

## North Carolina Enacts New Laws to Address

### COVID-19 Response Resource Center: Timely Counsel for your Business

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Two bills (S 704, a policy bill, and H 1043, an appropriations bill) to address COVID-19's impact on North Carolina were enacted over the weekend. Legislators met in a rare Saturday session to pass the bills and Governor Roy Cooper, who made a number of proposals on these matters, signed the bills into law.

Both bills addressed a variety of topics including health care, education, operations of state and local government, regulatory matters, and unemployment compensation. Highlights from the bills are discussed below.

#### ***S 704 (Policy bill)***

- Postpones certain income tax payments to July 15 (similar to federal law) and waives interest on certain payments that are due.
- Provides additional unemployment compensation flexibility and gives employers a tax credit for their first quarter 2020 tax payments.
- Waives various education deadlines and requirements.
- Seeks to increase supplies of personal protective equipment (PPE), provides certain legal immunity for health care entities and providers, authorizes increased use of telehealth, creates a pandemic health care work force study, and modifies certain regulatory requirements.
- Provides regulatory flexibility in a variety of areas including video notarization and extending DMV timelines.
- Provides limited legal immunity for certain “essential businesses” and emergency response entities for injuries and death resulting from customers, users or employees contracting COVID-19.
- Outlines procedures for meetings of public bodies by remote, simultaneous communication.

#### ***H 1043 (Appropriations bill)***

This bill appropriates almost \$1.6 billion, most of which is federal funds.

*Health Care appropriations*

- Funds to Duke University, University of North Carolina at Chapel Hill, East Carolina University's Brody School of Medicine, Wake Forest University, and Campbell University's school of Osteopathic Medicine for a variety of purposes including vaccine and treatment research.
- \$50 million to purchase personal protective equipment (PPE) and other supplies for use by hospitals, senior living facilities, doctor's offices, and the Division of Emergency Management.
- \$25 million to expand virus testing and contact tracing.
- \$65 million for rural hospitals, and \$15 million each for teaching hospitals and a general hospital relief fund.

*Education appropriations*

- \$75 million for school breakfast and lunch programs.
- \$1 million to improve internet connectivity for students by installing Wi-Fi routers in school buses, \$11 million to improve internet connectivity for students through mobile internet access points, \$30 million to local school systems to buy computers and other electronic devices for students, \$5 million to purchase computers and other devices for school personnel, and \$3 million to provide non digital remote instruction resources to students with limited connectivity.
- \$4.5 million for cybersecurity at K-12 schools.
- \$10 million for mental health and other services for students.
- \$70 million for supplemental summer learning programs for students from kindergarten through fourth grade.
- \$25 million for community colleges to enhance online learning and address other virus expenses.
- \$44 million for the UNC system for online learning and other virus expenses.
- \$20 million in funding for private colleges and universities to transition to online learning.

*State and local government appropriations*

- \$70 million for state government operations, including overtime costs and supply needs at prisons, IT costs for remote needs, and temporary staff to help the state unemployment office.
- If allowed by federal policy (which is not certain), provides \$300 million for the NC Department of Transportation, \$20 million for state agencies that have lost receipts due to virus-related closures, and \$150 million to replace lost revenues for local governments that

have not already received direct funding from the federal government.

*Health and Social services appropriations*

- \$20 million to support local health departments, increase nursing capacity and the number of community health workers, and focus on infection control in nursing homes.
- \$6 million for food banks.
- \$25 million for adult, family and group homes in the state-county special assistance program.
- \$50 million for health programs in rural and underserved communities, including minority communities.
- \$5 million for the NC Association of Free and Charitable Clinics to distribute to its members.
- \$1.5 million to NC MedAssist, a program that helps offset prescription costs for indigent or uninsured people.
- \$5 million to the NC Community Health Centers Association to cover treatment costs for its members.
- \$1.8 million to the Old North State Medical Society to focus on rural and African American communities.
- \$2.24 million for a monthly supplement increase of \$100 for each child living in foster care.

*Economic development appropriations*

- \$5 million to stimulate tourism, including for a program to "educate people on ways to travel in a safe and socially distant way."
- \$125 million for a small business loan program through the Golden Leaf Foundation, which is up to \$50,000 per business. A similar effort has already distributed \$15M.
- \$9 million to the GREAT program, which incents local government and private internet provider buildout in rural areas.

Legislators are expected to return to Raleigh on May 18 to continue work on virus and other issues, such as the State budget.

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

**Tags:** personal protective equipment