



NC Department of Public Safety
GOVERNOR'S CRIME COMMISSION

Roy Cooper, Governor
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Fiscal Note for Proposed Governor's Crime Commission Rule Updates

Agency: North Carolina Department of Public Safety
Administration Division
Governor's Crime Commission

Rule Citation(s): 14B NCAC 05B .0201 APPLICATIONS FOR GRANTS
14B NCAC 05B .0501 WAIVER

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Rulemaking Authority: G.S. 143B-602(5)
G.S. 143B-602(8)(b)
G.S. 143B-1101(a)(8)
G.S. 143B-1103

Impact Summary: State Government: Yes
Local Government: Yes
Private Entities: No
Substantial Impact: No

BACKGROUND

The Governor's Crime Commission (GCC) is a Section of the Division of Administration within the Department of Public Safety (DPS) and acts as the chief advisory body to the Governor and the Secretary of DPS on crime and justice issues. The Commission consists of 43 members, including the heads of statewide criminal justice and human service agencies; representatives are from courts systems, law enforcement agencies, local government, the General Assembly, and private citizens.

GCC is known as a State Administering Agency (SAA); an agency designated to receive and disperse Office of Justice Programs (OJP) grant funding. As the SAA, a primary responsibility of GCC is to administer all federal block grants, and other criminal justice funds, which are awarded to the state by the U.S. Department of Justice and Children's Justice Act, and funds

from the U.S. Department of Health and Human Services. There are 40 staff (31 permanent, 3 time-limited, and 6 temporary) serving as support to the Commission and overseeing the grants processes.

GCC currently administers the following federal block and formula grant programs:

- Juvenile Justice and Delinquency Prevention (JJDP)
- Byrne Justice Assistance Grant (JAG)
- Victims of Crime Act (VOCA)
- Violence Against Women Act (VAWA)
- Sexual Assault Services Program (SASP)
- Children's Justice Act (CJA)

Funds are allocated to help both state and local government agencies throughout North Carolina. Grants are awarded on a competitive basis to government, law enforcement, non-profit, educational, and social service agencies to start new and innovative programs.

CHANGES AND IMPACT ANALYSIS

14B NCAC 05B .0201 Applications for Grants (Attachment 1)

This proposed amendment removes the timeframe around the grant application period. Historically, the federal grant awards cycle followed a November through January timeframe. However, with changes in the types of grant funding and extenuating circumstances such as the COVID-19 pandemic and natural disasters, the federal government has been more frequently opening grant funding opportunities outside of that traditional schedule. In these circumstances, GCC is required to hold grant funds for extended periods of time until back in the rule-bound grant cycle. This can cause significant delays in awarding time-sensitive grant funds to applicants. By removing this grant application period timeframe, GCC will be able to award “off cycle” grants in a timely manner. This change will also allow faster notice of denials, which provides applicants additional time to explore other funding sources, such as local government or state government grants.

The second proposed change to this rule removes the requirement that grant application submission dates are announced on the GCC website no less than 90 days before an application is due. As stated above, the federal grant funding cycle has continued to evolve and, in some cases, GCC receives notice of a grant opportunity in a shorter time frame than the current 90-day requirement. By removing this limitation, GCC will have the flexibility to offer grants that have shorter turnaround times, ensuring stakeholders do not miss out on potential funding opportunities due to this rule restriction.

The third proposed change to this rule modifies the requirements around information included in grant applications. The current rule lists out a number of requirements, all of which must be met in order for the applicant to be considered for a grant. By removing the specific requirements, GCC will have flexibility to request only relevant information from applicants, making the process easier for applicants and staff. The information required in the current rule is not applicable in all circumstances, especially as there are a wide range of grants available and a

wide variety of stakeholders that apply for such grants. For example, a GCC-funded grant that is designed to provide executive-level leadership training and succession planning does not need to include information on a sustainability plan to be fully vetted by the Commission.

There are no quantifiable costs or benefits to these proposed changes. An unquantifiable cost associated with these proposed changes is that a stakeholder might be more likely to miss out on a grant award if it is posted for fewer than 90 days. However, this is unlikely. In the last five years, it has taken an average of 26 days from the time the grantee logs the first data in the system to the end of the application process . In addition, GCC will provide education to grantees on the new timelines if this change is approved, reducing the likelihood of this cost. This change also allows GCC to more closely align with federal grant application cycles, many of which are less than 90 days. For example:

- OVW Fiscal Year 2024 Training and Services to End Violence and Abuse Against Individuals with Disabilities and Deaf People Program – application period open for 52 days
- FY 2020 Coronavirus Emergency Supplemental Funding Program – application period open for 61 days
- OVW Fiscal Year 2024 Legal Assistance for Victims Grant Program – application period open for 62 days

In addition, there are certain grants that are not awarded on a competitive basis. For these grants the application is the same year-to-year minus an updated budget, which does not require a 90-day application period. GCC will also continue the usual notification process to ensure grantees are aware of the application period to include direct email, posting on the GCC website, and updating the GCC newsletter.

Although it is difficult to quantify future benefits for this rule change because GCC does not know what future awards cycles will be, there are examples of funding awards that have recently happened outside of the typical cycle. Congress recently passed the Bipartisan Safer Communities Act to provide emergency funding to prevent gun violence. This legislation funded a federal grant -- Byrne State Crisis Intervention Program (SCIP) - which awarded North Carolina \$7.6 million in March 2023. If the current awards cycle for this grant is followed, these funds will not be awarded until October 2024, a year and a half after funds were made available. This rule change will allow GCC to immediately begin the grant disbursement process for future awards, meaning that grantees will likely receive funding months, or up to a year, sooner than under current practice.

14B NCAC 05B .0501 Waiver (Attachment 2)

This proposed new rule will authorize the DPS Secretary to waive any rule in Subchapter 05B that is not statutorily required¹. The rule also identifies factors the DPS Secretary shall consider in the evaluation of whether to waive a rule. The factors include:

¹ Relevant statutes for the DPS Secretary's power and duties related to GCC grants: G.S. 143B-602(5) and G.S. 143B-602(8)).

1. The need to comply with a legislatively mandated or other off cycle grant;

This change will provide flexibility when grant funds are awarded at the federal or state level outside of the standard awards cycle. In addition, GCC also receives directed grants or funding with specific parameters that are legislatively mandated, making some of the existing GCC grant rules inapplicable.

2. The nonrecurring use of expiring funds;

GCC receives grant funds for a specified number of years and after the expiration date the funds must be returned to the federal government. This change will allow GCC to provide grants with smaller unawarded and nonrecurring balances that are not able to go through an entire grants cycle process.

3. A declared emergency; or

This change will allow GCC to promptly release grant funds received as a result of a declared emergency.

4. When the Commission is acting solely as a fiscal agent.

GCC serves as the fiscal agent on certain grants, providing the back-end support of processing the grant. As a fiscal agent, GCC does not have decision-making authority on how the grantees are chosen. In these cases, certain GCC rules are not applicable.

Many of GCC's largest grant sources from the federal government follow different performance and funding cycles. A recent review by the federal government found that North Carolina was in the top 10 states for underspending VOCA grant funds. GCC was assigned a consultant in 2021 to assist with adjusting the solicitation cycle and this proposed change was included in the recommendation. North Carolina's share of funding has dropped from \$105 million to \$44 million in 2023 and will decline again by 41% in the following cycle. It is critical in a time of reduced funding that GCC can quickly and efficiently award all possible grant dollars.

There are no quantifiable costs or benefits associated with these proposed changes. The main unquantifiable benefit associated with these changes is increased flexibility to award grants in a timelier manner. Although it is impossible to predict exactly when these extenuating circumstances will occur, GCC was recently able to provide a two-month nonrecurring grant for sexual assault exam equipment to a NC hospital. These funds earmarked for North Carolina grantees would have otherwise reverted to the federal government. This change will allow GCC to disburse grants in a matter of months rather than a year or longer. In another recent example, GCC requested an emergency rule waiver upon receipt of Coronavirus Emergency Supplemental Funds (CESF). The emergency rule waiver allowed for an off-cycle grant distribution, enabling GCC to disburse \$13.8 million in grant funds within months. As mentioned above, the federal government has been more frequently opening grant funding opportunities outside of the traditional schedule outlined in GCC's existing rule. By updating this rule to provide waiver flexibility, GCC will not have to complete the emergency rulemaking process to award similar

funding in the future. This will save staff time dedicated to requesting the emergency rulemaking waiver and will allow funds to be more quickly disbursed to grantees. Under the circumstances that will allow for a waiver under this rule change, the funding awards that qualify are often emergency and public safety related. Thus, this rule change will allow critical and life-saving funding to be disbursed to trauma-impacted areas of the state in a more timely fashion.

ATTACHMENT 1

14B NCAC 05B .0201 is amended with changes as published in ## NCAC # as follows:

SECTION .0200 - PROGRAM GRANTS

14B NCAC 05B .0201 APPLICATIONS FOR GRANTS

(a) The Executive Director of the Commission shall designate requirements for submission of grant applications. ~~The grant application period shall begin on November 1 of each year and end on January 31.~~ Funding priorities, as determined by the Commission, shall be listed on the Commission's website prior to the opening of an application period.

(b) Grant application submission dates shall be announced on the Commission website, <https://www.ncdps.gov/about-dps/boards-and-commissions/governors-crime-commission/grant-process> ~~not less than 90 days~~ before the application is due.

(c) Grant applications shall be electronically submitted to the Commission through the Grants Management System (GMS) on or before the date announced on the Commission website.

~~(d) To be considered for funding, applicants shall complete the grant application, which shall may include the following information:~~

~~(1) — names, mailing addresses, telephone numbers, and signatures of the applicant;~~

~~(2) — project information, including the following:~~

~~(A) — a description of the project, its goals and objectives, and outcomes;~~

~~(B) — the issues or problems addressed by the project;~~

~~(C) — project operation and activities; and~~

~~(D) — a sustainability plan;~~

~~(3) — a proposed budget;~~

~~(4) — a project time line;~~

~~(5) — an explanation of how the project's results will be monitored and evaluated;~~

~~(6) — any other information required by these Rules or requested by the Section in order to make a decision on the grant proposal; and~~

~~(7) — a description of how the objectives of the proposed project are consistent with the outcomes and guidelines set forth in a State or federal grant program.~~

(e) Applicants seeking funding for a two-year project shall submit the information required by Paragraph (d) with the requirements of Part (d)(2)(A), Part (d)(2)(C), and Subparagraph (d)(5) written to address the two-year grant period. Applicants shall also submit two one-year budgets.

History Note: Authority G.S. 143B-1103; ~~143B-1104;~~

Eff. March 1, 2019;

Amended Eff. April 1, 2023.

Amended Eff. November 1, 2023.

ATTACHMENT 2

NCAC #.# is proposed for adoption as follows:

SUBCHAPTER 05B SECTION .0500 – EXCEPTIONS

14B NCAC 05B .0501 WAIVER

The Secretary may waive any rule in this Subchapter that is not statutorily required. Factors the Secretary shall use in determining whether to waive a rule are:

- (1) the need to comply with a legislatively mandated or other off cycle grant;
- (2) the nonrecurring use of expiring funds;
- (3) a declared emergency; or
- (4) when the Commission is acting solely as a fiscal agent.

History Note: Authority G.S. 143B-602(5); 143B-602(8)(b)

Eff. November 1, 2023.