



On Friday, May 31, the Senate passed its version of the budget for the upcoming biennium (July 2019 – June 2021) and the grand total is **\$24 billion**. Below you'll find the items that are most important for the Rural Counts priorities. We have included a quick comparison of the differences between the House and Senate budget proposals, with more detail spelled out below.

Topic	Senate	House
Broadband		
- GREAT Program	\$30 million (\$15M / \$15M)	\$30 million (\$15M / \$15M)
Health		
- Coverage Gap Closed	N/A	N/A
- Loan Repayment Program	\$4.5 million (\$3.5M / \$1M)	\$3.2 million (\$2.1M / \$1.1M)
- Nurse-Family Partnership	\$6.9 million (\$3.45M / \$3.45M)	\$4.8 million (\$3M / \$1.8M)
- Community Paramedicine Program	\$170,000 (\$70k / \$70k)	\$700,000 (\$35k / \$35k)
- NC HealthConnex	\$2.5 million	\$2.5 million
- Telehealth	\$500,000	N/A
- Opioid Antagonist Program	\$100,000	\$100,000
- Community Health Grants	N/A	\$200,000
- Certificate of Need (CON) Protected	No	Yes
Education		
- Advanced Teaching Roles Model	\$5 million (\$2M / \$3M)	\$5 million (\$2M / \$3M)
- NC Career Coaches	\$8.4 million (\$4.2M / \$4.2M)	\$5.6 million (\$2.8M/\$2.8M)
- Hospitality Workforce Training	\$400,000	N/A
- IT Workforce Training	\$10 million	N/A
- Workforce Development Credentialing	\$12 million	\$19.5 million(\$8M/\$11.5M)

- Eastern Triad Workforce Development	\$9 million (\$4.5M/\$4.5M)	\$9 million (\$4.5M/\$4.5M)
Water & Sewer Infrastructure		
- Viable Utility Reserve	\$7.5 million	N/A
- Clean Water State Revolving Fund	\$829,000 (w/ \$4.1M federal match)	\$829,000 (w/ \$4.1M federal match)
Transportation		
- Bicycle/Pedestrian Match Changes	No	Yes
- Highway Fund	\$4.7 billion (\$2.3B / \$2.4B)	\$22.78 million (\$11.389M/\$11.389M)
- Highway Trust Fund	\$3.04 billion (\$1.55B / \$1.49B)	\$3.04 billion (\$1.55/\$1.49B)
- General Maintenance Reserve	\$799 million (\$350.8 M / \$448.2 M)	\$667.3 million (\$326.8M/\$340.5M)
- Resurfacing Projects	\$1 billion (\$510.9M / \$515.9M)	\$1.1 billion (\$527.7M/\$582.2M)
- Bridge Projects	\$547.9 million (\$273.9M/\$274M)	\$547.5M (\$273.7M/\$273.8M)

Broadband

We often hear about how partisanship is getting in the way of passing real change via policy. But one thing is for sure, the need for greater access to high speed, affordable broadband in rural areas is an issue both sides of the aisle agree upon. Case in point: both chambers appropriated **\$15 million recurring for 10 years for the Growing Rural Economies with Access to Technology (GREAT) Broadband Grant Program. The GREAT program seeks to incentivize internet service providers to deploy internet to unserved (majority rural areas) in NC.** The Department of Information and Technology also has authorization to use \$100,000 of the funding for grant management.

Comparison:

Both chambers appropriated \$15 million per year for the GREAT Broadband Grant Program

Health

Rural Health Access: Members of the Senate's Health and Human Services committee proposed \$5.56 billion for the years 2019/2020 and \$5.76 billion for 2020/2021. Nearly \$7 million (\$4.2 million in 2019/2020 and \$2.7 million in 2020/2021) of those monies would go towards rural healthcare providers, including doctors, dentists, nurse practitioners, nurse midwives and physician's assistants (thanks to an amendment presented during the Senate's base budget committee meeting May 29).

Comparison:

1. Rural Health Loan Repayment Program

Senate: \$3.5 million for the years 2019/2020 and \$1 million for 2020/2021

Grand total: \$4.5 million

House: \$2.1 million in 2019/ 2020 and \$1.1 million in 2020/2021

Grand total: \$3.2 million

***Quick note:** The House version is applicable to only Physicians, Nurse Practitioners, Midwives and Dentists specific. While the Senate repayment program focuses on doctors, dentists, nurse practitioners, nurse midwives and physician's assistants.

2. The Nurse-Family Partnership (NFP)

Senate: \$3.45 million for 2019-2021

Grand total: \$6.9 million

House: \$3 million increase in 2019/2020 and \$1.8 million the following year

Grand total: \$4.8 million

***Quick note:** The Senate also shifted the NFP funding from the General Fund to the Maternal Child Health Block Grant.

3. Community Health Grants (specifically to support rural health centers)

Senate: Zilch

House: \$200,000

4. Southern Regional Area Health Education Center (AHEC)

Both the Senate and House appropriated \$4.8 million for both years of the biennium

Telehealth: The Senate also appreciates the need to invest more in telehealth, which is why they designated \$500,000 to a telehealth pilot program reaching Robeson, Bladen and Columbus Counties. Specifically, the program will be tasked with identifying and installing necessary telehealth infrastructure and equipment for telehealth providers.

Comparison:

Senate: \$500,000 for telehealth pilot program in Robeson, Bladen and Columbus counties

House: Nada

Opioids: While no major legislation has been proposed this session to deal with the root causes of the substance abuse crisis, both chambers allocated funds to increase access to naloxone and other opioid antagonists.

Comparison:

Senate and House both designated \$100,000 for various opioid antagonist programs

Certificates of Need (CON): One problematic provision that has crept up into the Senate budget is the repeal of certificate of need for hospital facilities. With this budget, ambulatory surgical centers, mental health centers and projects with approved CON must be completed within two years after the certificate is granted.

Comparison:

Senate: Although the Senate isn't seeking complete repeal of CON (yet) they are seeking the repeal of CON for ambulatory surgical centers, mental health centers and projects must be initiated within 2 years of issuance.

House: House members did not mention nor seek to address certificates of need (CON)

Paramedicine Pilot Program: \$70,000 was appropriated for the years 2019/2020 and again, \$70,000 in nonrecurring funding in 2020/2021 for the McDowell County paramedicine pilot, which is a program aimed at expanding paramedics training with hopes of decreasing nonemergency visits to hospitals and/or calling 911 services.

Comparison:

Senate: \$70,000 was appropriated for the years 2019/2020 and another \$70,000 in nonrecurring funding in 2020/2021

House: A total of \$700,000 in the biennium

NC HealthConnex: \$2.5 million nonrecurring for NC HealthConnex, a health information exchange program intended to provide a more holistic approach to patient treatment.

Comparison:

Both Senate and House propose investing \$2.5 million nonrecurring

Education and Workforce Development

\$2 million in 2019/2020 and \$3 million in 2020/2021 for Advanced Teaching Roles

\$4.2 million each year for the NC Career Coaches program. Career Counselors will be housed in local community colleges and work with high schools to prepare students for the working world post-graduation, with an emphasis on distressed counties, specifically tiers two and three.

A total of **\$400,000** in the Senate's budget seeks to grow the **state's workforce via Hospitality Development**. A portion of the Department of Public Instruction's funding shall go to the Education Foundation of NC Restaurant and Lodging Association in the form of grants to aid with providing students hospitality training.

\$10 million to IT specific work force development, which would include online training courses over the next two years.

A little over \$12 million for work force development courses whose ultimate result would be credentialing.

The Senate seeks to invest **\$4.5 million in nonrecurring monies for workforce development in the Eastern Triad Area**, which is comprised of four counties. Half of which are rural communities Rockingham and Randolph Counties, which will receive respectively if passed \$625,000 and \$750,000.

Comparison:

1. Advanced Teaching Roles Model

The Senate and House were in alignment with their investments of \$5 million

2. Workforce development

Senate: \$31.1 million for Eastern Triad Area workforce development, NC Career Coaches program, Hospitality Industry workforce development, IT training and continued education and credentialing

House: \$12.5 million for continued education, credentialing and Triad Area workforce training

Water and Sewer Infrastructure

Senate appropriates **\$829,000 to aid in drawing down \$4.1 million in federal funding via the Clean Water State Revolving Fund.** The aforementioned funds would provide loans for the construction of wastewater facilities. The loan beneficiaries would be local governments.

7.5 million to the Viable Utility Reserve, which would provide water infrastructure grants.

The Senate budget also includes several transfers from the Film and Entertainment Grant, including **\$4 million of which will go to the Clean Water Management Trust Fund.**

Comparison:

1. Clean Water State Revolving Fund

Senate and House both seek the amount of \$829,000

2. Viable Utility Reserve

Senate: \$7.5 million

House: Nada

3. Clean Water Management Trust Fund

Senate: \$4 million

House: \$8 million

Transportation

\$2.3 billion in 2019/2020 and \$2.4 billion in 2020/2021 to the **Highway Fund**

\$1.55 billion in 2019/2020 and \$1.49 billion in 2020/2021 for the **Highway Trust Fund**

\$350.8 million in 2019/2020 and \$448.2 million in 2020/2021 for the **General Maintenance Reserve**, a fund that would be utilized for maintenance of roads statewide

\$510.9 million the first year of the biennium and \$515.9 million in the second year for contract **resurfacing projects**

Nearly \$548 million for the **bridge program** from 2019-2021

Comparison:

1. Highway Trust Fund

Senate and House both seek the amount of \$3.04 billion cumulatively (\$1.55B/\$1.49B)

2. General Maintenance Reserve

Senate: \$799 million (\$350.8M/\$448.2M)
House: \$667.3 million (\$326.8M/\$340.5M)

3. Resurfacing Projects

Senate: \$1 billion (\$510.9M / \$515.9M)
House: \$1.1 billion (\$527.7M/\$582.2M)

4. Bridge Programs

Senate: \$547.9 million (\$273.9M/\$274M)
House: \$547.5 million (\$273.7M/\$273.8M)

The transportation committee also seeks to create and **Emergency Reserve fund**, similar to the Rainy Day fund.

Comparison:

Senate: \$3.5 million in 2019/2020
House: Nada

Additional Item

\$210.4 million *cumulative* allocated to the Savings Reserve fund (also known as the Rainy Day fund)

Comparison:

Senate: \$210.4 million (\$46.9M/\$163.5M)
House: \$258.6 million (\$104.6M/\$154M)



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