Agenda

- Office overview
- Path forward for North Carolina: Relief, Recovery and Resilience
- CARES Act - Coronavirus Relief Funds (CRF)
- American Rescue Plan – State and Local Fiscal Recovery Funds
- Recovery collaboration
Office Overview

- Established under [Session Law 2020-4 of House Bill 1043](#)
- Oversee and coordinate all COVID-19 funds administered by the Governor’s Office.
- Serve as the point of contact for the State’s pandemic economic recovery efforts and develop a plan for NC’s recovery.
- Provide technical assistance and ensure coordination of federal funds received by state agencies and local governments.
Path Forward for North Carolina

   - Coronavirus Relief Funds (CRF)

2. **Recovery**: medium-term response efforts initiated by government and other entities that help recover economy to January 2020 baseline.
   - American Rescue Plan Act (ARP) funds.

3. **Resilience**: long-term policy and response efforts initiated by government and other entities to address systemic economic challenges and ensure widely-shared prosperity for all North Carolinians.
First Round of Federal Relief - 2020

March 3 - Coronavirus Preparedness and Response Act

March 18 - Families First Coronavirus Response Act

March 27 - CARES Act (includes Coronavirus Relief Fund)

April 24 - Paycheck Protection Program and Health Care Enhancement Act

$46.2 billion in Federal Relief
CRF Program Highlights and Challenges

**Highlights:**

Examples of collaboration:

- Business relief programs
  - RETOOLNC - HUB program
  - Job Retention Grant program
  - Mortgage, Utility and Rent Relief (MURR) Program
- Food relief programs
- Housing program
- Work with 97 counties

**Challenges:**

- US Treasury reporting requirements
- Resolution of projects with conflicting state law and federal guidance
Federal Relief by County

Relief Funds by County
A non-exhaustive, interactive map

Select county or multiple:
All
Use eraser to reset view

To view the full data:
Right click on the map and select "show as a table"

- **$17,045,243,249**
  Business Aid Total
  - Paycheck Protection Program (PPP), administered by the U.S. Small Business Administration (SBA). Note that awards greater than $150K are estimated based on median award amounts.
  - Economic Injury Disaster Loan (EIDL), administered by SBA. EIDL A are automatically forgiven advances.
  - Job Retention Grant (JRG), administered by NC Department of Commerce using CRF.

- **$786,819,001**
  Local Government Total
  Includes CRF allocated to counties and municipalities by NC General Assembly, as well as direct allocations from the US Treasury.

- **$3,610,414,752**
  Education Total
  Public K12 schools includes CRF, Governor’s Emergency Education Relief (GERR) 1. and Elementary and Secondary School Emergency Relief (ESSER) I & II.
  Higher education includes CRF, GERF 1, and Higher Education Emergency Relief Funds (HEERF) I & II.

- **$2,711,342,823**
  Health Provider Total
  Includes CRF allocated to hospitals by NC General Assembly, and Provider Relief Funds (PRF) distributed to providers by U.S. HHS. Providers were attributed to their corresponding counties.

Notes: Map represents $24.1 billion out of over $53 billion in federal COVID relief funds allocated to NC in 2020 (does not include American Rescue Plan funds). Amounts do not reflect any modifications.

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Federal Relief - 2021

December 27 - Consolidated Appropriations Act of 2021 (includes Emergency Rental Assistance)
- $4.7 billion in Federal Relief

March 11 - American Rescue Plan Act of 2021
- $29.8 billion in Federal Relief
$3.3 billion in Local Fiscal Recovery Funds
- 100 counties receive funds directly from US Treasury
- 26 largest cities receive funds directly from US Treasury
- 525 smallest municipalities receive funds through NCPRO
  - Funds are received in 2 tranches
  - Local governments have until 12/31/2024 to obligate funds and until 12/31/2026 to spend funds

$5.4 billion in State Fiscal Recovery Funds
- Governor’s budget outlined priorities for broadband, water/sewer/wastewater infrastructure, community development, food and business support
- Budget is being determined by legislature
ARPA Eligible Uses of Funds

Eligible Uses for Local Fiscal Recovery Funds

**COVID Response & Adaptation**
"To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality."
Allowable uses under this category include public health measures; direct economic assistance to small businesses, households, and nonprofits; behavioral health; and supporting disproportionately impacted populations.

**Premium Pay**
"To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers."
Allowable uses under this category include premium pay for workers categorized as essential who are performing in-person work and/or work that is directly mitigating the impact of the coronavirus pandemic.

**Revenue Loss**
"For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent fiscal year prior to the emergency."
Allowable use under this category requires using a specific formula, set by the U.S. Treasury, for calculating revenue loss. Such revenue replacement must be used to provide and support “core government services,” including modernization of cybersecurity systems.

**Infrastructure Investments**
"To make necessary investments in water, sewer, or broadband infrastructure."
Allowable uses under this category include: improving drinking water infrastructure, including the replacement of lead service lines; improving wastewater infrastructure; addressing cybersecurity needs to protect water or sewer infrastructure; and expanding broadband internet access to unserved or underserved households and businesses.

Quotes are from the Interim Final Rule: [https://www.govinfo.gov/content/pkg/FR-2021-05-13/pdf/2021-10383.pdf](https://www.govinfo.gov/content/pkg/FR-2021-05-13/pdf/2021-10383.pdf).
See pages 56-59 for more about revenue loss calculations. Page 73 contains guidance about upload speeds required in broadband projects.

Find more info and future PROtips at [https://www.nc-pandemicrecovery.org](https://www.nc-pandemicrecovery.org).
This information comes from the **Interim** Final Rule, FAQs and Compliance and Reporting Guide.

Start with the end in mind

- Look at Appendix
Qualified Census Tracts (QCTs) and why they matter

- All eligible uses of LFRF, and uses unique to QCTs, are available within these geographic boundaries and to residents living in these QCTs.
- Remember that QCTs represent a presumption of eligibility - the need is already documented for you.

Source: https://www.huduser.gov/portal/qct/1statetable.html?statefp=37.0&DDYEAR=2021
QCT's and broad latitude

2.11. How does the Interim Final Rule help address the disparate impact of COVID-19 on certain populations and geographies?

In recognition of the disproportionate impacts of the COVID-19 virus on health and economic outcomes in low-income and Native American communities, the Interim Final Rule identifies a broader range of services and programs that are considered to be in response to the public health emergency when provided in these communities. Specifically, Treasury will presume that certain types of services are eligible uses when provided in a Qualified Census Tract (QCT), to families living in QCTs, or when these services are provided by Tribal governments.

Recipients may also provide these services to other populations, households, or geographic areas disproportionately impacted by the pandemic. In identifying these disproportionately-impacted communities, recipients should be able to support their determination for how the pandemic disproportionately impacted the populations, households, or geographic areas to be served.

Eligible services include:

- Addressing health disparities and the social determinants of health, including: community health workers, public benefits navigators, remediation of lead paint or other lead hazards, and community violence intervention programs;
- Building stronger neighborhoods and communities, including: supportive housing and other services for individuals experiencing homelessness, development of affordable housing, and housing vouchers and assistance relocating to neighborhoods with higher levels of economic opportunity;
- Addressing educational disparities exacerbated by COVID-19, including: early learning services, increasing resources for high-poverty school districts, educational services like tutoring or after-school programs, and supports for students’ social, emotional, and mental health needs; and
- Promoting healthy childhood environments, including: child care, home visiting programs for families with young children, and enhanced services for child welfare-involved families and foster youth.

Disproportionally impacted.
(The poor, seniors, minorities, and others)

Social determinants of health

Housing support

Educational assist., social and mental health

Things like parks/trails, home visits and child welfare
160D-1311. Community development programs and activities.

(a) A local government is authorized to engage in, to accept federal and State grants and loans for, and to appropriate and expend funds for community development programs and activities. In undertaking community development programs and activities, in addition to other authority granted by law, a local government may engage in the following activities:

(1) Programs of assistance and financing of rehabilitation of private buildings principally for the benefit of low- and moderate-income persons, or for the restoration or preservation of older neighborhoods or properties, including direct repair, the making of grants or loans, the subsidization of interest payments on loans, and the guaranty of loans.

(2) Programs concerned with employment, economic development, crime prevention, child care, health, drug abuse, education, and welfare needs of persons of low and moderate income.

Information provided by the UNC School of Government
## Contractor vs. Subrecipient

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Subrecipient</th>
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<tbody>
<tr>
<td>Obtains goods or provides services which</td>
<td>Creates a federal assistance relationship</td>
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<tr>
<td>generally creates a procurement relationship</td>
<td></td>
</tr>
<tr>
<td>Usually provides these goods or services</td>
<td>Determines who is eligible to receive what</td>
</tr>
<tr>
<td>within normal business operations</td>
<td>federal assistance</td>
</tr>
<tr>
<td>Provides these goods and services to many</td>
<td>Performance measured in relation to whether objectives of federal program</td>
</tr>
<tr>
<td>purchasers</td>
<td>were met</td>
</tr>
<tr>
<td>Generally operates in a competitive environment</td>
<td>Has programmatic decision-making responsibilities</td>
</tr>
<tr>
<td>The goods and services provided are ancillary</td>
<td>Must comply with program requirements</td>
</tr>
<tr>
<td>to the federal program</td>
<td>Uses the funds to carry out program for public purpose specific to the award</td>
</tr>
<tr>
<td>A contractor does not generally participate in</td>
<td>Substantive, programmatic work or an important or significant portion of the</td>
</tr>
<tr>
<td>the design of the project</td>
<td>program is being undertaken</td>
</tr>
<tr>
<td>Little to no independent decision-making is</td>
<td>The receiving entity (subrecipient) retains some element of programmatic</td>
</tr>
<tr>
<td>involved</td>
<td>control and discretion</td>
</tr>
<tr>
<td>There is a commitment to deliver a good or</td>
<td>May have to provide cost sharing or matching funds</td>
</tr>
<tr>
<td>service on a specific date or cost</td>
<td></td>
</tr>
<tr>
<td>The technology or products developed will</td>
<td></td>
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<tr>
<td>not be owned by the contractor</td>
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Information provided by the UNC School of Government
Partnership