S.L. 2021-1, as enacted  
7 by Section 1.4 of S.L. 2021-3, are repealed.

8 **SECTION 3.4.(c)** The agency responsible for administering the Emergency Rental  
9 Assistance funds is the Office of Recovery and Resiliency in the Department of Public Safety  
10 (Office).

11 **SECTION 3.4.(d)** The Office shall reserve or allot a maximum amount of  
12 Emergency Rental Assistance funds it receives to each of the counties set forth in this subsection  
13 as follows:

- 14 (1) \$18,143,818 to Buncombe County.
- 15 (2) \$8,869,958 to Cabarrus County.
- 16 (3) \$31,175,381 to Cumberland County.
- 17 (4) \$16,283,963 to Durham County.
- 18 (5) \$28,686,999 to Forsyth County.
- 19 (6) \$15,060,507 to Gaston County.
- 20 (7) \$36,873,026 to Guilford County.
- 21 (8) \$11,502,293 to Johnston County.
- 22 (9) \$49,474,851 to Mecklenburg County.
- 23 (10) \$15,375,324 to New Hanover County.
- 24 (11) \$6,107,019 to Union County.
- 25 (12) \$30,083,215 to Wake County.

26 **SECTION 3.4.(e)** The counties set forth in subsection (d) of this section shall be  
27 provided their maximum allotment set forth in subsection (d) of this section, minus any pro rata  
28 adjustments authorized in this section, from the Office and shall manage those funds in  
29 accordance with local priorities and federal requirements. Counties that received direct  
30 allocations from the federal Emergency Rental Assistance program shall exhaust their direct  
31 allocations before expending any of the State allotment provided in subsection (d) of this section.  
32 The counties set forth in subsection (d) of this section are ineligible to receive any additional  
33 funds under subsection (f) of this section.

34 **SECTION 3.4.(f)** The Office shall reserve or allot a maximum amount of Emergency  
35 Rental Assistance funds it receives to eligible residents in each modified council of government  
36 region as follows:

- 37 (1) \$29,472,777 to Region A (Cherokee, Clay, Graham, Haywood, Jackson,  
38 Macon, and Swain Counties).
- 39 (2) \$20,252,053 to Region B (Henderson, Madison, and Transylvania Counties).
- 40 (3) \$34,297,905 to Region C (Cleveland, McDowell, Polk, and Rutherford  
41 Counties).
- 42 (4) \$31,500,652 to Region D (Alleghany, Ashe, Avery, Mitchell, Watauga,  
43 Wilkes, and Yancey Counties).
- 44 (5) \$49,564,633 to Region E (Alexander, Burke, Caldwell, and Catawba  
45 Counties).
- 46 (6) \$56,766,859 to Region F (Anson, Iredell, Lincoln, Rowan, and Stanly  
47 Counties).
- 48 (7) \$107,644,512 to Region G (Alamance, Caswell, Davidson, Montgomery,  
49 Randolph, Rockingham, Davie, Stokes, Surry, and Yadkin Counties).
- 50 (8) \$39,711,535 to Region J (Chatham, Lee, Moore, and Orange Counties).

- 1 (9) \$32,087,967 to Region K (Franklin, Granville, Person, Vance, and Warren  
2 Counties).
- 3 (10) \$46,735,614 to Region L (Edgecombe, Halifax, Nash, Northampton, and  
4 Wilson Counties).
- 5 (11) \$26,201,509 to Region M (Harnett and Sampson Counties).
- 6 (12) \$51,374,676 to Region N (Bladen, Hoke, Richmond, Robeson, and Scotland  
7 Counties).
- 8 (13) \$32,117,037 to Region O (Brunswick, Columbus, and Pender Counties).
- 9 (14) \$91,101,787 to Region P (Carteret, Craven, Duplin, Greene, Jones, Lenoir,  
10 Onslow, Pamlico, and Wayne Counties).
- 11 (15) \$41,034,412 to Region Q (Beaufort, Bertie, Hertford, Martin, and Pitt  
12 Counties).
- 13 (16) \$21,892,087 to Region R (Camden, Chowan, Currituck, Dare, Gates, Hyde,  
14 Pasquotank, Perquimans, Tyrrell, and Washington Counties).

15 **SECTION 3.4.(g)** Allotments as listed in subsection (f) of this section for regions  
16 with counties that did not receive a direct allocation from the federal Emergency Rental  
17 Assistance program under the Consolidated Appropriations Act or the American Rescue Plan  
18 Act are the maximum aggregate amount to be provided to recipients renting housing in the  
19 respective region, and the Office shall reserve the maximum amount to the respective region  
20 minus any pro rata adjustments authorized in this section. The Office shall provide awards to  
21 recipients residing in the region described in this subsection based upon the actual amount of  
22 monthly rent owed by the tenant pursuant to the rental agreement or the actual amount of utility  
23 costs owed by the recipient and shall not be subject to any allowable average or other  
24 formula-based calculation. The Office shall continue to provide awards for each region until the  
25 maximum allotment amount in subsection (f) of this section has been exhausted.

26 **SECTION 3.4.(h)** In order to more effectively administer and execute the Housing  
27 Opportunities and Prevention of Evictions program, the Office shall engage the services of the  
28 applicable regional council of government created under Part 2 of Article 20 of Chapter 160A of  
29 the General Statutes, or the applicable regional planning commission created under Article 19 of  
30 Chapter 153A of the General Statutes, serving the counties set forth in subsection (f) of this  
31 section. No later than 30 days from the effective date of this section, the Office shall submit a  
32 written report to the chairs of the Senate Appropriations/Base Budget Committee, the chairs of  
33 the House Appropriations Committee, and the Fiscal Research Division on how it intends to  
34 utilize the councils of government or regional planning commissions for planning, dissemination  
35 of information, and application assistance, and any other service provided by the councils of  
36 government or regional planning commissions.

37 **SECTION 3.4.(i)** In accordance with applicable federal guidelines, the Office shall  
38 establish a hotline to provide eligible households with case management and other services  
39 related to the COVID-19 public health emergency. The Office may use up to ten percent (10%)  
40 of Emergency Rental Assistance funds for the hotline, housing stability services, and  
41 administrative costs; however, no more than five percent (5%) of Emergency Rental Assistance  
42 funds may be used for administrative costs, which include the costs associated with establishing  
43 a hotline. Expenses incurred under this subsection for housing stability services or administrative  
44 costs shall be deducted pro rata from the maximum allotments listed in subsection (d) or (f) of  
45 this section.

46 **SECTION 3.4.(j)** All funds reserved or allotted under this section shall be used in  
47 accordance with applicable federal law or guidance.

48 **SECTION 3.4.(k)** The Office shall submit a report no later than July 1, 2021, to the  
49 chairs of the House Appropriations Committee, the chairs of the Senate Appropriations/Base  
50 Budget Committee, and the Fiscal Research Division containing at least all of the following:

- 1 (1) Amount of federal funds received from the Consolidated Appropriations Act  
2 and the American Rescue Plan Act, actually expended, by county and region  
3 for rent and by county and region for utilities, under the Emergency Rental  
4 Assistance program.
- 5 (2) Amount of federal funds received from the Consolidated Appropriations Act  
6 and the American Rescue Plan Act, contractually obligated, by county and  
7 region for rent and by county and region for utilities, under the Emergency  
8 Rental Assistance program.
- 9 (3) Recommendations on statewide reallocations, by county and region, needed in  
10 advance of the federal deadline for reallocation of unused funds, including  
11 rationale for the recommended reallocations and an estimate of the outstanding  
12 needs by county and region. The recommendation should also include any  
13 funds that are not anticipated to be needed for the ten percent (10%) set aside  
14 for housing stability services and administrative costs.

15 **SECTION 3.4.(f)** In the event that the actual total amount of federal funds received  
16 from the Emergency Rental Assistance program differs from the amount listed in subsection (d)  
17 or (f) of this section, the Office shall distribute the increased or reduced amounts proportionally  
18 in accordance with the applicable maximum allotments.

#### 19 20 **ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF FUND/USE OF** 21 **FUNDS**

22 **SECTION 3.5.** The Elementary and Secondary School Emergency Relief Fund  
23 funds appropriated in Section 3.2 of this act shall only be used by the Department of Public  
24 Instruction to allocate federal grant funds to public school units pursuant to subsection (d) of  
25 section 2001 of the American Rescue Plan Act.

#### 26 27 **CONSTRUCTION OF PART**

28 **SECTION 3.6.** Nothing in this Part shall be construed as appropriating funds paid  
29 to the State from (i) the Coronavirus State Fiscal Recovery Fund pursuant to the authorization  
30 set forth in section 602 of the Social Security Act or (ii) the Coronavirus Capital Projects Fund  
31 pursuant to the authorization set forth in section 604 of the Social Security Act.

#### 32 33 **PART IV. TECHNICAL AND OTHER CHANGES**

#### 34 35 **EXTEND DATE FOR USE OF CERTAIN DISASTER RECOVERY FUNDS**

36 **SECTION 4.1.(a)** Funds allocated to OSBM to be used as directed grants under  
37 sub-subdivisions f. and i. through l. of subdivision (2) of Section 2.1 of S.L. 2019-224 that have  
38 not been expended by June 30, 2021, shall remain available to implement the purposes of the  
39 directed grant until June 30, 2024. Funds that are not expended, made subject to an encumbrance,  
40 or disbursed to another entity, as of June 30, 2024, shall revert to the Hurricane Florence Disaster  
41 Recovery Fund in accordance with Section 3.1(c) of S.L. 2018-134.

42 **SECTION 4.1.(b)** Section 3.1(c) of S.L. 2019-224 reads as rewritten:

43 "**SECTION 3.1.(c)** Directed Grants; Sunset. – This section expires on June 30, ~~2021~~2024."

44 **SECTION 4.1.(c)** This section becomes effective June 30, 2021.

#### 45 46 **YMCA/REVISE USE OF COVID-19 FUNDS**

47 **SECTION 4.2.** Section 3.3(103a) of S.L. 2020-4, as enacted by Section 1.2 of S.L.  
48 2020-97 and amended by Section 3.2 of S.L. 2021-1, reads as rewritten:

49 "(103a) \$19,850,000 to YMCA of the Triangle Area, Inc., (YMCA) for the North  
50 Carolina Alliance of YMCAs (Alliance) which shall develop and administer  
51 a grant program to facilitate remote learning opportunities during the

1 COVID-19 pandemic. Of the funds allocated under this subdivision, the  
2 Alliance and YMCA may use a total of five hundred thousand dollars  
3 (\$500,000) for administrative costs. For purposes of the grant program, the  
4 YMCA shall serve only as the fiscal agent for the Alliance. The following  
5 shall apply to the grant program developed and administered by the Alliance  
6 pursuant to this subdivision:

7 a. For the first round of grants awarded through the grant program  
8 developed and administered pursuant to this subdivision, all of the  
9 following shall apply:

10 ~~a.1.~~ All North Carolina YMCAs, YWCAs, Boys and Girls Clubs,  
11 county and municipal parks and recreation departments, and  
12 community-based organizations are eligible to receive grant  
13 funds. For purposes of this subdivision, the term  
14 "community-based organizations" means public or private  
15 nonprofit organizations of demonstrated effectiveness that are  
16 representative of a community or significant segments of a  
17 community that provide educational or related services to  
18 individuals in the community, such as parks and recreation  
19 programs, YMCAs, YWCAs, and Boys and Girls Clubs.

20 ~~b.2.~~ All applicants shall submit a plan detailing how grant funds  
21 will be spent and the estimated number of children that will be  
22 served with grant funds.

23 ~~e.3.~~ Priority shall be given to applicants serving populations from  
24 local education agencies that are operating under Plans B and  
25 C of the Department of Health and Human Services guidelines  
26 for school operations.

27 ~~d.4.~~ Individual grants shall not exceed one hundred thousand  
28 dollars (\$100,000).

29 ~~e.5.~~ Applicants shall demonstrate the ability to use all grant funds  
30 before the deadline established by applicable federal law and  
31 guidance.

32 f. ~~Of the funds allocated in this subdivision, the Alliance and~~  
33 ~~YMCA may use a total of one hundred thousand dollars~~  
34 ~~(\$100,000) for administrative costs.~~

35 6. No later than May 30, 2021, grantees shall submit to the  
36 YMCA all invoices detailing expenses for which they are  
37 seeking reimbursement from the grant program.

38 b. The Alliance shall use funds that were appropriated by this subdivision  
39 but not allocated in the first round of grants to award a second round  
40 of grants to eligible organizations to address learning loss due to the  
41 effects of the COVID-19 pandemic on students and teachers. For  
42 purposes of the learning loss grant program, the YMCA shall serve  
43 only as the fiscal agent for the Alliance. The following shall apply to  
44 the awarding of learning loss grants:

45 1. All organizations that were eligible in the first round of grants  
46 are eligible to apply for a learning loss grant.

47 2. All applicants shall submit a plan detailing how grant funds  
48 will be spent and the estimated number of children that will be  
49 served with grant funds.

50 3. Grants shall be awarded to address learning loss issues only.





1            year only with approval of the Director of the Budget and after consultation  
2            with the Joint Legislative Commission on Governmental Operations, except  
3            that consultation with the Joint Legislative Commission on Governmental  
4            Operations shall not be required prior to an expenditure to respond to an  
5            emergency, as that term is defined in G.S. 166A-19.3(6). Operations. The  
6            Office of State Budget and Management shall work with the recipient State  
7            agencies to budget grant awards according to the annual program needs and  
8            within the parameters of the respective granting entities. Depending on the  
9            nature of the award, additional State personnel may be employed on a  
10           time-limited basis. Funds received from such grants are hereby appropriated  
11           up to the applicable allowable amount set forth in this subdivision and shall  
12           be incorporated into the authorized budget of the recipient State agency.  
13           Notwithstanding the provisions of this subdivision, no State agency may  
14           accept a grant if acceptance of the grant would obligate the State to make  
15           future expenditures relating to the program receiving the grant or would  
16           otherwise result in a financial obligation as a consequence of accepting the  
17           grant funds. Nothing in this subdivision shall be construed to prohibit or limit  
18           expenditures that are authorized under subdivision (1) of this subsection. For  
19           purposes of this subdivision, the term (i) "emergency" is as defined in  
20           G.S. 166A-19.3 and (ii) "grant" means funds received from a grant that was  
21           not included in the base budget for the fiscal year in which the grant was  
22           awarded."

23            **SECTION 4.3.(b)** This section becomes effective June 30, 2021, and applies  
24            beginning with the 2021-2022 fiscal year.

#### 25            **CORONAVIRUS RELIEF FUND/REALLOCATION AND USE OF UNSPENT FUNDS**

26            **SECTION 4.4.(a)** Notwithstanding any provision of law to the contrary, as unspent  
27            funds are returned to the Coronavirus Relief Fund established under S.L. 2020-4, the Office of  
28            State Budget and Management, in consultation with the Director of the Budget, shall reallocate  
29            up to the sum of ten million dollars (\$10,000,000) in nonrecurring funds to the Department of  
30            Public Safety, Division of Emergency Management, to be used for unmet needs related to the  
31            Federal Emergency Management Agency Public Assistance program in response to the  
32            COVID-19 public health emergency.

33            **SECTION 4.4.(b)** To the extent the funds reallocated in subsection (a) of this section  
34            are deemed unappropriated, the funds are hereby appropriated for the purpose set forth in  
35            subsection (a) of this section.

36            **SECTION 4.4.(c)** Subdivision (52) of Section 3.3 of S.L. 2020-4, as enacted by  
37            Section 1.1(d) of S.L. 2020-80 and amended by Section 3.1 of S.L. 2021-3, is repealed.

#### 38            **EXTRA CREDIT GRANT PROGRAM EXTENSION**

39            **SECTION 4.5.** Section 4.12(d) of S.L. 2020-4, as enacted by Section 1.3 of S.L.  
40            2020-97 and amended by Section 1 of S.L. 2021-1, reads as rewritten:

41            **"SECTION 4.12.(d)** Eligibility. – The Department of Revenue must award a grant to the  
42            following individuals:

43            ...

- 44            (1a) Amended return. – An individual who filed a 2019 State income tax return as  
45            required under subdivision (1) of this section but who did not receive an  
46            automatic grant award because the taxpayer did not meet the eligibility  
47            conditions of that subdivision and who files an amended return satisfying the  
48            conditions of that subdivision on or before ~~May 31,~~ July 1, 2021.

1 (2) Application for grant award. – An individual who applied for a grant under  
2 this program on a form prescribed by the Secretary of Revenue postmarked  
3 on or before ~~May 31, July 1, 2021~~, and meets all the following conditions:

4 ...

5 (3) Optional application for grant award. – An individual who filed a 2019 State  
6 income tax return as required under subdivision (1) of this subsection but who  
7 did not receive an automatic grant award because the taxpayer did not report  
8 a qualifying child on line 10a of Form D-400 on or before October 15, 2020,  
9 and who does not file an amended return correcting line 10a as provided under  
10 subdivision (1a) of this section, may apply for a grant under this program on  
11 a form prescribed by the Secretary of Revenue postmarked on or before ~~May  
12 31, July 1, 2021~~. The Secretary may accept applications from paid preparers  
13 or holders of a valid power of attorney on behalf of individuals applying for a  
14 grant under this subdivision. Applications received under this subdivision do  
15 not amend a taxpayer's tax return."

## 17 PART V. MISCELLANEOUS

### 18 EFFECT OF HEADINGS

19 **SECTION 5.1.** The headings to the parts, subparts, and sections of this act are a  
20 convenience to the reader and are for reference only. The headings do not expand, limit, or define  
21 the text of this act, except for effective dates referring to a part or subpart.  
22

### 23 SEVERABILITY

24 **SECTION 5.2.** If any provision of this act or its application is held invalid, the  
25 invalidity does not affect other provisions or applications of this act that can be given effect  
26 without the invalid provisions or application, and to this end, the provisions of this act are  
27 severable.  
28

### 29 EFFECTIVE DATE

30 **SECTION 5.3.** Except as otherwise provided, this act is effective when it becomes  
31 law.  
32