



INTRODUCTION

The state's recently released revenue forecast shows that North Carolina has fared relatively well economically throughout the pandemic. The two-year forecast's expected revenue collections surpass the expectations of May 2020's forecast by \$4.1 billion. The forecast explains this surplus was heavily impacted by an increase in sales tax collections and delayed tax payments; it also suggests that the economic state of North Carolina will continue to improve over the coming years. However, there are still segments of the state's workforce who are underemployed or unemployed due to this pandemic. Gov. Cooper responded in a statement that "while state revenue is strong, people across our state are still hurting and we must use these funds to help them recover from this pandemic." See links to the complete revenue report and forecast.

[Consensus Revenue Report](#) [Consensus Forecast](#)

Sen. Berger has told reporters that the next coronavirus relief bill is going to largely allocate federal money, while state money "for the most part will be spent and dealt with in the budget." Legislators anticipate more coronavirus relief bills to come, and are considering breaking the relief bills up into smaller bills in the future. The General Assembly has already passed one relief bill, Senate Bill 36, which has been signed into law by the Governor. It received a unanimous vote in both chambers of the General Assembly. House Democratic Leader Robert Reives called the bill a "fine show of bipartisanship" in which both chambers and the Governor's office worked together.

This bill allocates \$2.24 billion from the latest federal stimulus bill to school reopening needs, vaccine distribution, and rental assistance. It also extends deadlines for spending federal COVID dollars allocated last year, as well as the deadline to apply for \$335 stimulus checks for parents. Senate Bill 36 also provides \$39 million for broadband internet expansion to expand internet access in 18 counties, which was partly approved by Gov. Cooper in December. The bulk of the funding went to schools, including funding for student mental health and resources to catch students up after months of virtual classes.



NORTH CAROLINA SECURITY AND LOW VOLTAGE ASSOCIATION



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Speaker Moore and House Republicans intend to address concerns for students falling behind in school with a bill assisting children with their academics over the summer. The bill is expected to be filed next week. The Speaker hopes to see this bill passed into law by the end of March so schools have enough time to prepare a summer program to begin in June.

The House has also passed Senate Bill 37, a bill that would require schools to provide some in-person instruction to the state's K-12 public school students. Although Republicans and Democrats agree that they want students back in school as soon as possible, they disagree on when that could be safely done. The bill passed Senate with a split vote of 29 to 16, and passed the House with a 77-44 vote. Since there were changes made in the House, the Senate will have to vote on the bill once more before it goes to the Governor. This bill is likely to be vetoed by the Governor as it currently stands. Both chambers have decided to try to work out their differences and will negotiate over the weekend in an effort to get a new version passed and off to the Governor's desk early next week.

The bill requires school districts to offer a full-time, in-person instruction option to special needs students; this plan is known as Plan A. It would further require schools to offer either Plan A with safety measures in place or Plan B, which requires 6 feet of social distancing, to all students. This bill would not include charter schools. Democrats have expressed concern over the timeline and over allowing middle and high school students to go back under Plan A, which has minimal safety measures in place. There was also some debate over extending the start of reopening beyond 15 days after the bill is enacted, in order to provide more time for teachers to be vaccinated. Teachers will be in the next group eligible to be vaccinated in the state.

Next week is likely to be all about committee meetings, and potentially a few floor votes on school-related items and coronavirus relief. Speaker Moore explained to reporters that, with 170 members, the legislative process often starts out fairly slow. "I know this is inside baseball, but at this stage of the game it's all about getting the bills filed, then going through and vetting all the bills through the caucus to see where the support lies, then making sure that those are things they support, then start working through committee," Moore said.

BILLS OF INTEREST

HOUSE BILL 61, Local Communicable Disease Programs/Funds, would provide additional funds for local public health departments to address communicable diseases. The bill would appropriate \$36 million in recurring funds for 2021-22 and \$36 million in recurring funds for 2022-23 to local health departments to expand local infrastructure for activities associated with the surveillance, detection, control, and prevention of communicable diseases. Each year of the 2021-23 fiscal biennium, \$18 million would be divided equally among the local health departments, and the remaining \$18 million would be allocated to local health departments based upon the percentage of the State population served by each of the local health departments. The new funds would not be allowed to supplant existing funding. **Introduced by Representatives White and Potts and referred to the House Appropriations Committee.**

HOUSE BILL 68, GSC Licensing Boards and Comm'ns/Rule Crimes, would eliminate provisions that broadly criminalize violations of rules of certain licensing boards and commissions and make technical and conforming amendments in the surrounding language, as recommended by the General Statutes Commission. These changes would include no longer making violations of rules adopted to implement GS Chapter 74D, the Alarms Systems, a Class 1 misdemeanor. **Introduced by Representative Davis and referred to the House State Government Committee.**

LEGISLATION ENACTED

SENATE BILL 36, 2020 COVID Relief Bill Modifications, which makes certain modifications to 2020 COVID-19 relief legislation that was approved last year and provides funding based upon the Federal stimulus, was signed into law by the Governor on February 10, 2021. **Effective: February 10, 2021.**

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