



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 COLLEGE OF EMERGENCY PHYSICIANS



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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 71, Living Donor Protection Act, would prohibit an insurer from refusing to insure, limiting coverage to, charging a higher amount to, or discriminating against an individual based solely them being a living organ donor. The bill would also create a tax credit for organ donors at the lesser of the live organ donation expenses or \$5,000. Finally, the bill would also create up to

30 days of paid leave for state employees to serve as a living organ donor and seven days for serving as a bone marrow donor. **Introduced by Representatives Shepard, Hurley, and Morey and has not yet been assigned to a House committee.**

HOUSE BILL 72, Audiology Modifications, would make changes to the licensing rules for audiologists. Specifically, it would:

- define an audiologist to mean any person who is qualified by education, training, and clinical experience and is licensed to engage in the practice of audiology;
- define the practice of audiology as the application of principles, methods, and procedures related to disorders of the auditory and vestibular systems;
- define the practice of speech and language pathology to include evaluation, treatment and instruction related to the development and disorders of communication and cognitive-communication;
- allow only licensed audiologists to treat minors with hearing impairment;
- allow licensed audiologists to provide clinical treatment, home intervention, family support, case management and other audiologic services to minors and to participate in the development of individualized educational programs and consult on individual classroom matters; and
- allow audiologists to administer hearing screening programs in school and train and supervise non-audiologists performing hearing screening in an educational setting.

Introduced by Representatives Lambeth, Kristin Baker, White and Cunningham and has not yet been assigned to a House committee.

SENATE BILL 61, Dental Services/Medicaid Transformation, would direct NCDHHS to enter into capitated contracts with at least two prepaid dental plans to provide dental services to Medicaid and NC Health Choice recipients consistent with the goals of Medicaid transformation. The bill clarifies that the intent of the General Assembly is to promptly transition to the provision of dental services under capitated contracts. **Introduced by Senator Perry and referred to the Senate Rules Committee.**

SENATE BILL 85, Allow Vision Service Corporations, would allow the creation of corporations organized for the purpose of maintaining and operating a nonprofit vision service plan, similar to hospital, medical, and dental service corporations. The bill would exempt such corporations from other state insurance laws, but with the approval of the Commissioner of Insurance, the corporations can (1) issue subscribers' contracts or certificates for the provision of or payment of fees for services or care; and (2) enter into contracts with health care providers for the provision of or the payment of fees for services or care. **Introduced by Senators Corbin, Burgin, and Woodard and has not yet been assigned to a Senate committee.**

SENATE BILL 86, Medicaid Recs./CWBTC, would direct:

- the Department of Health and Human Services, Division of Health Benefits (DHB), to develop and implement a plan to work with the Department of Public Instruction, local education administrative units, and local management entities/managed care organizations (LME/MCOs) to ensure increased awareness of school-based health services, beyond Individualized Education Program (IEP) services, that are reimbursable under North Carolina's Medicaid State Plan. The plan would include an assessment of the feasibility of enhanced rates and other mechanisms that encourage private agencies to provide school-based health services to students who are receiving or who are eligible to receive Medicaid and NC Health Choice benefits. DHB would submit the plan and any recommended legislative changes to implement the plan as specified no later than August 1, 2022; and

- the Joint Legislative Program Evaluation Oversight Committee to revise the 2023-2024 work plan for the Program Evaluation Division to include an evaluation of the success of the Integrated Care for Kids (InCK) Medicaid pilot program and require the Program Evaluation Division to submit its evaluation to the Committee no later than March 1, 2025.

Introduced by Senators Krawiec, Burgin, and Perry and has not yet been assigned to a Senate committee.

SENATE BILL 88, NC FAST Child Welfare Case Mgmt./PED Study; SENATE BILL 89, Regional Supervision/Reforms/CWBTC Recs; and SENATE BILL 90, Social Services Reform/CWBTC Recs, would all require NCDHHS to conduct various studies and changes related to child welfare case management system and to implement changes to social services based on recommendations of the Social Services Regional Supervision and Collaboration Working Group (SSWG) to prioritize child welfare. **Introduced by Senators Krawiec, Burgin, and Perry and has not yet been assigned to a Senate 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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