



INTRODUCTION

The General Assembly dealt with its work quickly this week, passing the Coronavirus Relief Act 3.0 with bipartisan support and sending it to Governor Cooper. The \$1 billion bill allocates federal funds for coronavirus response that must be spent by the end of the year. The centerpiece is the Extra Credit Grant Program, which will send \$335 to households with at least one qualifying child (just one check per household regardless of the number of children).

Unemployment got a boost in the bill, with \$50 million set aside for the state match requirement for the federal Lost Wage Assistance program and an increase of \$50 in weekly unemployment benefits through the end of the year. The bill also includes \$30 million for broadband through a supplemental round of the Growing Rural Economies with Access to Technology (GREAT) grant program. The State Board of Elections is allocated \$5 million to prepare for the election during the pandemic, including funds to recruit election day poll workers and increase their pay.

The bill holds schools harmless for reductions in actual average daily membership, something schools and administrators had requested due to the impact of the pandemic on schools. Additional funds are provided for PPE, COVID-19 research and a range of state and local needs.

The General Assembly has officially ended its business for this session, and adjourned sine die, which is the fancy term for the end of the session. Both chambers plan to return for an organizational session at noon on January 13th with new members voted in after the election, but Speaker Moore says there is a chance of an earlier return if additional COVID-19 relief funds are received from Congress.

With session officially coming to a close, campaign season is now in full swing. This election will certainly be one to watch here in North Carolina, as many races will be competitive and both parties will be fighting to maintain or gain control of the chambers. Republicans have held the majority in both chambers for a decade, but in the current political climate and along with newly redrawn districts, many races are up in the air which could dramatically shift the makeup of the General Assembly.



NORTH CAROLINA ELECTRONIC SECURITY ASSOCIATION



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North Carolina began sending out absentee mail-in ballots today, Friday, September 4th, two months ahead of Election Day. Requests for mail-in ballots are well underway in North Carolina, with a significant uptick in requests due to the pandemic. To date, there have been 618,842 absentee ballot requests in North Carolina; a vast majority of the requests for mail-in ballots are Democratic or Unaffiliated voters. The deadline to request a ballot by mail is Tuesday, October 27th. Early voting will begin on October 15th and will end on October 31st, and Election Day is November 3rd, 2020.

BILLS OF INTEREST

HOUSE BILL 807, Championship NC Act. This bill was a bit of a surprise and provides funding for a new economic development project that is defined as “a sports championship employer.” The bill would reallocate \$3.6M from funds available in the One NC Fund (\$3.5M) and the JDIG Special Revenue fund (\$100k). **The bill was approved by the House and Senate and has been sent to the Governor for his signature.**

HOUSE BILL 1105, Coronavirus Relief Act 3.0, would provide federal coronavirus relief funds and funding for disaster recovery, including the following:

- increases from \$11 million to \$21 million the amount allocated to the Department of Public Instruction to improve internet connectivity for students by providing community and home mobile Internet access points;
- requires an applicant awarded a grant from the Growing Rural Economies with Access to Technology (GREAT) Fund to, upon finalizing the agreement, 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 and a grant recipient receiving the initial lump sum disbursement must provide evidence satisfactory to the Department that the recipient is financially solvent and has been providing broadband service in this State for at least two years and an attestation that the project will be completed pursuant to the agreement. Funds allocated that remain unawarded on or after September 1, 2020, may be awarded for GREAT program grants that may be awarded by the Department in a special supplementary grant process occurring after October 1, 2020;
- provides \$2 million to OSBM to allocate to the Carolina Small Business Development Fund, a community development financial institution, to be used for business advisory services to and deploying capital to small businesses in North Carolina to assist those businesses with losses due to a disruption of services resulting from the COVID-19 pandemic, and requires this funding to be used for financial assistance, business solutions and research, technology for applications for and reporting on aid, underwriting and loan servicing, technical assistance and advisory services, consulting for technical assistance workshops, and marketing and communication regarding services;
- allocates \$1.5 million to the Department of Commerce for the One NC Small Business Fund for the mitigation of impacts from COVID-19 at eligible businesses to foster job creation and promote research and technological development in response to COVID-19; prohibits using the funds for a required match for any federal grant program;
- allocates \$5 million to the Community Colleges System Office to be allocated to community college campuses to purchase personal protective equipment, and allows the funds to be used for COVID-19 testing on campuses;

- allocates \$5 million to the Community Colleges System Office to be allocated to community college campuses for equipment costs for healthcare workforce and first responder programs necessary for the State's response to the COVID-19 pandemic;
- allocates \$100,000 to DPS for a grant to the Lenoir County Emergency Services for equipment needed to respond to COVID-19;
- allocates \$30 million to the Department of Information Technology for the Growing Rural Economies with Access to Technology Fund to provide funding for a special supplementary GREAT Act grant process;
- requires the Department of Information Technology, from the funds appropriated in this act, to provide a special supplementary grant process to accelerate the provision of broadband access through the Growing Rural Economies with Access to Technology grant program;
- increases the total of all funds granted under the COVID-19 Job Retention Program from \$15 million to \$60.5 million, and expands the definition of a nonprofit under the program to also include an entity exempt from certain income tax; and
- provides that if the Economic Investment Committee determines that the total amount of grants requested from the applications filed on or before September 1, 2020 do not exceed the maximum amount of funds available, then the Job Retention Grant Program is extended for an additional round of applications. The bill also sets out limitations on the amount of funds granted in Round II, sets out eligibility requirements for business and nonprofits under Round II, and sets application deadlines. It also directs the Office of Historically Underutilized Businesses to inform and educate minority-owned businesses that may be eligible to apply for the grants provided by this Program as soon as practicable.

The bill was approved by both the House and the Senate and was sent to the Governor for his signature on September 3, 2020.

SENATE BILL 872, Additional 2020 Appointments. This legislation appoints persons to various public offices upon the recommendation of the President Pro Tempore of the Senate and makes modifications to appointments made in the 2020 appointments bill. **Effective: September 3, 2020.**

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