

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001**

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HOUSE BILL 1033

Short Title: Funds for Child Caring Institutions.

(Public)

Sponsors: Representatives Nye; and Smith.

Referred to: Appropriations.

April 9, 2001

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR CHILD CARING INSTITUTIONS.

The General Assembly of North Carolina enacts:

SECTION 1.(a) There is appropriated from the General Fund to the Department of Health and Human Services, Division of Social Services, the sum of three million dollars (\$3,000,000) for the 2001-2002 fiscal year and the sum of three million dollars (\$3,000,000) for the 2002-2003 fiscal year to increase funds available to child caring institutions. These funds shall be used to increase the private child caring agency reimbursement for the State-funded portion of services to children who are not eligible for federal IV-E or AFDC-EA subsidies.

SECTION 1.(b) Funds appropriated under this section shall be used to increase reimbursement rates to those child caring agencies providing residential care services and behavioral health care services under agreements with the county departments of social services. Counties shall not reduce their contributions to the agencies' cost of care as a result of the appropriation of funds under this act. County contributions to the cost of care shall continue to be negotiated between the county and the agencies. County contributions to the cost of care shall not be used to reduce or offset State reimbursement for the cost of care in private child caring institutions.

SECTION 1.(c) Funds appropriated in this act shall be allocated to agencies by the Division of Social Services according to the current and agreed upon formulas and reimbursement methodologies, adjusted to reflect the additional funds appropriated. Funds allocated from the CCI Fund may be used by agencies to match federal funds for eligible children.

SECTION 2. This act becomes effective July 1, 2001.