An aerial photograph of a city skyline, featuring a prominent, modern skyscraper with a white facade and a grid of windows. The building is surrounded by other high-rise buildings and lower-level structures. The sky is clear, and the overall scene is captured from a high angle, looking down on the city.

# State of North Carolina Recovery Plan Performance Report

## State Fiscal Recovery Funds

North Carolina Pandemic Recovery Office  
July 31, 2022

An aerial photograph of a mountain range in North Carolina. The mountains are covered in dense forest with vibrant autumn foliage in shades of orange, yellow, and brown. A winding road is visible on the left side of the image. The sky is overcast with grey clouds.

"North Carolina's funding from the American Rescue Plan positions our state for a shared recovery and allows us to create a North Carolina that works for all."

-Roy Cooper, Governor of North Carolina

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# Executive Summary

Signed into law by President Biden on March 11, 2021, the American Rescue Plan Act (ARPA) allocates \$1.9 trillion for COVID-19 relief and economic recovery. In all, North Carolina has received more than \$31.4 billion in ARPA aid to state agencies, individuals, businesses, and other entities. This includes \$5.4 billion to the North Carolina's state government in State Fiscal Recovery Funds (SFRF) appropriated through North Carolina's budget process.

All SFRF funds have been appropriated to support state agencies, local organizations, and State-recognized tribes across more than 180 unique projects. Roughly a **quarter of all SFRF funds have been disbursed** to recipients. SFRF dollars are disbursed by request based on timelines agreed to with each recipient.

North Carolina is committed to an efficient, equitable, and long-lasting recovery. The SFRF appropriations are intended to assist families most impacted by the pandemic, upgrade the state's infrastructure, prepare the workforce, promote business development and innovation, and position government to best serve people's needs.

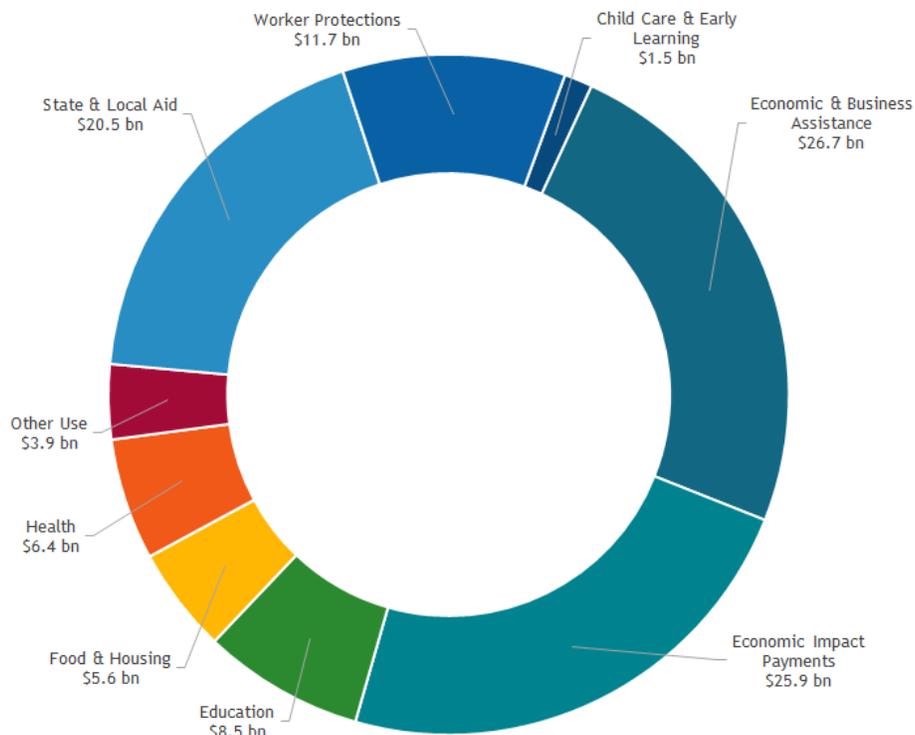
The North Carolina Pandemic Recovery Office (NCPRO), which was established in May 2020 to coordinate the state's fiscal response to the pandemic, will administer these funds. NCPRO has developed effective systems for distributing, tracking, monitoring, and auditing funds while providing technical guidance to recipients of ARPA funding.

NCPRO also facilitates two key working groups to support successful implementation of SFRF programs: an Interagency Recovery Working Group of recipients of SFRF funds and a Local Stakeholders Working Group of entities supporting capacity building, planning, and technical assistance for local units receiving Local Fiscal Recovery Funds (LFRF). Equity, evidence, and compliance are points of emphasis with both groups.

## Uses of Funds

North Carolina has received more than \$110.5 billion in federal pandemic recovery funding since March 2020 (see **Figure 1** below). Two-thirds of these funds are non-grant funds (e.g., economic impact payments, the Paycheck Protection Program, etc.). The remaining third are federal grants to state entities, hospitals, colleges, etc., to support pandemic response and recovery. North Carolina’s state and local units of government have received a total of \$12.9 billion from the Coronavirus Relief Fund (CRF) and the State and Local Fiscal Recovery Funds<sup>1</sup>. These broad use funds have been critical in responding to the pandemic and accelerating the state’s recovery. North Carolina appropriated its full allotment of SFRF through S.L. 2021-180, totaling \$5.4 billion supporting more than 190 unique projects. S.L. 2021-180 was signed into law by Governor Cooper on November 18, 2021, and the budget certification process was completed in late January 2022. In July 2022, S.L. 2022-74 was enacted, amending some SFRF-funded programs. Since the S.L. 2022-74 was enacted after the reporting period, changes will be incorporated into future reports.

**Figure 1: Total Federal Pandemic Relief Funding in North Carolina**



Source: [North Carolina Pandemic Recovery Office: FFIS](#)

<sup>1</sup> North Carolina also received \$7.3 billion from the Federal Reserve’s Municipal Liquidity Facility to help state and local governments better manage cash flow pressures in order to continue to serve households and businesses in their communities.

Governor Cooper has set the following principles for North Carolina’s use of ARPA aid:

- **Assisting Individuals and Families Hardest Hit:** Includes funding for needs related to affordable housing; health and wellness promotion; food security; public education; etc.
- **Upgrading Infrastructure:** Includes funding for needs related to water and wastewater infrastructure; closing the digital divide; lead and asbestos remediation in schools; rural downtown transformation grants; etc.
- **Preparing the Workforce:** Includes funding for needs related to community colleges; the UNC system; improved technology and equipment for higher education; etc.
- **Promoting Business Development and Innovation:** Includes funding for needs related to hospitality industry business assistance and recovery grants; strategic industry development; motorsports and outdoor event opportunities; recovery grants for arts, history, libraries, science, & film; etc.
- **Positioning Government to Best Serve North Carolinians:** Includes funding for needs related to Covid -19 related costs; continuity of state government operations; repairs and renovations for health and safety; assistance for local governments and State-Recognized American Indian Tribes; etc.

Utilizing the methodology provided in the [Final Rule](#) from U.S. Treasury, North Carolina’s revised calculation of revenue loss is \$3.199 billion. North Carolina has identified \$3 billion in SFRF appropriations that support related governmental services and are thus categorized as revenue replacement. **Figure 2** below shows how North Carolina’s SFRF appropriations are broken down by expenditure category. Individual SFRF appropriations and projects are described in more detail in the Project Inventory section of this report.

**Figure 2: North Carolina SFRF Appropriations by Category\***

Expenditure Category		Total Categorized
1	Public Health	-
2	Negative Economic Impacts	\$495,000,000
3	Public Health-Negative Economic Impact: Public Sector Capacity	-
4	Premium Pay	-
5	Water, Sewer, and Broadband Infrastructure	\$1,853,627,700
6	Revenue Replacement	\$3,092,681,992
7	Administrative	-
<b>Total</b>		<b>\$5,441,309,692</b>

\* Note: Enacted on July 11th, 2022, HB 103/SL 2022-74 altered a number of SFRF projects. As it was enacted after June 30th, 2022, these project changes will not be reflected in this Recovery Plan Performance Report but will be reflected in future reports. Projects that will be impacted by HB 103/SL 2022-74 contain an asterisk (\*) before the project name in the Project Inventory.

# Promoting Equitable Outcomes

The COVID-19 pandemic has highlighted longstanding health and economic disparities in North Carolina. From the start, North Carolina recognized the importance of promoting equity not only to recover, but to maintain and expand opportunities for historically underserved populations to access benefits and services. This commitment to eliminating disparities is evident across government services in the state, from the Governor's Office to the agencies in charge of administering individual ARPA projects. NCPRO has made equity a point of emphasis during Interagency Recovery Working Group meetings.

## **State Initiatives**

### **The Andrea Harris Task Force**

In July of 2020, Governor Cooper convened the Andrea Harris Social, Economic, Environmental, and Health Equity Task Force to address the social, environmental, economic, and health disparities in communities of color disproportionately impacted by COVID-19. Members of the task force include public health professionals, educators, legal experts, community leaders, and more. The Task Force meets bimonthly and focuses on recommendations for the following:

- Access to healthcare for underserved communities
- Enhanced patient engagement in healthcare settings
- Economic opportunities in business development and employment
- Environmental justice and inclusion
- Creating educational opportunities for communities of color in health literacy, financial literacy, general academia, and
- Increased funding for health education community centers serving vulnerable communities

These focus areas are accompanied by guiding principles to place underserved communities first and ensure efforts are sustainable, adaptable to change, scalable to needs, transparent and accountable. Progress towards the Task Force's recommendations are reported in the group's [bi-annual reports](#).

Several of the Task Force's recommendations received funding, including SFRF aid, in North Carolina's most recent budget. This funding includes appropriations for the operation of mobile medical units in at-risk communities, allocations for American Indian tribes in North Carolina to mitigate and respond to the impact of the pandemic, nutrition services for older adults, and support for the detection and mitigation of COVID-19 within homeless populations.

### **Office of Digital Equity and Literacy**

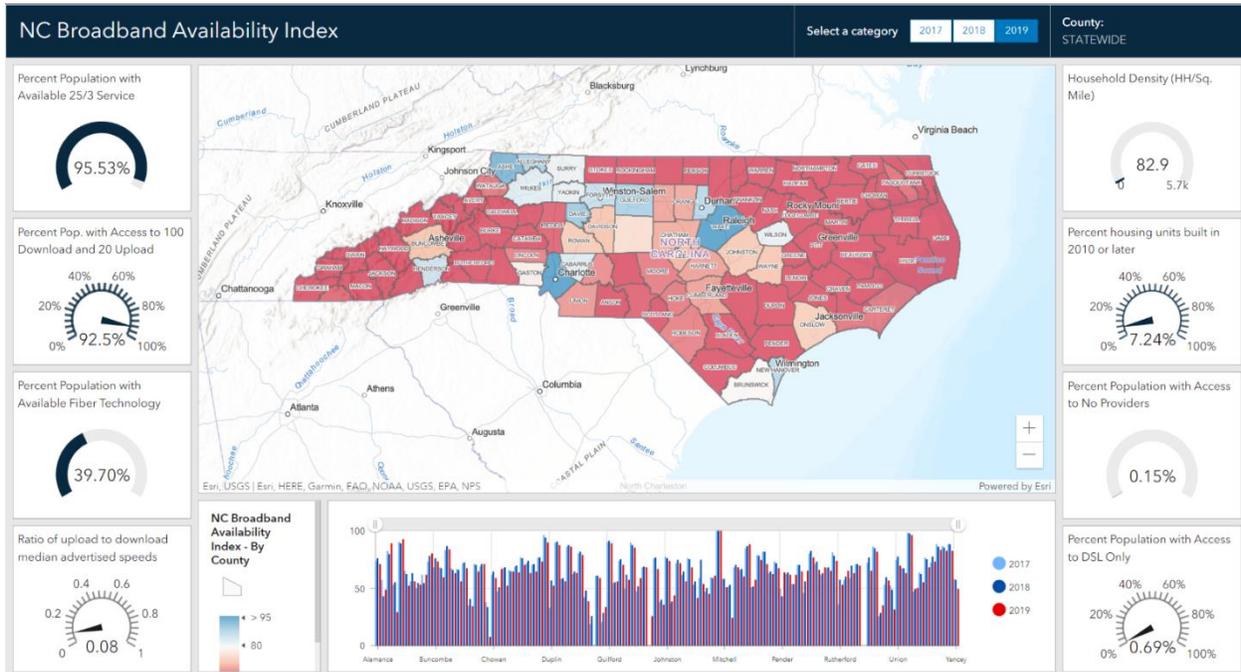
North Carolina was the first state in the nation to establish an office dedicated to promoting digital equity. Governor Cooper formally announced the creation of the state's Office of Digital Equity and Literacy in July of 2021 to address the disparities highlighted by the pandemic and to work toward eliminating the digital divide in North Carolina. **Figure 3** below demonstrates the N.C. Broadband Availability and Quality Index Dashboard - one of the tools offered by the Office of Digital Equity and Literacy. This interactive dashboard contains two indices:

1. [The Broadband Availability and Quality Index](#)

## 2. [The Broadband Adoption Potential Index](#)

These two unique measures were designed by Roberto Gallardo, Ph.D., a renowned broadband researcher from Purdue University, “to create a more accurate picture of the state’s broadband access, adoption, and the resulting digital divide”.

**Figure 3: Snapshot of the N.C. Broadband Availability and Quality Index Dashboard**



Source: <https://experience.arcgis.com/experience/1ca29805a2454ffab6b9579702b99e59>

The Office of Digital Equity and Literacy will administer over \$50 million of American Rescue Plan funding to create awareness and support digital literacy and skills training to participate in the digital economy.

### **Agency Equity Missions**

Existing equity-driven work will enhance implementation of SFRF programs. Many state agencies have existing equity initiatives and have identified agency-wide leaders to promote diversity, equity, and inclusion efforts.

Since 1992, the [Office of Minority Health and Health Disparities](#) has operated within the **Department of Health and Human Services**. Its mission reads, “To promote and advocate for the elimination of health disparities among all racial and ethnic minorities and other underserved populations in North Carolina.”

The key work of the office includes:

- Improving the quality and availability of health information, data collection, and analysis
- Providing cultural diversity and interpreter training to health and human services professionals and advocating for language services

- Supporting policies and legislation that improve the health and well-being of all North Carolinians
- Collaborating with others to improve minority health programs and services
- Disseminating information to increase awareness of minority health and health disparities

Additionally, North Carolina recently launched its new [Office of Health Equity](#) to advance health equity and reduce disparities in opportunity and outcomes for historically marginalized populations.

The Office of Diversity, Equity & Inclusion within the **Department of Commerce** developed the [First in Talent: State Strategic Plan for Economic Development](#), which acknowledges equity as an important factor in job creation and workforce development. The plan will “ensure all North Carolinians reap the benefits of new investments and structural improvements” as the state recovers from the pandemic, as well as increasing economic opportunities for new entrepreneurs and women- and minority-owned firms.

The **Department of Environmental Quality’s** [Environmental Justice and Equity Advisory Board](#) was created to “assist the Department in achieving and maintaining the fair and equal treatment and meaningful involvement of North Carolinians regardless of race, color, national origin, or income with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies.”

The **North Carolina Department of Natural and Cultural Resources** has a “[Diversity, Equity, Accessibility, and Inclusion](#)” initiative. Its mission statement reads,

“The North Carolina Department of Natural and Cultural Resources is committed to providing a climate and culture that fosters, promotes, and encourages social interactions that support, appreciate, and celebrate our differences. By supporting diversity and inclusion, the department strives to enhance cross-cultural understanding, break down racial and gender-based stereotypes, and create a diverse and productive workforce. As an equal opportunity employer, we stay true to our mission by ensuring that our place can be anyone’s place.”

The [Office of Civil Rights](#) at the **Department of Transportation** focuses on promoting and ensuring “equal access and equal opportunity for customers and employees participating in North Carolina transportation programs that receive federal and/or state funding.” In addition to enforcing federal and state laws and regulation, this office also provides training to help improve small businesses’ efficiency and skills to expand their economic opportunities.

## **An Emphasis on Equity Across SFRF Projects**

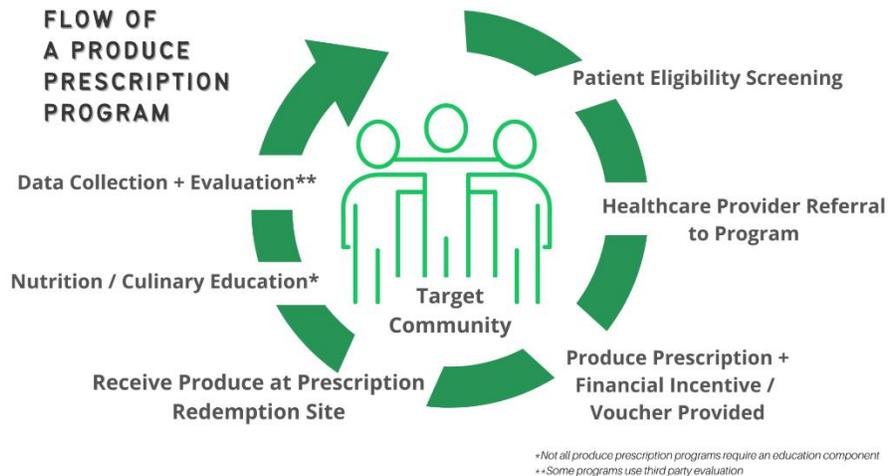
Equity is a primary objective for many SFRF projects. Below are a few examples of SFRF projects with an equity focus.

### **Produce Prescription Program:**

Reinvestment Partners’ Produce Prescription Program seeks to address food insecurity as a social driver of health and the corollary negative health outcomes affiliated with food insecurity. The program is designed to address food insecurity quickly at scale by using web-based enrollment and direct electronic payment for produce purchases through retail grocery outlets statewide.

**Figure 4** below demonstrates the process flow of a produce prescription program. The program has served more than 40,000 clients to date. Disaggregated enrollment data shows that those historically underserved in rural communities and those who are minority- and female-headed households are served by the program beyond their representation in the general population.

**Figure 4: Process flow for a Produce Prescription Program**



Source: <https://nationalproduceprescription.org/>

The Produce Prescription Program will use the State’s Medicaid administrative data to conduct outreach to underserved populations, which are over-represented in Medicaid services. Once the participants are enrolled, the program will continue to affirmatively provide services to these historically underserved populations.

The enrollment process utilizes both care managers and online self-enrollment which allow for greater access to the service based on client preferences and needs and facilitates robust outreach to vulnerable and/or difficult-to-reach populations. The organization will continue to evaluate enrollment and usage to determine how well underserved populations are served.

### Underserved Student Outreach and Advising Project

The Underserved Student Outreach and Advising Project seeks to address the areas of diversity, equity, and inclusion through strategies and models of access and outreach which remove undue barriers to the open-door mission of community colleges for systematically excluded populations from being able to access and complete college-level work.

The [Strengthening Career and Technical Education for the 21st Century Act](#) (Perkins V) was signed into law in 2018. This bipartisan measure reauthorized the Carl D. Perkins Career and Technical Education Act of 2006 (Perkins IV) and continued Congress’ commitment for career and technical education (CTE) programs for our nation’s youth and adults (CTE.ed.gov, 2022).

Perkins V affirms the power of career exploration, guidance, and academic counseling to students before enrolling and while participating in a career and technical education program. In addition, Perkins V states that North Carolina shall include the State’s strategic vision and set of goals for

preparing an educated and skilled workforce. Furthermore, the plan identifies specified targeted special populations which include:

- Individuals with disabilities
- Individuals from economically disadvantaged families, including low-income youth and adults
- Individuals preparing for nontraditional fields
- Single parents, including single pregnant women
- Out-of-workforce individuals
- Homeless individuals
- Youth who are in, or have aged out of, the foster care system
- Youth with a parent who is a member of the armed forces and is on active duty
- Individuals with other barriers to educational achievement, including individuals with limited English proficiency

Every college applying for the Underserved Student Outreach and Advising Project will be required to identify the specific special populations their work will target.

### **Expand Nutrition Programs for Older Adults**

The North Carolina Department of Health and Human Services (NCDHHS) has received funding to support three projects designed to increase access to food for some of the state's most vulnerable populations. The three projects are:

- **Pilot Discharge Project:** The Pilot Discharge project will evaluate the effectiveness of providing 1,000 high-risk older adults (60+ y/o) healthy meals for two weeks after a hospital discharge to help in reducing health complications and hospital readmissions. The pilot will help develop a framework for statewide implementation.
- **High Risk Extra Meals Project:** The High Risk Extra Meals project will provide two additional nutritious meals per week or \$20 in healthy groceries per week to 3,000 frail older adults at high nutritional risk participating in home-delivered meals programs, based on client assessments conducted by home-delivered meals service providers.
- **SFMNP Expansion Project:** The Seniors Farmers' Market Nutrition Program (SFMNP) expansion project aims to expand the number of farmers' markets and eligible older adults participating in the SFMNP in targeted counties in North Carolina. The goal of the SFMNP is to improve the nutrition of 8,500 older adults, increase business for local farmers, and help revitalize rural areas by increasing awareness and use of farmers' markets.

These projects are intended to help close gaps in older adult malnutrition and food insecurity in North Carolina. Studies indicate a correlation between household food insecurity and a decline in functional health, creating barriers to self-care management for those with chronic conditions. Disease-associated malnutrition for adults 65+ in North Carolina costs the state over \$140 million annually. The projects listed above will remove barriers for adversely affected groups and broaden the state's commitment to furthering equity.

# Community Engagement

Robust community engagement and well-designed feedback mechanisms can bolster the overall efficiency and effectiveness of state programs. Additionally, engagement and feedback can enhance North Carolina's capacity to serve the most vulnerable populations including people of color, people with low incomes, limited English proficiency populations, and other traditionally underserved groups who often face significant barriers to services.

To this end, in 2020 NCPRO held over 40 listening sessions with 1,200+ stakeholders to help identify and target the greatest impacts of the pandemic. Stakeholders at these sessions included representatives from various faith communities, businesses, non-profits, educational institutions, local governments, and underrepresented communities across all 100 North Carolina counties. NCPRO shared feedback from these sessions with state agencies responsible for relevant recovery programs. NCPRO plans to continue holding stakeholder listening sessions as recovery efforts proceed to further inform SFRF implementation. Additionally, through continued engagement with existing stakeholder groups, such as the North Carolina Latino Covid-19 Task Force, the Governor's Advisory Council on Aging, and similar groups, NCPRO is helping educate North Carolinians about ARPA-funded programs and opportunities for community participation.

NCPRO regularly engages with state agencies managing SFRF through an Interagency Recovery Working Group, convened by the Governor's Office. This group allows NCPRO and key stakeholders to provide technical assistance, coordinate programs, and bolster agencies' efforts to advance equity, evidence, and community engagement. This will continue to be a valuable forum to identify opportunities for community engagement, communicate community feedback, and foster collaboration.

## **Community Engagement Efforts Across SFRF Projects**

Many SFRF recipients already have robust strategies in place to capture and incorporate project feedback from constituents, community-based organizations, and communities themselves. Below are just a few examples of how SFRF recipients are currently engaging stakeholders and soliciting feedback, and/or how they plan to do so at key project points.

### **Prospera's COVID-19 Hispanic Business Continuation Assistance Program**

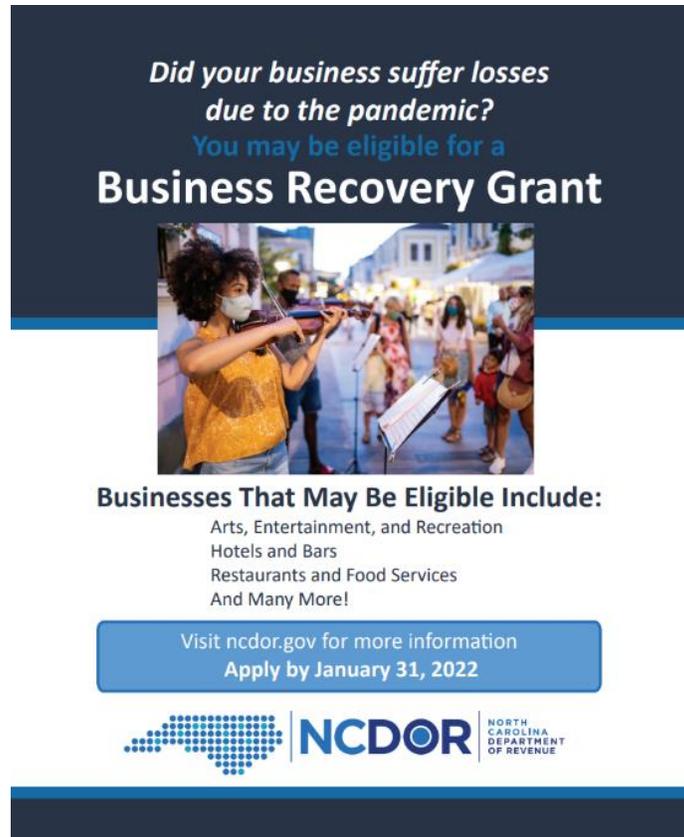
[Prospera](#) is an economic development non-profit organization specializing in providing no cost bilingual (English/Spanish) assistance to Hispanic entrepreneurs trying to establish or expand their businesses. Using SFRF funds, Prospera will deploy the COVID-19 Hispanic Business Continuation Assistance Program to provide technical assistance and in-language support to help new and existing disadvantaged North Carolina-based small business owners become more economically resilient. Prospera conducts weekly and annual surveys to further measure its impact on the communities it serves. In addition, a sample of beneficiaries are selected to highlight their success and share opinions of their experience with the program. Here is one of many inspiring examples: [A Barber's Cafe & Bar Entrepreneurial Story](#).

### **DOR Small Business Pandemic Recovery Grant Program**

The Small Business Pandemic Recovery Grant Program is one of the largest funded SFRF projects, with nearly \$500 million appropriated across two rounds of grants. To ensure eligible business

were making use of these funds to aid in their recovery, the North Carolina Department of Revenue conducted an extensive outreach campaign to engage communities across the state. During the first phase of funding, the program was advertised via radio, television, and social media (see the sample advertisement in **Figure 5** below). NCDOR Partnered with the NC Department of Administration to conduct outreach to Historically Underutilized Businesses. They also partnered with the NC Department of Health and Human Services to present to their Historically Marginalized Population Workgroup.

**Figure 5: Flyer created to advertise the Business Recovery Grant program**



Source: <https://www.ncdor.gov/business-recovery-grant-phase-1#outreach>

### **NCDIT GREAT Grant Program**

North Carolina Department of Information Technology's (NCDIT's) [Broadband Infrastructure Office](#) (BIO) is using SFRF funding on programs to accelerate deployment of broadband infrastructure in unserved parts of the state. The BIO published a nationally recognized [Community Broadband Planning Playbook](#) that specifically addresses communication and active participation from referenced organizations.

Furthermore, the BIO has dedicated staff to actively engage and communicate with stakeholders for these projects. The Office of Digital Equity and Literacy will also work with local governments and other stakeholders to make sure NCDIT receives feedback from a broad range of constituencies and maintains communication with community-based organizations of all types.

## Camino Research Institute (CRI)

The [Camino Research Institute](#) is the research arm of the [Camino Health Center](#) (CHC), which is a bilingual and multicultural health center that provides high quality affordable holistic care to underinsured and uninsured populations. CHC offers four service areas of Primary Care, Behavioral Health, Health and Wellness, and Food Security, to empower community members to enhance their physical and behavioral health. Camino Health Center (CHC) will use SFRF funds for work across North Carolina with a concentration in Mecklenburg, Cabarrus, Stanly, Union, Lincoln, and Guilford counties. The project addresses the COVID-19 pandemic and its impact on NC in the following ways:

1. Increase Access to Medical and Behavioral Health Services
2. Provide Food Security
3. Provide Educational, Employment, and Entrepreneurship Opportunities
4. Aid in Social Determinants of Health Connections and Resources

Data from this assessment will be used to prioritize and improve CHC's existing programs and to spark new programs and service approaches based on identified community needs and strengths. Study results will also be made available to other organizations across the state. This study uses both electronic surveys and focus group interviews. In addition to the information from the Needs and Strengths Assessment project, the organization will reach out to local governments, nonprofits, and churches to obtain additional insight into local conditions in CHC's service areas.

## Labor Practices

North Carolina's SFRF projects under the infrastructure expenditure category will utilize strong labor practices in accordance with US Treasury guidance. These robust standards will promote economic recovery by providing employment opportunities for workers across North Carolina.

For example, each of the Department of Environmental Quality's three infrastructure projects - the *Local Assistance for Stormwater Infrastructure Investment*, *State Drinking Water/Wastewater Reserve Infrastructure Grants*, and *State Drinking Water/Wastewater Reserve Asset Inventory and Technical Assistance Grants* - will require prevailing wage rates for projects over \$10 million. Additionally, The Division of Water Infrastructure will ensure subrecipients document meeting any application procurement and labor standards requirements.

NCDIT's Division of Broadband and Digital Equity's infrastructure projects - the *NC GREAT Grant - Federal Broadband Funds*, *Completing Access to Broadband*, and *Broadband Make Ready Accelerator* - will abide by the Compliance and Reporting Guidance provided by the US Treasury.

Many of the non-infrastructure projects supported through SFRF dollars will also make use of strong labor practices where appropriate. Through the Office for Historically Underutilized Businesses, state entities are encouraged to acquire goods and services from businesses owned and controlled by local HUB firms.

All agencies of the State of North Carolina receiving federal funding are required to act in compliance with Title VI of the Civil Rights Act of 1964.

# Use of Evidence

The COVID-19 health crisis underscored the importance of sound and effective evidence-based public policies and programs. Fortunately, North Carolina administers many evidence-based programs and offers excellent resources to support the implementation of proven programmatic methods. [Results for America](#) (a national nonprofit that promotes evidence-based policymaking) recently recognized North Carolina as one of eight states that are “leading the way with their use of data-driven and evidence-based practices, policies, programs, and systems.” By strategically focusing recovery funding on public programs and services that are proven to work, North Carolina can improve outcomes while maximizing taxpayer dollars.

## **State Initiatives**

North Carolina has several statewide initiatives to encourage the use of evidence-based initiatives and has taken steps in recent years to further its commitment to data-backed policies and programs.

- Launched in 2018, North Carolina’s [Office of Strategic Partnerships](#) (OSP) develops, launches, and enhances partnerships between state government and North Carolina’s renowned research institutions and philanthropic sector. OSP works with state agencies and non-governmental partners on priority issues, develops and convenes networks of public sector and research experts, and provides learning and engagement opportunities. These efforts help deepen connections between North Carolina state government and external research experts and increase government’s internal capacity to use and generate evidence to improve policy and programmatic functions.
- Also in 2018, North Carolina partnered with the Pew Charitable Trusts and MacArthur Foundation and the Washington State Institute of Public Policy (WSIPP) to participate in the [Results First Initiative](#). The Results First initiative works with states to implement an innovative evidence-based policymaking approach that helps them invest in policies and programs that are proven to work. Through rigorous program evaluations and benefit-cost analyses, this partnership helps North Carolina policy makers create positive programmatic outcomes while improving the State’s fiscal health. The North Carolina Office of State Budget and Management created [tiered levels](#) of evidence to help implement the NC Results First Initiative and to support budget proposals for selected programs. See the tiers and their descriptions in **Figure 6** below.
- The Office of State Budget and Management recently launched the [North Carolina Evaluation Fund](#) to support research partnerships that inform policy and program decisions. State agencies may apply to fund evaluation of SFRF programs. OSBM anticipates awarding 5-10 grants totaling up to \$1 million by October 31, 2022.

**Figure 6: OSBM’s Tiered Levels of Evidence**

Tiered Levels of Evidence	
<b>Proven Effective</b>	A service or practice that is proven effective offers a high level of research on effectiveness for at least one outcome of interest. This is determined through multiple qualifying evaluations outside of North Carolina or one or more qualifying North Carolina-based evaluations. Qualifying evaluations use rigorously implemented experimental or quasi-experimental designs.
<b>Promising</b>	A promising service or practice has some research demonstrating effectiveness for at least one outcome of interest. This may be a single qualifying evaluation that is not contradicted by other such studies but does not meet the full criteria for the proven effective designation. Qualifying evaluations use rigorously implemented experimental or quasi-experimental designs.
<b>Theory-based</b>	A theory-based service or practice has no research on effectiveness or research designs that do not meet the standards for “promising” or “proven effective.” These services and practices may have a well-constructed logic model or theory of change that has not been tested. This ranking is neutral. Services may move to another category after research reveals their causal impact on measured outcomes.
<b>Mixed Effects</b>	A mixed effects service or practice offers a high level of research on the effectiveness of multiple outcomes. However, the outcomes have contradictory effects, and there is not additional analysis to quantify the overall favorable or unfavorable impact of this service. This is determined through multiple qualifying studies outside of North Carolina or one or more qualifying North Carolina-based evaluations. Qualifying evaluations use rigorously implemented experimental or quasi-experimental designs.
<b>No Effect</b>	A service or practice with no effects has no impact on the measured outcome. It does not include the service’s potential effect on other outcomes. Qualifying evaluations use rigorously implemented experimental or quasi-experimental designs.
<b>Proven Harmful</b>	A service or practice that is proven harmful offers a high level of research that shows participation adversely affects outcomes of interest. This is determined through multiple qualifying evaluations outside of North Carolina or one or more qualifying North Carolina-based evaluations. Qualifying evaluations use rigorously implemented experimental or quasi-experimental designs.

Source: <https://www.osbm.nc.gov/operational-excellence/north-carolina-results-first/evidence-definitions>

To advise the Governor regarding progress on the Results First Initiative, Governor Cooper created the [Performance Management Advisory Committee](#) in May of 2018 via issuance of Executive Order 43. The committee also counsels the Governor on new performance management initiatives; proposed or pending state legislation; rules or policies related to performance management; and strategies for increasing evidence-based policy efforts. The committee is currently comprised of 13 members including department heads, senior officials, legislators, and performance experts from the state’s universities.

- In [2020](#), the State made significant changes to the budget development process to encourage and streamline evidence-based budget requests.
- In [2021](#), the legislature approved funding for new program analyst positions dedicated to helping agencies develop data collection and measurement plans, and new Evidence Based Evaluation Grants to support programmatic outcome evaluations for state agencies.

## **Evidence and/or Evaluations Across SFRF Projects**

Through interagency working groups and continuous collaboration with recipients, NCPRO encourages, and provides support for, the use of evidence-based interventions and/or program evaluations for SFRF projects. A number of recipients already plan to use SFRF funds to administer evidence-based projects and programs, and many others plan to build evidence through rigorous program evaluations. Below are a few examples of SFRF project evaluation plans and/or descriptions of relevant evidence.

### **Produce Prescription Project**

Reinvestment Partners' Produce Prescription Program seeks to address food insecurity as a social driver of health and the corollary negative health outcomes affiliated with food insecurity. The program is designed to address food insecurity quickly at scale by using web-based enrollment and direct electronic payment for produce purchases through retail grocery outlets statewide. The program is best categorized as "promising" in its evidence-based qualification based on the published literature.

A meta-analysis of research conducted on produce prescription programs can be found in an article published in the American Society for Nutrition paper titled "[Healthy Food Prescription Programs and their Impact on Dietary Behavior and Cardiometabolic Risk Factors: A Systemic Review and Meta Analysis](#)" published in 2021 by Oxford University Press. The article concludes that while the studies through early 2020 show improvements in diet and some health indicators, the results must be taken in light of "considerable heterogeneity, methodological limitations of the included studies, and moderate to very low certainty of evidence. Our results support the need for well-designed, large, randomized controlled trials in various settings to further establish the efficacy of healthy food prescription programs on diet quality and cardiometabolic health."

In April of 2021, Duke University researchers Julian Xie and Ashley Price published a paper in Public Health Nutrition titled "[The Impact of a Produce Prescription Programme on Health Food Purchasing and Diabetes-related Health Outcomes](#)" in which they evaluate Reinvestment Partners' produce prescription program. The paper reports positive findings on participants purchase patterns of produce and a negative association with hospital visits.

In August of 2021, JAMA Open Network published "[Association of a Fruit and Vegetable Subsidy Program with Food Purchases by Individuals with Low Income in the US](#)" by Seth Berkowitz of the UNC CH SHEP Center. It evaluated Reinvestment Partners' produce prescription program and concluded that it increased participants' purchase of produce by 98% and reduced purchase of unhealthy food by 4.25%.

Reinvestment Partners' produce prescription program is currently being evaluated by Blue Cross Blue Shield of North Carolina under two studies. One is an analysis of those participating in the program who are low income and have hypertension. The other is a randomized controlled trial in partnership with UNC Chapel Hill researchers and health care providers for its impact on hypertension.

Reinvestment Partners is seeking additional evaluations of health outcomes of this intervention through its partnership with health care payers and providers. The program has secured almost \$1,000,000 for additional research efforts.

### Camino Community Development Corporation, Inc.

Camino Community Development Corporation, Inc. is a nonprofit in Mecklenburg County that serves low-income families through primary care, behavioral health, and wellness services, as well as a thrift store and food pantry. Funding is for mobile units to support service delivery. This project is using the evidence-based strategies listed below.

1. Collaborative Care Model - [Proven Effective](#)
2. Peer Supports Services - [Proven Effective](#)
3. Camino Vida - [Promising](#)

Camino Research Institute (CRI) provides program evaluation for Camino Health Center. The CRI team is led by Dr. Keri Revens, an expert in Latino community health research, health reporting, and program evaluation. Dr. Revens has worked with Camino for over 5 years and will oversee program evaluation for this project according to established quantitative methodology.

### Duke University Hospital – Hospital Based Violence Intervention Program

Duke University Hospital operates the Violence Intervention Program in coordination with the City of Durham to identify and link patients at risk of repeat violent injury with hospital-based and community-based resources to address underlying risk factors. The Hospital-Based Violence Intervention Program (HVIP) model is considered “Promising”. Please click [here](#) for the white paper on Hospital-Based Violence Intervention Programs.

## Performance Report

As coordinator of North Carolina’s fiscal response to the pandemic, NCPRO provides a robust infrastructure of support, guidance, and monitoring to track overarching jurisdictional goals for SFRF funds, measure project results, and ensure that administering agencies are managing SFRF funding efficiently and effectively. NCPRO’s SFRF performance management strategy includes, but is not limited to, the following elements:

- **Project and Performance Plans:** The first stage of developing a performance management strategy is the completion of a Project & Performance Plan for each of North Carolina’s 190+ unique SFRF projects. To achieve this goal, NCPRO crafted a Project & Performance Plan template to reflect UST reporting guidance and North Carolina’s project and performance objectives. In close collaboration with NCPRO’s grants and reporting teams, administering agencies used this template to establish unique Project & Performance Plans for each project. These preliminary plans were designed to capture the following types of project information:
  - Project description
  - Project partners
  - Estimated Timeline
  - Estimated budget
  - Participants
  - Anticipated output/outcomes
  - Performance measures
  - Administering Agency resource needs
  - Additional sources of funding

- Project efforts related to equity, labor practices, evidence building, & community outreach

Project Plans are reviewed and updated annually throughout the life of each project through collaboration between NCPRO and relevant administering agencies. The performance metrics established in these Project Plans serve as the foundation for NCPRO's ongoing performance management efforts for each project. These metrics will be used annually to benchmark progress towards SFRF project goals.

**Standard Operating Procedures (SOPs) for SFRF Administering Agencies:** NCPRO created SOPs for North Carolina's 24 SFRF Administering Agencies to help ensure good stewardship of federal SFRF funds. This SOP guidance document is consistent with State legislative intent under Subchapter 03M of the North Carolina Administrative Code (NCAC), the Code of Federal Regulations (CFR), 2 CFR, Part 200, and available SFRF guidance from the United States Treasury. The SOP document for Administering Agencies covers the following topics:

- Agency Roles and responsibilities
- Pre-award activities and planning
- Subawarding processes
- Risk Assessment
- Eligibility Assessment
- Reporting
- Funding Requests and Disbursement
- Closeout activities
- Relevant state and federal legislation
- Template for Project and Performance Plan template
- Etc.

**Standard Operating Procedures (SOPs) for SFRF Subrecipients:** The purpose of this SOP document is to provide guidance for subrecipients receiving SFRF funds. The guidance has been developed to be consistent with State legislative intent under Subchapter 03M of the North Carolina Administrative Code (NCAC), the Code of Federal Regulations (CFR), 2 CFR, Part 200, and available UST SFRF guidance. The SOP document for SFRF Subrecipients covers the following topics:

- Agency and subrecipient roles and responsibilities
- Uniform Administrative requirements (allowable activities, costs principles, cash management, eligibility, equipment and real property management, matching, level effort, earmarking, period of performance, procurement, suspension, and debarment, program income, reporting, subrecipient monitoring)
- Record maintenance
- Audit information
- Requesting Funds
- Project Closeout
- Etc.

**North Carolina Community Engagement Survey:** North Carolina is committed to creating stronger, more resilient communities throughout the state in the wake of the COVID-19 pandemic. To help track progress towards this objective, NCPRO leveraged federal funds from the Economic Development Administration’s non-competitive ARPA Statewide Planning Grant to create and launch the NC Community Engagement Survey in partnership with several key stakeholders, including the NC Rural Center, NC Association of County Commissioners, NC League of Municipalities, and nclMPACT Initiative.

“This effort is an important step to give state and local leaders actionable data to make evidence-based decisions about how to use our recovery resources and plan for the future.”

-Governor Roy Cooper describing NC Community Engagement Survey

The survey, which is being conducted by researchers from East Carolina University, will solicit timely insights into the state of communities recovering from the pandemic and preparing for the future. The approach will monitor, measure, and evaluate the impact of economic and social interruptions found across the state. The survey results will help measure the progress toward full pandemic recovery and should help strengthen regional economic resilience. Survey results are shared regularly with community leaders across North Carolina, and an executive summary of survey results is published every month on NCPRO’s website.

## Expenses by UST Expenditure Category

The bill enacting SFRF appropriations (S.L. 2021-180) was signed into law on November 18, 2021, and the budget was certified in late January. Disbursement of funds have been prioritized by those with state legislative deadlines and based on disbursement timelines agreed to with agencies receiving SFRF appropriations. In accordance with federal guidance and pursuant to state policy, funds are held in an interest-bearing account until they are necessary to expend. Therefore, only a portion of funds are disbursed at a time. Thus far, roughly a quarter of SFRF funds have been disbursed to recipients, and remaining SFRF dollars will be disbursed by recipient request based on project needs.

**Figure 7: North Carolina SFRF Expenditures by Category**

Category		Total funds allocated	Cumulative expenditures to date	Amount spent since last Recovery Plan
2	Negative Economic Impacts	\$495,000,000	\$288,292,254	\$288,292,254
2.29	Loans or Grants to Mitigate Financial Hardship	\$495,000,000	\$288,292,254	\$288,292,254
5	Infrastructure	\$1,853,627,700	0	0
5.6	Clean Water: Stormwater	\$103,625,000	0	0
5.15	Drinking water: Other water infrastructure	\$1,087,063,556	0	0
5.19	Broadband: “Last Mile” projects	\$662,939,144	0	0
6	Revenue Replacement	\$3,092,681,992	\$881,681,927	\$230,129,939
6.1	Provision of Government Services	\$3,092,681,992	\$881,681,927	\$230,129,939
<b>TOTAL</b>		<b>\$5,441,309,692</b>	<b>\$1,169,974,181</b>	<b>\$518,422,193</b>

# Project Inventory

The descriptions below reflect plans submitted to NCPRO by Administering State Agencies receiving SFRF appropriations. In some cases, NCPRO continues to work with agencies to refine plans, including information related to outcomes and performance metrics.

**Note:** Enacted on July 11th, 2022, HB 103/SL 2022-74 altered a number of SFRF projects. As it was enacted after June 30th, 2022, these project changes will not be reflected in the July 2022 Recovery Plan Performance Report but will be reflected in future reports. Projects that will be impacted by HB 103/SL 2022-74 contain an asterisk (\*) before the project name in the inventory below.

Additionally, per SL 2022-6, NCDIT was authorized to adjust funding amounts among SFRF programs. As part of these adjustments, project DIT-09 "Broadband Stop Gap Solutions" is no longer being funded through SFRF and has been removed from the inventory.

## **Project: DEQ-148 – DEQ State Drinking Water/Wastewater Reserve Infrastructure Grants**

**Funding amount:** \$1,007,063,556

**Project Expenditure Category:** 5.15 Drinking Water: Other Water Infrastructure

**Project overview:** The funds will be primarily administered as grants to water and wastewater utilities to implement infrastructure capital (construction) projects. Infrastructure capital projects may include rehabilitation of existing assets, regionalization of systems, decentralization, extensions of service to disadvantaged underserved communities, or other infrastructure projects to support water and wastewater service needs. Grant funding will be administered to water/wastewater utilities that the Department of Environmental Quality categorizes as at-risk, as well as other utilities neither designated as distressed nor defined as at-risk. Additionally, some funds will be transferred to the Department of Commerce and the Department of Public Safety for other water/wastewater infrastructure projects. Up to 3% of the funds will be used to cover administrative costs of the Department of Environmental Quality.

### **Partners:**

- NCPRO (reporting, communication)
- Awards from the State Reserves must be made by the State Water Infrastructure Authority (SWIA)
- Outreach and technical assistance to the eligible local government utilities to be supported by several resource agency partners: the Local Government Commission staff, NCPRO, Councils of Governments, League of Municipalities, Association of County Commissioners, UNC School of Government and Environmental Finance Center, Rural Water Association, SERCAP, DHHS, and various DEQ divisions.
- Consulting/engineering firms will be assisting the local governments with applications for funding and implementation of infrastructure projects.

**Timeline:**

Activities already completed/begun:

- Development of a proposed Administration Plan for ARPA funding, and posting for public review
- Shared with the utilities with directly appropriated funding a “Request for Funding” form to provide the Department with proposed project and contact details
- After determining eligibility according to the Final Rule, the Division will submit a Letter of Intent to Fund to the utility stipulating the grant amount, conditions, and timeline by which the utility must adhere for funding. A few letters have been developed.

Anticipated timeline of the administration plan for ARPA grants for drinking water and wastewater projects:

- December 2021-May 2022: NC DEQ transfers funds to the Dept. of Commerce and Dept. of Public Safety, and NC DEQ initiates water/wastewater projects with the 96 utilities with direct appropriations.
- February 2022: NC DEQ finalizes and announces State Fiscal Recovery Fund Administration Plan, releases updated Spring 2022 funding application materials.
- May 2, 2022: Application deadline for water and wastewater projects first round.
- July 2022 and later: SWIA awards Spring 2022 ARPA grants for construction/capital projects from the State Reserves.
- January-July 2022: SWIA reviews Priority Rating Systems ahead of the Fall 2022 funding round.
- August 2022: NC DEQ announces remaining funds and releases updated Fall 2022 funding application materials.
- September 30, 2022: Application deadline for water and wastewater projects second round.
- February 2023: SWIA awards Fall 2022 ARPA grants for construction/capital projects from the State Reserves.

Future application funding rounds will be used to award remaining funds.

**Intended Outcomes:**

- Improvements to reliability of water/ wastewater service (compliance with regulations, improved service to customers, etc.)
- Improved or new water/ wastewater service to customers (incl. disadvantaged/ marginalized people) at potentially lower costs than would otherwise be necessary

**Project contributions to addressing climate change and/or advancing the Justice40 initiative:**

The Priority Rating System was designed to award points to projects that would address climate change and resiliency, and the Department launched a campaign to specifically increase applications from disadvantaged communities.

The Priority Rating System gave points to projects that address the areas of climate change and resiliency, specifically:

- Project will provide reclaimed water/usage or rainwater harvesting usage (15 points)
- Project will provide stream/wetland/buffer restoration (15 points)

- Project relocates infrastructure from between the 100-year and 500-year floodplain to outside the 500-year floodplain (8 points)
- Project fortifies or elevates infrastructure within a floodplain (4 points)
- Project improves ability to assure continued operation during flood events (4 points)
- Project downsizes infrastructure related to buyouts (4 points)
- Project provides redundancy/resiliency for critical treatment and/or transmission/distribution system functions including backup electrical power source (3 points)
- Primary purpose of the project is to achieve at least 20% reduction in energy use (5 points)

At-risk project applications could receive additional points (15) if at least 75% of the project area is located within a disadvantaged, potentially underserved community as defined by DEQ. To be eligible for points, DEQ asked applicants to consult DEQ's Community Mapping System, which features shaded census blocks designated as potentially underserved by the DEQ Environmental Justice Program. Applicants can quickly identify if their project benefits a potentially underserved community by simply typing the project address. DEQ knows that mapping tools are imperfect, which is why the application offered an additional opportunity to provide a narrative to why a community is disadvantaged, even if the mapping system did not capture the designation.

Beyond the effort to incorporate Justice40 into the application itself, DEQ conducted extensive and proactive outreach to utilities about potentially underserved communities that may benefit from the State Drinking Water and Wastewater grants before the application was released. The department released a survey and called all one hundred North Carolina county health departments to build a database of disadvantaged communities with known drinking and/or wastewater issues in the state. The State consulted with local academic and environmental justice advocacy partners to inform the development of this outreach. The effort resulted in the identification of over 60 specific communities with known needs. The Environmental Finance Center, an organization based in the University of North Carolina School of Government contracted by the Division of Water Infrastructure, contacted each utility corresponding with the identified communities to let them know about the funding opportunity and that a specific community in their jurisdiction may qualify for funds.

DEQ will evaluate the percentage of disadvantaged and potentially underserved communities funded by the Spring round of grants once SWIA issues its final awards.

### **Performance Measures**

- Efficient obligation of majority of the funds through grant awards to eligible applicants in 2022-2023
- Efficient disbursement of funds to participants on a reimbursement basis by December 2026.

## **Project: DEQ-149 – State Drinking Water/Wastewater Reserve Asset Inventory and Technical Assistance Grants**

**Funding amount:** \$80,000,000

**Project Expenditure Category:** 5.15 Drinking Water: Other Water Infrastructure

**Project overview:** The funds will be administered as grants to water and wastewater utilities to implement studies and pre-construction planning activities (“planning grants”). Planning grants will include asset inventory and assessments, rate studies, merger/regionalization feasibility assessment/planning, training, and pre-construction planning grants to conduct project engineering and design. Planning activities may be in support of ongoing construction projects and/or in preparation of future projects. Up to 3% of the funds will be used to cover administrative costs of the Department.

**Partners:**

- NCPRO (reporting, communication)
- Awards from the State Reserves must be made by the State Water Infrastructure Authority (SWIA)
- Outreach and technical assistance to the eligible local government utilities to be supported by several resource agency partners: the Local Government Commission staff, NCPRO, Councils of Governments, League of Municipalities, Association of County Commissioners, UNC School of Government and Environmental Finance Center, Rural Water Association, SERCAP, DHHS, and various DEQ divisions. Some partners may also be involved in conducting trainings.
- Professional associations involved in training of water/wastewater professionals assist in outreach and in hosting/implementing trainings and sharing of resources for utilities.
- Consulting/engineering firms will be assisting the local governments with applications for funding and implementation of some types of planning activities.

**Timeline:** Activities already completed/begun:

- Development of a proposed Administration Plan for ARPA funding and posting for public review.

Anticipated timeline of the administration plan for ARPA grants for drinking water and wastewater planning grants:

- February 2022: NC DEQ finalizes and announces State Fiscal Recovery Fund Administration Plan, releases updated Spring 2022 funding application materials.
- May 2, 2022: Application deadline for water and wastewater projects first round.
- July 2022 and later: SWIA awards Spring 2022 ARPA grants for planning projects from the State Reserves.
- January-July 2022: SWIA reviews Priority Rating Systems ahead of the Fall 2022 funding round.
- August 2022: NC DEQ announces remaining funds and releases updated Fall 2022 funding application materials.

- September 30, 2022: Application deadline for water and wastewater projects second round.
- February 2023: SWIA awards Fall 2022 ARPA grants for planning projects from the State Reserves.

Future application funding rounds will be used to award remaining funds (April funding deadlines with July awards, and September funding deadlines with February awards).

**Intended Outcomes:** Improvements to the financial condition of the water/ wastewater enterprise fund through better planning and implementation of utility best practices

**Project contributions to addressing climate change and/or advancing the Justice40 initiative:**

The Priority Rating System was designed to award points to projects that would address climate change and resiliency, and the Department launched a campaign to specifically increase applications from disadvantaged communities.

The Priority Rating System gave points to projects that address the areas of climate change and resiliency, specifically:

- Project will provide reclaimed water/usage or rainwater harvesting usage (15 points)
- Project will provide stream/wetland/buffer restoration (15 points)
- Project relocates infrastructure from between the 100-year and 500-year floodplain to outside the 500-year floodplain (8 points)
- Project fortifies or elevates infrastructure within a floodplain (4 points)
- Project improves ability to assure continued operation during flood events (4 points)
- Project downsizes infrastructure related to buyouts (4 points)
- Project provides redundancy/resiliency for critical treatment and/or transmission/distribution system functions including backup electrical power source (3 points)
- Primary purpose of the project is to achieve at least 20% reduction in energy use (5 points)

At-risk project applications could receive additional points (15) if at least 75% of the project area is located within a disadvantaged, potentially underserved community as defined by DEQ. To be eligible for points, DEQ asked applicants to consult DEQ's Community Mapping System, which features shaded census blocks designated as potentially underserved by the DEQ Environmental Justice Program. Applicants can quickly identify if their project benefits a potentially underserved community by simply typing the project address. DEQ knows that mapping tools are imperfect, which is why the application offered an additional opportunity to provide a narrative to why a community is disadvantaged, even if the mapping system did not capture the designation.

Beyond the effort to incorporate Justice40 into the application itself, DEQ conducted extensive and proactive outreach to utilities about potentially underserved communities that may benefit from the State Drinking Water and Wastewater grants before the application was released. The department released a survey and called all one hundred North Carolina county health departments to build a database of disadvantaged communities with known drinking and/or wastewater issues in the state. The State consulted with local academic and environmental justice advocacy partners to inform the development of this outreach. The effort resulted in the

identification of over 60 specific communities with known needs. The Environmental Finance Center, an organization based in the University of North Carolina School of Government contracted by the Division of Water Infrastructure, contacted each utility corresponding with the identified communities to let them know about the funding opportunity and that a specific community in their jurisdiction may qualify for funds.

DEQ will evaluate the percentage of disadvantaged and potentially underserved communities funded by the Spring round of grants once SWIA issues its final awards.

**Performance Measures:**

- Efficient obligation of majority of the funds through grant awards to eligible applicants 2022-2024
- Efficient disbursement of funds to participants on a reimbursement basis by December 2026.

## **Project: DEQ-150 – Local Assistance for Stormwater Infrastructure Investment (LASII)**

**Funding amount:** \$103,625,000

**Project Expenditure Category:** 5.6 Clean Water: Storm Water

**Project overview:** The funds will be administered as grants to eligible entities to implement stormwater infrastructure projects. Projects will include construction and planning projects to improve or create infrastructure for controlling stormwater quantity and quality. Projects may include nature-based solutions where feasible. Eligible entities include municipalities and counties that demonstrate significant hardship raising revenue necessary to finance stormwater management activities, as well as regional councils of governments and nonprofit entities that partner with the municipalities and counties. Up to 3% of the funds will be used to cover administrative costs of the Department.

**Partners:**

- NCPRO (reporting, communication)
- Development of a Priority Rating System and awarding competitive grants through the State Water Infrastructure Authority (SWIA)
- Outreach and technical assistance to the eligible entities to be supported by several resource agency partners (TBD, but possibly will include the Local Government Commission staff, NCPRO, Councils of Governments, League of Municipalities, Association of County Commissioners, UNC School of Government and Environmental Finance Center) and various DEQ divisions. Some partners may also be involved in conducting trainings.
- Professional associations involved in stormwater activities may assist in outreach and in hosting/implementing trainings and sharing of resources for utilities.
- Consulting/engineering firms will be assisting the eligible entities with applications for funding and implementation of some types of projects.
- Others TBD – as the funding program develops, additional partners may be identified.

**Timeline:** Activities already completed/begun:

- Development of a proposed Administration Plan for ARPA funding, and posting for public review
- Shared with the 11 municipalities with directly appropriated funding a “Request for Funding” form to provide the Department with proposed project and contact details
- After determining eligibility according to the Final Rule, the Division will submit a Letter of Intent to Fund to the utility stipulating the grant amount, conditions, and timeline by which the utility must adhere for funding.
- Anticipated timeline of the administration plan for ARPA grants for stormwater projects (competitive grants):
- January – July 2022: State Water Infrastructure Authority (along with the Division of Water Infrastructure) develops a Priority Rating System for stormwater infrastructure investments, including public review and stakeholder input.
- July 2022: NC DEQ finalizes development of application materials; releases Fall 2022 funding application materials.
- September 30, 2022: Application deadline for stormwater projects first round.
- February 2023 and later: SWIA awards Fall 2022 ARPA grants for stormwater projects.
- February 2023: NC DEQ announces remaining funds and releases updated Spring 2023 funding application materials.
- May 1, 2023: Application deadline for stormwater projects second round.
- July 2023: SWIA awards Spring 2023 ARPA grants for stormwater projects.
- Future application funding rounds will be used to award remaining funds with April funding deadlines awarded in July, and September funding deadlines awarded in February.

**Intended Outcomes:**

- Improvements to the control of stormwater quality and quantity issues at local governments
- Development of stormwater utilities that would sustain local stormwater control measures in the long-term

**Project contributions to addressing climate change and/or advancing the Justice40 initiative:**

The Priority Rating System was designed to award points to projects that would address climate change and resiliency, and the Department launched a campaign to specifically increase applications from disadvantaged communities.

The Priority Rating System gave points to projects that address the areas of climate change and resiliency, specifically:

- Project will provide reclaimed water/usage or rainwater harvesting usage (15 points)
- Project will provide stream/wetland/buffer restoration (15 points)
- Project relocates infrastructure from between the 100-year and 500-year floodplain to outside the 500-year floodplain (8 points)
- Project fortifies or elevates infrastructure within a floodplain (4 points)
- Project improves ability to assure continued operation during flood events (4 points)
- Project downsizes infrastructure related to buyouts (4 points)

- Project provides redundancy/resiliency for critical treatment and/or transmission/distribution system functions including backup electrical power source (3 points)
- Primary purpose of the project is to achieve at least 20% reduction in energy use (5 points)

At-risk project applications could receive additional points (15) if at least 75% of the project area is located within a disadvantaged, potentially underserved community as defined by DEQ. To be eligible for points, DEQ asked applicants to consult DEQ's Community Mapping System, which features shaded census blocks designated as potentially underserved by the DEQ Environmental Justice Program. Applicants can quickly identify if their project benefits a potentially underserved community by simply typing the project address. DEQ knows that mapping tools are imperfect, which is why the application offered an additional opportunity to provide a narrative to why a community is disadvantaged, even if the mapping system did not capture the designation.

Beyond the effort to incorporate Justice40 into the application itself, DEQ conducted extensive and proactive outreach to utilities about potentially underserved communities that may benefit from the State Drinking Water and Wastewater grants before the application was released. The department released a survey and called all one hundred county health departments in North Carolina to build a database of disadvantaged communities with known drinking and/or wastewater issues in the state.

The State consulted with local academic and environmental justice advocacy partners to inform the development of this outreach. The effort resulted in the identification of over 60 specific communities with known needs. The Environmental Finance Center, an organization based in the University of North Carolina School of Government contracted by the Division of Water Infrastructure, contacted each utility corresponding with the identified communities to let them know about the funding opportunity and that a specific community in their jurisdiction may qualify for funds.

DEQ will evaluate the percentage of disadvantaged and potentially underserved communities funded by the Spring round of grants once SWIA issues its final awards.

**Performance Measures:**

- Efficient obligation of majority of the funds through grant awards to eligible applicants in 2023-2025
- Efficient disbursement of funds to participants on a reimbursement basis by December 2026.

## **Project: REVENUE-275-OTHER – Small Business Pandemic Recovery Grant Program (Reimbursement)**

**Funding amount:** \$200,000,000

**Project Expenditure Category:** 2.29 Loans or Grants to Mitigate Financial Hardship

**Project overview:** The Department of Revenue (NCDOR) has been authorized by Senate Bill 105 to create and administer the Business Recovery Grant Program (Program). The Department will provide a one-time grant to businesses that suffered economic damage from the COVID-19 pandemic.

A business is eligible for a grant during Phase 1 of the Program if it meets the following conditions:

- If the business (i) is subject to North Carolina income tax, (ii) is not classified for the period for which economic loss is measured in NAICS Code 71 or 72, (iii) demonstrates that it suffered an economic loss of at least 20%, and (iv) has not previously received an award amount.

A business is eligible for a grant during Phase 2 of the Program if it meets the following conditions:

- If the business (i) is subject to North Carolina income tax, (ii) is not classified for the period for which economic loss is measured in NAICS Code 71 or 72, and (iii) demonstrates that it suffered an economic loss of at least 20%.
- A business that received a grant of less than \$500,000 in Phase 1 may be eligible for a grant in Phase 2 if it can show it had additional economic loss from certain gross receipts reported on specified federal income tax forms that were not a part of Phase 1.

**Timeline:** For all grants to beneficiaries:

- Phase 1:
  - Application period for the grants opened on December 16, 2021 and closed on January 31, 2022.
  - Review of application period – start February 1, 2022; review of applications completed by February 18, 2022.
  - Issue grant checks – the Department began issuing checks on February 25, 2022.
- Phase 2:
  - Application period for the grants opened on May 2, 2022 and closed on June 1, 2022.
  - Review of application period – start June 2, 2022; anticipate review of applications will be complete by September 30, 2022.

- Issue grant checks – target is to begin issuing checks by September 30, 2022.

**Intended Outcomes:** Businesses in North Carolina that suffered substantial economic damage from the COVID-19 pandemic will have received some relief from the grants awarded.

**Performance Measures**

- All businesses that are eligible and that apply for a grant during the required application period receive the requested grant before the end of 2022. Broad and extensive outreach will ensure all businesses in NC have been made aware of the Business Recovery Grant program.
- Average award per grant.

## **Project: REVENUE-275-HOSPITALITY – Small Business Pandemic Recovery Grant Program (Hospitality)**

**Funding amount:** \$295,000,000

**Project Expenditure Category:** 2.29 Loans or Grants to Mitigate Financial Hardship

**Project overview:** The Department of Revenue (NCDOR) has been authorized by Senate Bill 105 to create and administer the Business Recovery Grant Program (Program). The Department will provide a one-time grant to businesses that suffered economic damage from the COVID-19 pandemic. A business is eligible for a grant under this Program if it meets the following conditions:

If the business

- (i) is subject to North Carolina income tax
- (ii) is classified for the period for which economic loss is measured in NAICS Code 71 or 72 and
- (iii) demonstrates that it suffered an economic loss of at least 20%.

A business that received a grant of less than \$500,000 in Phase 1 may be eligible for a grant in Phase 2 if it can show it had additional economic loss from certain gross receipts reported on specified federal income tax forms that were not a part of Phase 1.

**Timeline:** For all grants to beneficiaries:

- Phase 1:
  - Application period for the grants opened on December 16, 2021 and closed on January 31, 2022.
  - Review of application period – start February 1, 2022; review of applications completed by February 18, 2022.
  - Issue grant checks – the Department began issuing checks on February 25, 2022.
- Phase 2:

- Application period for the grants opened on May 2, 2022 and closed on June 1, 2022.
- Review of application period – start June 2, 2022; anticipate review of applications will be complete by September 30, 2022.
- Issue grant checks – target is to begin issuing checks by September 30, 2022.

**Intended Outcomes:** Businesses in North Carolina that suffered substantial economic damage from the COVID-19 pandemic will have received some relief from the grants awarded.

#### **Performance Measures**

- All businesses that are eligible and that apply for a grant during the required application period receive the requested grant before the end of the 2022. Broad and extensive outreach will ensure all businesses in NC have been made aware of the Business Recovery Grant program.
- Average award per grant.

## **Project: DIT-06 – NCDIT GREAT Grant Program**

**Funding amount:** \$350,000,000

#### **Project Expenditure Category: 5.19 Broadband: “Last Mile” Projects**

**Project overview:** The North Carolina Department of Information Technology’s Broadband Infrastructure Office (BIO), as authorized under S.L. 2018-5, and amended by S.L. 2019-230, S.L. 2020-97, and S.L. 2021-180, provides grants to private providers of broadband services to incentivize the deployment of broadband service to unserved areas of the state. Section 38.4.(a) of S.L. 2021-180 describes how these funds will be used to meet this objective.

**Partners:** Private internet service providers, infrastructure owners, and county governments are partners in this program.

#### **Timeline:**

2021

Q4:

- State budget passes and immediate BIO staff were hired to review authorizing legislation. Drafted program guidelines and continued meetings regarding staffing needs for the BIO.

2022

Q1:

- Finalizing program guidelines and opening of application round
- Project awards and obligation of funds.

Q2:

- 301 applications received; public posting and protest period begins

Q3:

- Awarded first 12 of at least 93 likely awards. \$350 million should be awarded in Q3.

2026

Q4:

- We anticipate grantees expending funds during this timeframe. Benchmarks, milestones, reporting requirements, and technical monitoring visits are ongoing during this time-period. All funds will be obligated by December 31, 2024 and expended by December 31, 2026.

**Intended Outcomes:** Unserved areas without access to speeds of 25 mbps download and 3 mbps upload speeds will have access to broadband speeds scalable to 100 mbps symmetrical

**Project contributions to addressing climate change and/or advancing the Justice40 initiative:** Expansion of last-mile broadband infrastructure supports resilience and deployment of smart technologies, improved metering, and other tools.

**Performance Measures:** Success of the grantee will be measured on the adherence to the grant agreement based on the following:

1. Cost per location (HH and Business)
2. Speed provided at project completion
3. Compliance with state and federal rules that will not result in the repayment of funds.

## **Project: DIT-08 – Completing Access to Broadband Program**

**Funding amount:** \$212,939,144

**Project Expenditure Category:** 5.19 Broadband: “Last Mile” Projects

**Project overview:** As authorized in S.L. 2021-180 Section 38.6, the NCDIT Broadband Infrastructure Office (BIO) will partner with a county that wishes to match its ARPA funds with the state’s ARPA funding from the CAB program to address the need of households or businesses that do not have access to broadband infrastructure in an unserved area or for a project that was not awarded a grant in the most recent round of grant awards under N.C.G.S. 143B-1373. The awarding process will follow an established RFP process to be developed by BIO in accordance with NCDIT’s Article 15 information technology procurement authority.

**Partners:** NCDIT anticipates hiring significant contract support to add capacity in the areas of planning, mapping, grant and program management, risk management, program evaluation, grant integrity, and compliance. Additionally, county governments and internet provider respondents will be project partners for each award as described in section 38.6 of S.L. 2021-180.

**Timeline:**

Q4 2021

- State budget passes and immediate BIO staff were hired to review authorizing legislation. Initial communication sent to all 100 counties informing them of this program and that more guidance is forthcoming.

Q1 2022

- Establishing and implementing the program processes
- Communication all 100 counties request expressions of interest

Q3 2022:

- Part I guidance issued; program parameters developed

Q4 2024

- Identify pilot projects; award unfunded GREAT grant projects
- Amend process, release model RFP for all counties, develop rolling schedule for remaining counties based on local mapping, prep work, and readiness for RFP issuance
- All funds will be obligated through a contracting process by December 31, 2024

Q1 2025 – Q4 2026

- Continued programmatic and fiscal monitoring of projects by BIO
- All funds will be expended by December 31, 2026

**Intended Outcomes:**

- **Primary:**
  - Unserved areas without access to speeds of 25 mbps download and 3 mbps upload speeds will have access to broadband speeds scalable to 100 mbps symmetrical
- **Secondary:**
  - Counties will be able to use funding and establish criteria for broadband deployment efforts

**Project contributions to addressing climate change and/or advancing the Justice40 initiative:**

Expansion of last-mile broadband infrastructure supports resilience and deployment of smart technologies, improved metering, and other tools.

**Performance Measures:** Success will be measured based on the number of projects successfully completed through the established guidelines and contract agreements.

## **Project: DIT-10 – Broadband Pole Replacement Program**

**Funding amount:** \$100,000,000

**Project Expenditure Category:** 5.19 Broadband: “Last Mile” Projects

**Project overview:** The Broadband Pole Replacement Program serves to accelerate deployment or broadband infrastructure in unserved parts of the state by reimbursing a portion of eligible pole replacement costs incurred by communication service providers.

**Partners:** NCDIT may procure contract support to administer this program.

**Timeline:** TBD

**Intended Outcomes:** TBD

**Project contributions to addressing climate change and/or advancing the Justice40 initiative:**

Expansion of last-mile broadband infrastructure supports resilience and deployment of smart technologies, improved metering, and other tools.

**Performance Measures:** TBD

## Revenue Replacement Project Inventory

Appropriation Item	Agency	Total funding	Description
<b>Community College Stabilization</b>	NCCCS	79,983,422	Allocates budget stabilization funds for community colleges that experienced a decline in enrollment due to the COVID-19 pandemic.
<b>Community College Rural Broadband</b>	NCCCS	15,000,000	Allocates funds to improve broadband access for 25 rural community colleges.
<b>Apprenticeship Program Expansion</b>	NCCCS	12,000,000	Allocates funds to temporarily expand apprenticeship opportunities for youth ages 16 to 25 in high-demand fields, including surveying, engineering, and construction, at small businesses located in Tier 1 and Tier 2 counties.
<b>Longleaf Commitment Student Support Services</b>	NCCCS	6,000,000	Allocates funds to temporarily expand outreach and student advising capacity in support of the Longleaf Commitment grant program, which is for community college students who are from low- or moderate-income families.
<b>Cape Fear Botanical Gardens</b>	NCCCS	321,000	Allocates funds for economic assistance to the Cape Fear Botanical Gardens to mitigate the impacts of the COVID-19 pandemic.
<b>Smart School Bus Pilot</b>	DPI	18,148,000	Allocates funds for the 2021 Smart School Bus Pilot. The 2021 Smart School Bus Pilot Program will allow for enhanced safety protocols and Wi-Fi connectivity on school buses in response to the COVID-19 pandemic.
<b>Crosby Scholars</b>	DPI	500,000	Allocates a directed grant to the Crosby Scholars Community Partnership in Forsyth, Rowan, and Iredell counties to provide scholarships for students seeking higher education and who are eligible for Pell grants. Crosby Scholars Forsyth will receive \$300,000, and Crosby Scholars Rowan and Crosby Scholars Iredell will each receive \$100,000.
<b>North Carolina Arboretum COVID-19 Expenses</b>	UNC	138,000	Allocates funds to the UNC System Office for the North Carolina Arboretum to offset expenses incurred to directly respond to the COVID-19 pandemic.
<b>PBS North Carolina COVID-19 Expenses</b>	UNC	22,500	Allocates funds to the UNC System Office for PBS North Carolina to offset expenses incurred to directly respond to the COVID-19 pandemic.
<b>Project Kitty Hawk</b>	UNC	97,000,000	Allocates funds to establish a public-private partnership for digital learning courses with the goal of generating postsecondary learning and career advancement opportunities in response to the COVID-19 pandemic.

## Revenue Replacement Project Inventory

Appropriation Item	Agency	Total funding	Description
<b>Ultraviolet-C Sterilization Units</b>	UNC	2,000,000	Allocates funds to the UNC Board of Governors to purchase ultraviolet-C sterilization units to disinfect surfaces to prevent the spread of COVID-19. This equipment shall be divided equally between Elizabeth City State University (ECSU), Fayetteville State University (FSU), and the University of North Carolina at Pembroke (UNCP).
<b>Long Leaf Scholarship 2022 Graduates</b>	UNC	25,500,000	Allocates funds to the State Education Assistance Authority (SEAA) to administer the Longleaf Commitment Program. This program provides need-based grants to eligible students graduating from high school in the FY 2021-22 academic year to cover tuition and fees at a community college for up to 2 years.
<b>Private Colleges and Universities COVID-19 Support</b>			Allocates funds to OSBM to offset expenditures incurred to directly respond to the COVID-19 pandemic and for allowable uses related to revenue loss mitigation and certain improvements to congregate settings.
<b>Barton College</b>	OSBM	774,908	Financial assistance for postsecondary education institution
<b>Belmont Abbey College</b>	OSBM	571,250	Financial assistance for postsecondary education institution
<b>Bennett College</b>	OSBM	1,589,942	Financial assistance for postsecondary education institution
<b>Brevard College</b>	OSBM	417,061	Financial assistance for postsecondary education institution
<b>Cabarrus College of Health Sciences</b>	OSBM	248,750	Financial assistance for postsecondary education institution
<b>Campbell Univ</b>	OSBM	1,788,750	Financial assistance for postsecondary education institution
<b>Carolinas College of Health Sciences</b>	OSBM	53,750	Financial assistance for postsecondary education institution
<b>Catawba College</b>	OSBM	762,500	Financial assistance for postsecondary education institution
<b>Chowan Univ</b>	OSBM	1,128,408	Financial assistance for postsecondary education institution
<b>Gardner-Webb Univ</b>	OSBM	1,269,331	Financial assistance for postsecondary education institution
<b>Greensboro College</b>	OSBM	613,040	Financial assistance for postsecondary education institution
<b>Guilford College</b>	OSBM	964,118	Financial assistance for postsecondary education institution

## Revenue Replacement Project Inventory

Appropriation Item	Agency	Total funding	Description
<b>Johnson &amp; Wale Univ - Charlotte</b>	OSBM	572,500	Financial assistance for postsecondary education institution
<b>Johnson C Smith Univ</b>	OSBM	7,543,584	Financial assistance for postsecondary education institution
<b>Lees-McRae College</b>	OSBM	628,102	Financial assistance for postsecondary education institution
<b>Lenoir-Rhyne Univ</b>	OSBM	1,314,510	Financial assistance for postsecondary education institution
<b>Livingstone College</b>	OSBM	6,634,494	Financial assistance for postsecondary education institution
<b>Louisburg College</b>	OSBM	689,768	Financial assistance for postsecondary education institution
<b>Mars Hill Univ</b>	OSBM	899,059	Financial assistance for postsecondary education institution
<b>Meredith College</b>	OSBM	871,250	Financial assistance for postsecondary education institution
<b>Methodist Univ</b>	OSBM	974,428	Financial assistance for postsecondary education institution
<b>Mid-Atlantic Christian Univ</b>	OSBM	128,984	Financial assistance for postsecondary education institution
<b>Montreat College</b>	OSBM	434,448	Financial assistance for postsecondary education institution
<b>NC Wesleyan College</b>	OSBM	1,745,398	Financial assistance for postsecondary education institution
<b>Pfeiffer Univ</b>	OSBM	860,215	Financial assistance for postsecondary education institution
<b>Queens University of Charlotte</b>	OSBM	590,000	Financial assistance for postsecondary education institution
<b>Salem College</b>	OSBM	484,246	Financial assistance for postsecondary education institution
<b>Shaw Univ</b>	OSBM	6,251,815	Financial assistance for postsecondary education institution
<b>Southeastern Baptist Theological Seminary</b>	OSBM	165,000	Financial assistance for postsecondary education institution
<b>St. Andrews Univ</b>	OSBM	251,250	Financial assistance for postsecondary education institution
<b>St. Augustine's Univ</b>	OSBM	4,273,138	Financial assistance for postsecondary education institution
<b>Univ of Mount Olive</b>	OSBM	1,699,352	Financial assistance for postsecondary education institution
<b>Warren Wilson College</b>	OSBM	252,500	Financial assistance for postsecondary education institution
<b>William Peace Univ</b>	OSBM	661,799	Financial assistance for postsecondary education institution

## Revenue Replacement Project Inventory

Appropriation Item	Agency	Total funding	Description
<b>Wingate Univ</b>	OSBM	1,892,352	Financial assistance for postsecondary education institution
<b>High Point Univ</b>	OSBM	1,000,000	Financial assistance for postsecondary education institution
<b>Patriot Star Family Recovery Scholarship Program</b>	UNC	10,000,000	Allocates funds for a need-based scholarship recovery program for children of currently serving members of the Armed Forces and for certain disabled veterans along with their children and spouses to attend postsecondary institutions in order to recover from learning loss caused by the COVID-19 pandemic.
<b>Marine Scholarship Program</b>	UNC	3,000,000	Allocates funds for a need-based scholarship recovery program for children of currently serving members of the Armed Forces and for certain disabled veterans along with their children and spouses to attend postsecondary institutions in order to recover from learning loss caused by the COVID-19 pandemic.
<b>NC Policy Collaboratory</b>	UNC-CH	30,000,000	Allocates funds to the North Carolina Policy Collaboratory (Collaboratory) to award research grants to monitor, assess, and address the public health and economic impacts of the COVID-19 pandemic.
<b>Innovative Highly Treated Wastewater Pilot</b>	UNC-CH	20,000,000	Allocates funds to the Collaboratory for a water and sewer project that establishes the Innovative Highly Treated Wastewater Pilot Program.
<b>Rapidly Emerging Antiviral Drug Development Initiative</b>	UNC-CH	18,000,000	Allocates funds to the Vice Chancellor for Research at the University of North Carolina at Chapel Hill for the Rapidly Emerging Antiviral Drug Development Initiative to advance development of therapeutics for the COVID-19 pandemic.
<b>4-H Centers and Camps COVID-19 Support</b>	NCSU	1,700,000	Allocates funds to 4-H centers and camps in the State to offset revenue loss caused by the COVID-19 pandemic. Of the funds provided, \$750,000 is allocated to the Betsy-Jeff Penn Center in Rockingham County, \$600,000 to the Eastern 4-H Center in Tyrrell County, and \$350,000 to the Millstone 4-H Camp in Richmond County.

## Revenue Replacement Project Inventory

Appropriation Item	Agency	Total funding	Description
<b>Mobile Medical Units</b>	UNC	500,000	Allocates funds to the University of North Carolina at Pembroke for the operation of mobile medical units in rural and at-risk communities to respond to the impacts of the COVID-19 pandemic.
<b>UNC School of the Arts COVID-19 Expenses</b>	UNCSA	364,253	Allocates funds to offset expenses incurred by the UNCSA High School Academic Program to directly respond to the COVID-19 pandemic
<b>NCSSM COVID-19 Expenses</b>	NCSSM	1,360,230	Allocates funds to NCSSM to offset expenses incurred to directly respond to the COVID-19 pandemic.
<b>Rapid Rehousing for Individuals and Families at Risk of Homelessness</b>	DHHS	15,000,000	Provides funding from the State Fiscal Recovery Fund for rapid rehousing services, activities to increase local capacity for services to prevent homelessness, and home improvements and home repairs for vulnerable seniors ages 60 and older.
<b>Nutrition Services for Older Adults</b>	DHHS	3,585,000	Provides funding from the State Fiscal Recovery Fund for nutrition services for older adults in response to the COVID-19 pandemic.
<b>Hospice of Davidson County</b>	DHHS	125,000	Provides economic assistance from the State Fiscal Recovery Fund for Hospice of Davidson County, North Carolina, Inc., a nonprofit that provides hospice care and related services in Davidson County and surrounding counties.
<b>Camino Community Development Corporation, Inc.</b>	DHHS	7,500,000	Provides funding from the State Fiscal Recovery Fund for Camino Community Development Corporation, Inc., a nonprofit in Mecklenburg County that serves low-income families through primary care, behavioral health, and wellness services, as well as a thrift store and food pantry. Funding is for mobile units to support service delivery.
<b>Winston-Salem Hospital-Based Violence Intervention Program</b>	DHHS	500,000	Provides funding from the State Fiscal Recovery Fund for the City of Winston-Salem to create a Hospital-Based Violence Intervention Program in response to the COVID-19 pandemic. This program identifies and links patients at risk of repeat violent injury with hospital-based and community-based resources to address underlying risk factors.

## Revenue Replacement Project Inventory

Appropriation Item	Agency	Total funding	Description
<b>Duke University Hospital-Based Violence Intervention Program</b>	DHHS	375,232	Provides funding from the State Fiscal Recovery Fund for the Duke University Hospital-Based Violence Intervention Program in response to the COVID-19 pandemic. Duke University Hospital operates this program in coordination with the City of Durham to identify and link patients at risk of repeat violent injury with hospital-based and community-based resources to address underlying risk factors.
<b>Trellis Supportive Care</b>	DHHS	250,000	Provides funding from the State Fiscal Recovery Fund for Trellis Supportive Care, a nonprofit with offices in Davie, Forsyth, Stokes, and Rowan counties, to provide hospice and palliative care.
<b>The North Carolina Association of Free &amp; Charitable Clinics (NCAFCC)</b>	DHHS	15,000,000	Provides funding from the State Fiscal Recovery fund for a directed grant the North Carolina Association of Free & Charitable Clinics, to respond to the public health emergency by supporting member clinics.
<b>Virtual Behavioral Health Services</b>	DHHS	10,000,000	Provides funding from the State Fiscal Recovery Fund to the Office of Rural Health to establish a competitive grant program to support virtual behavioral health services.
<b>Atrium Health School-Based Virtual Health</b>	DHHS	1,000,000	Provides funding from the State Fiscal Recovery Fund for a directed grant to Atrium Health, Inc., to respond to the public health emergency by providing school-based virtual health services to classrooms in Anson County and Winston-Salem/Forsyth County school districts.
<b>NC Statewide Telepsychiatry Program (NC-STeP)</b>	DHHS	1,500,000	Provides funding from the State Fiscal Recovery Fund to NC Statewide Telepsychiatry Program to respond to the public health emergency by providing virtual psychiatric assessments and consultations to patients using telemedicine technologies. The revised total requirements for this program are \$3.3 million in FY 2021-22 and \$1.8 million in FY 2022-23.
<b>Grants to Pre-K &amp; Child Care Centers</b>	DHHS	20,000,000	Provides funds from the State Fiscal Recovery Fund for startup and capital grants to NC Pre-K classrooms and childcare centers across the State.
<b>Premium Pay Bonuses - Direct Care Workers</b>	DHHS	133,000,000	Provides a \$2,000 bonus for eligible direct care workers employed by eligible providers enrolled in the Medicaid or NC Health Choice program.

## Revenue Replacement Project Inventory

Appropriation Item	Agency	Total funding	Description
<b>Temporary Funding for ICF/IID Providers</b>	DHHS	12,600,000	Provides funds from the State Fiscal Recovery Fund to local management entities/managed care organizations (LME/MCOs) for temporary funding assistance for intermediate care facilities for individuals with intellectual disabilities (ICF/IID) services on a per diem basis. Funds are to assist with additional costs to these facilities incurred due to the COVID-19 public health emergency.
<b>Forsyth &amp; Mecklenburg Counties Crisis Behavioral Health Program Joint Partnerships</b>	DHHS	25,000,000	Provides funds from the State Fiscal Recovery Fund for Forsyth and Mecklenburg Counties for crisis behavioral health joint partnerships with local hospital systems, local behavioral health crisis centers, local emergency services providers, and LME/MCOs.
<b>Incident Response Improvement System (IRIS)</b>	DHHS	2,500,000	Provides funds from the State Fiscal Recovery Fund to replace the Incident Response Improvement System, a web-based application through which service providers are required to report incidents that may affect the health and safety of individuals receiving publicly funded behavioral health services.
<b>Brynn Marr Hospital</b>	DHHS	500,000	Provides funds from the State Fiscal Recovery Fund for Brynn Marr Hospital, Inc., a psychiatric hospital in Onslow County.
<b>Communicable Diseases (Funding for Local Health Department)</b>	DHHS	36,000,000	Provides funds for local health departments to expand communicable disease surveillance, detection, control, and prevention activities to address COVID-19 and other communicable disease-related challenges impacted by the COVID-19 pandemic.
<b>Lead &amp; Asbestos-Remediation of Lead Paint and Asbestos in Schools &amp; Childcare Facilities</b>	DHHS	150,000,000	Provides funds from the State Fiscal Recovery Fund to support lead and asbestos remediation in public schools and childcare facilities.
<b>Temporary Assistance for Facilities that Serve Special Assistance Recipients</b>	DHHS	48,000,000	Provides funding from the State Fiscal Recovery Fund to reduce the negative economic impact of the COVID-19 pandemic on facilities that serve Special Assistance (SA) recipients. Funds will provide a monthly payment of \$125 per SA recipient beginning July 2021.

## Revenue Replacement Project Inventory

Appropriation Item	Agency	Total funding	Description
<b>Cleveland Vocational Industries</b>	DHHS	350,000	Allocates funding from the State Fiscal Recovery Fund to provide economic assistance to Cleveland Vocational Industries Inc., a nonprofit providing training and employment opportunities for adults with barriers to employment.
<b>Food Distribution Division</b>	DACS	10,000,000	Provides funds to the Food Distribution Division. These funds may be used for a warehouse lease or purchase for cold storage, and equipment, such as trucks and refrigerated trailers to haul and distribute commodities to eligible recipient agencies across the State.
<b>State Fair Support</b>	DACS	12,770,000	Provides funds for the State Fair to replace receipt losses resulting from closures during the COVID-19 pandemic.
<b>Western North Carolina Agricultural Center Receipt Replacement</b>	DACS	2,030,000	Provides funds for the Western NC Agricultural Center to replace receipt losses resulting from closures during the COVID-19 pandemic.
<b>Food Banks</b>	DACS	40,000,000	Provides funds to be distributed equally to the six food banks in the State to meet the increased demand caused by the COVID-19 pandemic.
<b>*Food Security—Golden LEAF</b>	DACS	10,000,000	Provides funds to Golden L.E.A.F. (Long Term Economic Advancement Foundation) for grant funds to assist nonprofit organizations in becoming partner agencies with food banks and serving food security needs in their communities
<b>Reinvestment Partners</b>	DACS	5,000,000	Provides funds to Reinvestment Partners for its Produce Prescription Program.
<b>Meat &amp; Seafood Processing Grants</b>	DACS	17,000,000	Provides funds to the Increasing Meat and Seafood Production and Capacity (IMSPAC) grant program for financial assistance to meat and seafood producers impacted by the COVID-19 pandemic.
<b>Swine &amp; Dairy Assistance Program</b>	DACS	30,000,000	Provides funds for grants to swine and dairy producers impacted by the COVID-19 pandemic.
<b>Carolina Farm Stewardship Association</b>	DACS	2,000,000	Provides funds to the Carolina Farm Stewardship Association to purchase locally grown food for the Farms Serving Hospitality and Restaurant Employees (FarmsSHARE) program, an initiative which provides food at no cost to families in need.

## Revenue Replacement Project Inventory

Appropriation Item	Agency	Total funding	Description
<b>Rural Downtown Transformation Grants</b>	Commerce	50,000,000	Provides funds to the Rural Economic Development Division (REDD) for grants to local governments. Of the funds provided in this item, \$25 million will be used for neighborhood revitalization grants and \$25 million will be used for grants for community development.
<b>Division of Workforce Solutions (DWS) Creating Work-Based Learning Opportunities</b>	Commerce	10,000,000	Provides funds to the Division of Workforce Solutions (DWS) to establish a three-year, work-based learning program targeting businesses with fewer than 25 employees.
<b>DWS Re-entry Program</b>	Commerce	2,000,000	Provides funds to DWS to enhance the Department of Public Safety's re-entry program which supports individuals involved in the justice system by connecting them to employment opportunities prior to transitioning back into the community.
<b>DWS Substance Abuse Program</b>	Commerce	2,000,000	Provides funds to DWS for a program that helps individuals battling substance abuse enter and stay in the workforce.
<b>DWS Leveraging Technology &amp; Online Services</b>	Commerce	2,000,000	Provides funds to DWS to procure technology and enhance online services available to help unemployed and underemployed people learn about and connect to in demand jobs.
<b>Capacity-Building for CDFIs</b>	Commerce	5,000,000	Provides funds to the North Carolina Rural Center, Inc. for capacity-building grants for community development financial institutions (CDFIs) which provide financial services to low-income individuals.
<b>Carolina Small Business Development Fund</b>	Commerce	7,000,000	Provides funds to the Carolina Small Business Development Fund for small business loans and financial training to startups and existing businesses, and lending services to community-based organizations.
<b>High Point Furniture Market</b>	Commerce	1,510,000	Provides economic assistance to the High Point Furniture Market Authority, a nonprofit organization impacted by the COVID-19 pandemic.
<b>Prospera</b>	Commerce	250,000	Provides funds for Prospera, an economic development nonprofit organization.
<b>River City Community Development Center</b>	Commerce	250,000	Provides economic assistance to River City CDC, a nonprofit organization impacted by the COVID-19 pandemic.

## Revenue Replacement Project Inventory

Appropriation Item	Agency	Total funding	Description
<b>Tourism Education Foundation of NC</b>	Commerce	200,000	Provides funds to the Tourism Education Foundation of North Carolina for a regional program to recruit and train new employees for the hotel industry.
<b>Travel and Tourism Marketing</b>	Commerce	30,000,000	Provides funds to the Department of Commerce for its contract with the Economic Development Partnership of NC (EDPNC) for travel and tourism marketing.
<b>Business Marketing</b>	Commerce	30,000,000	Provides funds to the Department of Commerce for its contract with EDPNC for business marketing.
<b>Rural Tourism Recovery</b>	Commerce	1,500,000	Provides funds to the Department of Commerce for its contract with EDPNC for rural tourism recovery.
<b>Motorsports</b>	Commerce	46,000,000	Provides funds for infrastructure needs at various speedways across the State, as well as grants for local governments to increase opportunities for events at motorsport venues.
<b>*Viable Utility Reserve</b>	DEQ	456,400,000	Provides funds for the Viable Utility Reserve. These funds will be used to provide grants to water and sewer utilities that have been designated as distressed by the State Water Infrastructure Authority and the Local Government Commission.
<b>*Economic Development Projects</b>	DEQ	42,411,444	Provides grants for water and sewer infrastructure projects intended to advance economic development or affordable housing objectives.
<b>National Guard Project Planning</b>	DEQ	500,000	Provides a planning grant to the North Carolina National Guard for a water and sewer infrastructure project at the site formerly known as Fountain Correctional Center for Women.
<b>*State Parks Water and Sewer Projects</b>	DNCR	40,000,000	Provides funds for water and sewer projects at the State Parks. The Division may use up to 3.0% of the funds for the administration of the projects.
<b>Aquarium Support</b>	DNCR	5,700,000	Provides funds for the aquariums to replace receipt losses resulting from closures during the COVID-19 pandemic.

## Revenue Replacement Project Inventory

Appropriation Item	Agency	Total funding	Description
<b>Roanoke Island Festival Park (RIFP) Support</b>	DNCR	300,000	Provides funds for RIFP to replace receipt losses resulting from closures during the COVID-19 pandemic.
<b>Transportation Museum Support</b>	DNCR	280,000	Provides funds for the Transportation Museum to replace receipt losses resulting from closures during the COVID-19 pandemic
<b>Tryon Palace Support</b>	DNCR	370,000	Provides funds for Tryon Palace to replace receipt losses resulting from closures during the COVID-19 pandemic.
<b>NC Battleship Support</b>	DNCR	1,400,000	Provides funds for the USS North Carolina Battleship Commission to replace receipt losses resulting from closures during the COVID-19 pandemic.
<b>Zoo Support</b>	DNCR	1,850,000	Provides funds for the Zoo to replace receipt losses resulting from closures during the COVID-19 pandemic.
<b>Moonshine and Motorsports Trails</b>	DNCR	1,000,000	Provides funds to create cultural trails related to moonshine and motorsports.
<b>NC Arts Council General Grants</b>	DNCR	5,000,000	Provides funds to the NC Arts Council to provide grants to nonprofit arts organizations to address financial hardships, support programming, and ensure events and facilities are safe for the public
<b>Grassroots Arts Grants</b>	DNCR	10,000,000	Provides funds for the Arts Council to provide grants for economic assistance to local arts nonprofit organizations impacted by the COVID-19 pandemic.
<b>State Aid to Public Libraries</b>	DNCR	10,000,000	Provides funds to the State Library to provide economic assistance grants to local libraries impacted by the COVID-19 pandemic.
<b>Science Museum Grants (Grassroots Science)</b>	DNCR	7,000,000	Provides funds for grants to local museums or science centers impacted by the COVID-19 pandemic.
<b>NC Symphony Society</b>	DNCR	5,000,000	Provides economic assistance to the NC Symphony Society, Inc., a nonprofit organization impacted by the COVID-19 pandemic.
<b>NC Museum of History Foundation</b>	DNCR	3,000,000	Provides economic assistance to the NC Museum of History Foundation, a nonprofit organization impacted by the COVID-19 pandemic.
<b>Carolina Ballet</b>	DNCR	4,000,000	Provides economic assistance to the Carolina Ballet, Inc., a nonprofit organization impacted by the COVID-19 pandemic.

## Revenue Replacement Project Inventory

Appropriation Item	Agency	Total funding	Description
<b>Flat Rock Playhouse</b>	DNCR	100,000	Provides economic assistance to Flat Rock Playhouse, a nonprofit organization impacted by the COVID-19 pandemic.
<b>Laurel Ridge Camp, Conference, and Retreat Center</b>	DNCR	100,000	Provides economic assistance to the Southern Province of the Moravian Church, a nonprofit impacted by the COVID-19 pandemic, for the Laurel Ridge Camp, Conference, and Retreat Center.
<b>Natural Science Center of Greensboro</b>	DNCR	500,000	Provides economic assistance to the Natural Science Center of Greensboro, a nonprofit organization impacted by the COVID-19 pandemic.
<b>Paul J. Ciener Botanical Gardens (Kernersville)</b>	DNCR	100,000	Provides economic assistance to the Paul J. Ciener Botanical Gardens, a nonprofit organization impacted by the COVID-19 pandemic.
<b>The Lost Colony Support</b>	DNCR	500,000	Provides economic assistance to the Roanoke Island Historical Association, a nonprofit organization impacted by the COVID-19 pandemic, for the Lost Colony production.
<b>Personal Protective Equipment-Courts</b>	AOC	200,000	Provides funding for personal protective equipment for court personnel due to the COVID-19 pandemic.
<b>Mobile Wi-Fi Hotspot Equipment</b>	AOC	300,000	Provides funding for mobile Wi-Fi hotspot devices to promote social distancing through remote work capabilities due to the COVID-19 pandemic.
<b>Video Conferencing for Courtroom Proceedings</b>	AOC	4,755,600	Provides funding for video conferencing equipment to enhance courtroom proceedings by encouraging social distancing due to the COVID-19 pandemic.
<b>Court Overtime Expenses</b>	AOC	3,936,330	Provides funding for overtime expenses to assist with court docket backlogs related to the COVID-19 pandemic.
<b>Temporary Courthouse Resources</b>	AOC	2,397,510	Provides funding for temporary court support personnel to address the court docket backlog due to the COVID-19 pandemic.
<b>Human Trafficking Grants- Human Trafficking Commission</b>	AOC	8,800,000	Provides funding to the Human Trafficking Commission for a grant program to provide economic assistance and enhanced services for victims of human trafficking to mitigate the increased risk of human trafficking due to the COVID-19 pandemic.

## Revenue Replacement Project Inventory

Appropriation Item	Agency	Total funding	Description
<b>Victims of Domestic Violence &amp; Sexual Assault</b>	AOC	15,000,000	Provides funding to the Human Trafficking Commission for a grant program to reduce the negative economic impact of the COVID-19 pandemic on organizations that provide services to victims of domestic violence and sexual assault across the State.
<b>VIPER Equipment Upgrades</b>	DPS	19,325,000	Provides funding to update obsolete Voice Interoperability Plan for Emergency Responders (VIPER) equipment to facilitate timely service from emergency first responders during the COVID-19 pandemic
<b>Highway Patrol Computer Aided Dispatch System</b>	DPS	11,100,000	Provides funding to modernize the CAD system to facilitate timely service from law enforcement during the COVID-19 pandemic. This system provides automated record-keeping, dispatch information, and other support for troopers in the line of duty.
<b>Transitional Living Support for Youth Re-entering</b>	DPS	2,500,000	Provides funding for the Juvenile Justice section to expand wraparound services for at-risk youth who are transitioning from Youth Development Centers into their communities. Funds will expand capacity and necessary services to address the increase in youth detention following the passage of S.L. 2017-57 (Raise the Age) legislation during the COVID-19 pandemic.
<b>Treatment for Effective Community Supervision</b>	DPS	1,000,000	Provides funding for community supervision programs, including short term housing, recidivism reduction services, and social programming, for offenders reentering the community due to the settlement in NC NAACP v. Cooper, which is reducing the prison population as a result of the COVID-19 pandemic.
<b>Inmate Medical Shortfall funding</b>	DPS	45,000,000	Provides funding for the Prisons section to help address a budget shortfall related to increased medical costs for inmates due to the COVID-19 pandemic.
<b>Small Business &amp; HUB Resiliency (RETOOLNC)</b>	DOA	20,000,000	Provides funds for additional grants to small, historically underutilized businesses through the RETOOLNC program administered by the Office of Historically Underutilized Businesses.

## Revenue Replacement Project Inventory

Appropriation Item	Agency	Total funding	Description
<b>Division of Nonpublic Education - Data Improvement</b>	DOA	750,000	Provides funds for time-limited positions and database improvements for tracking the increased number of operational home schools in the State due to the COVID-19 pandemic.
<b>ARPA Auditing Funds</b>	Auditor	3,500,000	Provides funds to conduct audits of recipients of American Rescue Plan funds.
<b>Continuity of Operations</b>	OSBM	25,335,471	Provides funds for the continuity of operations across State government impacted by the COVID-19 pandemic.
<b>Pandemic Recovery Office - Extension of Operations</b>	OSBM	11,700,000	Provides funds for the North Carolina Pandemic Recovery Office to continue operations through the end of FY 2022-23.
<b>Construction Training &amp; Apprenticeship Program</b>	OSBM	2,500,000	Provides funds to the CAGC Foundation, Inc. for construction education programs, including financial support for students and support for employers offering work-based learning programs.
<b>Construction Training &amp; Apprenticeship Program</b>	NCCCS	1,000,000	Provides funds to the CAGC Foundation, Inc. for construction education programs, including financial support for students and support for employers offering work-based learning programs.
<b>Contractor Business Academy for HUBs</b>	OSBM	3,000,000	Provides funds to the CAGC Foundation, Inc. to conduct a construction contractor business academy for historically underutilized businesses (HUBs).
<b>Winston Salem Housing</b>	OSBM	10,000,000	Provides funds to the City of Winston-Salem for the construction of affordable housing units.
<b>*Dare County Housing</b>	OSBM	35,000,000	Provides funds to Dare County for the construction of affordable housing units.
<b>League of Municipalities Grants for Audit Software</b>	OSBM	15,000,000	Provides funds to the League of Municipalities for the creation of an audit software grant program for tracking local use of funds related to the COVID-19 pandemic.

## Revenue Replacement Project Inventory

Appropriation Item	Agency	Total funding	Description
<b>Local Government Capacity Assistance: NCLM</b>	OSBM	10,000,000	Provides funds for guidance and technical assistance from the North Carolina League of Municipalities (NCLM) to localities in the administration of Local Fiscal Recovery Funds.
<b>Local Government Capacity Assistance: NCACC</b>	OSBM	10,000,000	Provides funds for guidance and technical assistance from the North Carolina Association of County Commissioners (NCACC) to localities in the administration of Local Fiscal Recovery Funds.
<b>Local Government Capacity Assistance: COG</b>	OSBM	10,000,000	Provides funds for guidance and technical assistance from North Carolina's Councils of Governments (COG) to localities in the administration of Local Fiscal Recovery Funds.
<b>Local Government Capacity Assistance: Apex</b>	OSBM	11,500,000	Provides funds for guidance and technical assistance to localities in the administration of Local Fiscal Recovery Funds.
<b>Local Government Capacity Assistance: Huntersville</b>	OSBM	12,000,000	Provides funds for guidance and technical assistance to localities in the administration of Local Fiscal Recovery Funds.
<b>Assistance for State-Recognized Tribes</b>	OSBM	9,000,000	Provides funds to the Coharie, Haliwa-Saponi, Lumbee, Meherrin, Occaneechi Band of the Saponi Nation, Sappony, and Waccamaw Siouan State-recognized American Indian Tribes to mitigate and respond to the impacts of the COVID-19 pandemic.
<b>Cumberland County Association for Indian People</b>	OSBM	250,000	Provides funds to urban organizations serving American Indians to mitigate and respond to the impacts of the COVID-19 pandemic.
<b>Guilford Native American Association</b>	OSBM	250,000	Provides funds to urban organizations serving American Indians to mitigate and respond to the impacts of the COVID-19 pandemic.
<b>Metrolina Native American Association</b>	OSBM	250,000	Provides funds to urban organizations serving American Indians to mitigate and respond to the impacts of the COVID-19 pandemic.
<b>Triangle Native American Society</b>	OSBM	250,000	Provides funds to urban organizations serving American Indians to mitigate and respond to the impacts of the COVID-19 pandemic.
<b>NC Trucking Association Foundation</b>	OSBM	5,000,000	Provides funds to the NC Trucking Association Foundation to address the State's truck driver shortage.
<b>YMCA Grants</b>	OSBM	11,400,000	Provides funds for a statewide grant program to YMCAs for recovery from the economic impacts of the COVID-19 pandemic.

## Revenue Replacement Project Inventory

Appropriation Item	Agency	Total funding	Description
<b>NCGA Pandemic Recovery and Mitigation</b>	NCGA	21,800,000	Provides funds to address the impact of the COVID-19 pandemic on the operations of the legislature.
<b>*Workforce Housing Loan Program</b>	HFA	170,000,000	Provides funds for the Workforce Housing Loan Program (WHLP) to assist with the development of multi-family affordable housing units across the State. The total budget for the WHLP is \$170 million in FY 2021-22.
<b>Grants to Volunteer Fire Departments</b>	DOI	8,000,000	Provides funds to mitigate the financial impact of the COVID-19 pandemic on local volunteer fire departments. These funds will provide a \$10,000 base allocation to each eligible volunteer fire department as defined in G.S. 58-87-1.
<b>Mainframe Migration</b>	Revenue	2,538,000	Provides funds for the migration of the Department's data from the Department of Information Technology's mainframe to IBM.
<b>NC Restaurant and Lodging Association</b>	Revenue	5,000,000	Provides funds to provide financial assistance to NCRLA to mitigate the economic impacts of COVID-19
<b>Digital Literacy</b>	DIT	50,000,000	Provides funds for an awareness campaign with targeted community-based efforts and digital literacy offerings. \$50M is authorized over 4 years.
<b>Broadband Administration</b>	DIT	15,000,000	Provides funds to the Department of Information Technology to supplement existing administrative capacity in support of high-speed internet efforts. \$15M is authorized over 4 years.
<b>Carolina Cyber Network</b>	DIT	11,000,000	Provides funds for a comprehensive workforce development network consisting of 2 and 4-year colleges and universities working together to create a coordinated effort to meet the talent needs of North Carolina's public agencies and private businesses in North Carolina
<b>Broadband Mapping</b>	DIT	1,000,000	Provides funds for the preparation of statewide broadband maps.
<b>DPS HVAC for State Facilities</b>	DPS	30,000,000	Appropriates funds for HVAC upgrades for DPS State facilities.

## Revenue Replacement Project Inventory

Appropriation Item	Agency	Total funding	Description
<b>HVAC-DHHS Facilities</b>	DHHS	20,000,000	Appropriates funds for HVAC upgrades at Cherry Hospital, Central Regional Hospital, Broughton Hospital, Caswell Developmental Center, Murdoch Developmental Center, J. Iverson Riddle Developmental Center, Black Mountain NeuroMedical Center, Longleaf Neuro-Medical Center, O'Berry Neuro-Medical Center, R.J. Blackley Treatment Center, Julian F. Keith Treatment Center, and/or Walter B. Jones Treatment Center.
<b>State Health Plan COVID-19 Related Costs</b>	Treasurer	101,000,000	Provides funds to reimburse the State Health Plan for COVID-19 testing, treatment, and vaccine administration.
<b>Premium Pay Bonuses - State and Local Education Employees</b>	All State Agencies	545,000,000	Provides a \$1,000 bonus for full-time State employees and local education employees, regardless of funding source. Also provides an additional \$500 bonus to employees in at least one of the following employee groups: 1) Employees with an annual salary of less than \$75,000, 2) Law enforcement officers, 3) Employees in the Department of Public Safety, Division of Adult Correction and Juvenile Justice, with job duties requiring frequent in-person contact, or 4) Employees of the Department of Health and Human Services in a position at a 24-hour residential or treatment facility
<b>Driver License Extended Operations</b>	DOT	3,000,000	Provides funds to add extended hours to driver license offices.

# Appendix

## Glossary of North Carolina State Agencies

**AOC:** Administrative Office of the Courts  
**Commerce:** NC Department of Commerce  
**DACS:** Department of Agriculture and Consumer Services  
**DEQ:** Department of Environmental Quality  
**DHHS:** Department of Health and Human Services  
**DIT:** Department of Information Technology  
**DNCR:** Department of Natural and Cultural Resources  
**DOI:** Department of Insurance  
**DOA:** Department of Administration  
**DOR:** Department of Revenue  
**DOT:** Department of Transportation  
**DPI:** Department of Public Instruction  
**DPS:** Department of Public Safety  
**HFA:** Housing Finance Agency of North Carolina  
**HUD:** Department of Housing and Urban Development  
**NCCCS:** North Carolina Community College System  
**NCGA:** North Carolina General Assembly  
**NCES:** The National Center for Education Statistics  
**NCSSM:** North Carolina School of Science and Math  
**NCSU:** North Carolina State University  
**OSBM:** Office of State Budget and Management  
**UNC:** University of North Carolina System Office  
**UNC-CH:** University of North Carolina at Chapel Hill  
**UNCSA:** University of North Carolina School of the Arts