

SUMMARY OF SELECT PROVISIONS

Coronavirus Relief Act 3.0 (H.B. 1105)

The General Assembly returned September 2nd, 2020 for a two-day session to allocate \$903M in remaining federal CARES Act relief funding. These funds must be spent by December 30th or returned. Remote learning and school-age child care were a major focus within the 54-page spending bill. Governor Cooper signed the bill into law on September 4th.

“EXTRA CREDIT” GRANT PROGRAM

Nearly half the relief funds - \$440 million – were allocated to a new “Extra Credit” grant program that will send a \$335 check to every household with children in order to offset the costs of virtual learning and childcare.

- This is a one-time payment, and the amount is the same regardless of family size or income level;
- Families with incomes too low to file taxes last year will need to apply to receive this funding, with a deadline of October 15th;
- NC Child and others asked the General Assembly to instead target the Extra Credit grants to families struggling the most, but the final bill did not include that language. An analysis from the NC Budget & Tax Center found that \$124M of the money will go to the top 20% of earners in the state.

CHILD CARE & EARLY CHILDHOOD

\$35 million to the DHHS Division of Child Development and Early Education for "operational flexibility" grants to help child care centers stay open;

\$8 million to DCDEE to support low-income households using remote learning opportunities for child care in both licensed child care facilities and community-based organizations registered with the Division;

\$6 million to DHHS to purchase personal protective equipment and sanitizing supplies for childcare facilities;

\$1 million to the Nurse Family Partnership program for purchases related to providing home visiting services during COVID-19;

\$19.8 million to support organizations like YMCAs, YWCAs, and Boys and Girls Clubs in opening and operating remote learning sites for school-aged children. This is a new grant program for community-based organizations;

HB 1105 also included regulatory “flexibility” during a declared state of emergency, to allow these community-based organizations to provide care for school-age children at a remote learning facility without meeting the same requirements as licensed child care programs.

- Early childhood advocates, including NC Child, are concerned that the flexibility is too broad and could put children at risk;
- An amendment to include regulations like background checks, mandatory CPR/first aid training, and required reporting of disease outbreaks was rejected in the Senate by a party-line vote.

PUBLIC SCHOOLS

\$20 million for personal protective equipment to public schools; and

The allowance for public schools to be held harmless for any discrepancy between their actual and anticipated average daily membership, which will allow schools to continue to receive their expected funding amounts, even if their students are not physically in a school building.

Read more about additional allocations to public schools [here](#).

BROADBAND

\$21 million allocation to the Department of Public Instruction for community and home mobile internet access points; and

\$30 million in additional funding to the Growing Rural Economies with Access to Technology – or GREAT – grant program.

FOSTER CARE

\$800K to the DHHS Division of Social Services to continue \$100/month payments to foster parents that expired in June.

HUNGER & NUTRITION

\$6M to state food banks to help meet increased need (in addition to the \$6M allocated in April).

UNEMPLOYMENT INSURANCE

\$87M to the Department of Commerce, Division of Employment Security, to add \$50 to weekly unemployment checks until December 31st or until the funds are exhausted, whichever comes first. The increased benefit is not available to those who have already exhausted their 12 weeks of regular state benefits during the pandemic.

SMALL BUSINESS LOANS

The legislature clawed back \$50M in previous allocations to Golden LEAF Foundation that had been intended to provide emergency loans to help small businesses during the pandemic. These funds have not been popular with small businesses due to repayment obligations. Those funds were instead converted to funding for the Lost Wages Assistance Program.

NO MEDICAID EXPANSION

Senate leadership did not permit discussion of a proposed amendment to expand Medicaid. A small group of Democrats in both the House and Senate voted against H.B. 1105, citing the lack of Medicaid expansion among their major concerns with the legislation.