

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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HOUSE BILL 302
Second Edition Engrossed 4/19/11
Senate Mental Health & Youth Services Committee Substitute Adopted 5/30/12

Short Title: Charitable Licensing Exemption Clarification.

(Public)

Sponsors:

Referred to:

March 10, 2011

1 A BILL TO BE ENTITLED
2 AN ACT TO BROADEN THE EXEMPTION FROM CHARITABLE LICENSING
3 REQUIREMENTS FOR CERTAIN NONPROFIT ADULT RESIDENTIAL
4 TREATMENT FACILITIES AND TO EXTEND THE SUNSET ON A WAIVER
5 RELATING TO ALTERNATIVE STAFFING REQUIREMENTS FOR FACILITIES
6 THAT USE ELECTRONIC SUPERVISION DEVICES.

7 The General Assembly of North Carolina enacts:

8 **SECTION 1.** G.S. 122C-22 reads as rewritten:

9 **"§ 122C-22. Exclusions from licensure; deemed status.**

10 (a) The following are excluded from the provisions of this Article and are not required
11 to obtain licensure under this Article:

- 12 (1) Physicians and psychologists engaged in private office practice;
- 13 (2) General hospitals licensed under Article 5 of Chapter 131E of the General
14 Statutes, that operate special units for the mentally ill, developmentally
15 disabled, or substance abusers;
- 16 (3) State and federally operated facilities;
- 17 (4) Adult care homes licensed under Chapter 131D of the General Statutes;
- 18 (5) Developmental child care centers licensed under Article 7 of Chapter 110 of
19 the General Statutes;
- 20 (6) Persons subject to licensure under rules of the Social Services Commission;
- 21 (7) Persons subject to rules and regulations of the Division of Vocational
22 Rehabilitation Services;
- 23 (8) Facilities that provide occasional respite care for not more than two
24 individuals at a time; provided that the primary purpose of the facility is
25 other than as defined in G.S. 122C-3(14);
- 26 (9) Twenty-four-hour nonprofit facilities established for the purposes of shelter
27 care and recovery from alcohol or other drug addiction through a 12-step,
28 self-help, peer role modeling, and self-governance approach;
- 29 (10) Inpatient chemical dependency or substance abuse facilities that provide
30 services exclusively to inmates of the Department of Correction, as
31 described in G.S. 148-19.1; and
- 32 (11) A charitable, nonprofit, faith-based, adult residential treatment facility that
33 does not receive any federal or State funding ~~and is part of an international~~
34 ~~organization serving at least 50 countries that helps persons ages 18 through~~
35 ~~40 overcome life-controlling problems~~ and is a religious organization



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1 exempt from federal income tax under section 501(a) of the Internal
2 Revenue Code.

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4 **SECTION 2.** Section 4 of S.L. 2009-490 reads as rewritten:

5 **"SECTION 4.** The Department of Health and Human Services, Division of Health Service
6 Regulation shall establish a pilot program to study the use of electronic supervision devices as
7 an alternative means of supervision during sleep hours at facilities for children and adolescents
8 who have a primary diagnosis of mental illness and/or emotional disturbance. The pilot
9 program shall be implemented at a facility currently authorized to waive the requirement set
10 forth in 10A NCAC 27G .1704(c) or any related or subsequent rule or regulation by the
11 Commission for Mental Health, Developmental Disabilities, and Substance Abuse Services
12 setting minimum overnight staffing requirements. The waiver shall remain in effect until
13 ~~December 31, 2012;~~ December 31, 2015; however, the Division reserves the right to rescind
14 the waiver if, at the time of the facility's license renewal, there are outstanding deficiencies that
15 have remained uncorrected upon follow-up survey, that are related to electronic supervision."

16 **SECTION 3.** This act becomes effective July 1, 2012.