REPORT ON GOVERNMENT RELATIONS FOR THE JULY MEETING OF THE EXTERNAL AFFAIRS COMMITTEE OF THE UNCW BOARD OF TRUSTEES: 2020 Actions on UNC and UNCW Priorities

From the federal CARES Act:

$10,566,054 (directly to UNCW; 50/50 for student needs and institutional needs)

From the General Assembly’s COVID session in April:

--H1043/SL2020-4: Provided approximately $44.4M for the UNC system to respond to COVID-19 impacts. Based on BoG action, UNCW received $4,016,672.

--Also provided approximately $85M for COVID-19 research, including $29M for the UNC Policy Collaboratory. UNCW participation to be determined. [https://www.ncleg.gov/BillLookUp/2019/h1043]

From the General Assembly’s “short session”:

--S817/SL2020-67: Provides UNC enrollment growth funding in the amount of $29,392,231 (NR). Based on previous BoG action, UNCW’s appropriation should be $9,767,957. The bill also authorizes the receipts component of enrollment change, which for UNCW is $3,069,893, giving UNCW a total of $12,837,850, based on growth in credit hours from CY 2018 to CY 2019. [https://www.ncleg.gov/BillLookUp/2019/s817]

--S813/SL2020-76: Provides building reserves for UNCW’s Veterans Hall in the amount of $2,756,109 (NR). The total for UNC projects is approximately $12.5M. [https://www.ncleg.gov/BillLookUp/2019/s813]

--S212/SL2020-81 (was originally S803): Provides a total of $104M for statewide repairs and renovations and specific capital projects. Given the final language and with UNC’s share at 40%, UNC constituent institutions have a pool of approximately $39M (Note: this amount is still somewhat uncertain). If the amount for UNC R&R is $39M and if UNCW gets 5.1%, as in the model that was adopted by the BoG, then UNCW would receive approximately $1.99M.

The bill also increases the carryforward of general funds from the current 2.5% to 5%. However, the initial 2.5% must be used for repairs and renovations. Also, the additional 2.5% of carryforward would be split (50/50) between the constituent institution and the system office, with the system share to be allocated to constituent institutions at the discretion of the Board of Governors. The bill also increases the Chancellor’s authority over small capital projects from the current $300,000 to $600,000. The bill also addresses the issue of cell tower leases. The earlier unwelcomed language forcing UNC campuses to yield authority to the Department of Administration was removed before passage. [https://www.ncleg.gov/BillLookUp/2019/s212]

--H1096/SL2020-56: The original title was UNC Omnibus Changes/UNC Lab School Funds. Most of the requested UNC policy agenda was incorporated into this bill:
--repeals the required BoG personnel approvals in place for the last few years
--modifies lab school statutes
--appropriates an additional $200,000 for lab schools (UNCW share of ~$30k?)
--modifies Future Teachers of NC
--expands Teaching Fellows Program (from 5 campuses to 8)
--exempts certain law enforcement officers from the HR act

The section that would have removed debt service fees from the 3% cap on fee increases was deleted before passage, as was additional support for the College Advising Corps.  
https://www.ncleg.gov/BillLookUp/2019/h1096

--H118/SL2020-89 and S208/SL2020-70:  H118 provides limited immunity to businesses, governmental entities, including UNC, and others from claims related to the contraction of COVID-19.  S208 provides immunity from claims related to tuition and fees for Spring 2020, for UNC, NC community colleges, and eligible private institutions in NC.  
https://www.ncleg.gov/BillLookUp/2019/h118
https://www.ncleg.gov/BillLookUp/2019/s208

--H472/SL 2020-26:  Provides matching funds for federal programs at NCSU and NCA&T.  The funding for NCSU ($2M) is for the NIIMBL program through which UNCW has received funds previously.  
https://www.ncleg.gov/BillLookUp/2019/h472

--S814/SL2020-43:  Provides $15 million non-recurring funds for the NC Promise institutions. The bill caps the total “buy down” of tuition, beginning with FY2025, at $81,400,000.  

--S733/SL2020-66:  Authorizes this year’s self-liquidating, non-appropriated UNC projects.  
https://www.ncleg.gov/BillLookUp/2019/s733

--S750/SL2020-57:  Funds two capital improvement/R&R projects at ECSU totaling $6M.  
https://www.ncleg.gov/BillLookUp/2019/s750

--H1023/SL2020-80:  Primarily provides additional federal funding from the CARES Act to counties, to public schools, and for a state match to draw down FEMA pandemic-related funding.  The bill also funds two programs at UNCP and one for the UNCCH School of Medicine’s Mountain Area Health Education Center, among other uses.  The total CARES Act funding allocated thus far is approximately $2.1B, leaving approximately $1.9B for future uses, hopefully after Congress provides additional flexibility (and possibly additional funding).  
https://www.ncleg.gov/BillLookUp/2019/h1023
SJR864 (Adopted) and SJR867 (Adopted): Elects Jimmy Dean Clark and James Arthur Pope to the Board of Governors to fill vacancies created by the resignations of Tom Fetzer and Bob Rucho, respectively, with terms that end June 30, 2021.

https://www.ncleg.gov/BillLookUp/2019/S867

--SJR870 (Resolution 2020-5): Outlines the adjournment of the 2019 Regular Session (the biennial session), including skeletal sessions through July 11, in order to give time for override votes on any possible vetoes. Unless modified later, the session will reconvene on September 2, for two days, during which the only eligible matters for consideration are appropriation of federal funds, appointments, and action on gubernatorial nominations.

https://www.ncleg.gov/BillLookUp/2019/s870

In the September two-day session or in a special session, UNC will need to request an appropriate share of the remaining federal CARES Act funding and any future federal stimulus funding. It is anticipated that this request might be approximately $80M. Looking ahead to 2021, there will be a need for UNC to request that approximately $63M of non-recurring funds be replaced with recurring appropriations, in order to fund enrollment increase, building reserves, and NC Promise on a continuing basis.

Revised on July 9, 2020