

NORTH CAROLINA GENERAL ASSEMBLY
1977 SESSION

CHAPTER 1089
HOUSE BILL 918

AN ACT TO AMEND CHAPTER 1418 OF THE 1973 SESSION LAWS RELATING TO
THE FINANCING OF PUBLIC ASSISTANCE.

The General Assembly of North Carolina enacts:

Section 1. Section 1 of Chapter 1418 of the 1973 Session Laws is hereby amended to read as follows:

"Section 1. G.S. 108-54 is hereby amended to read as follows:

'§ 108-54. Determination of State and county financial participation. — Before March 15 of each year the director of social services for every county shall compile and submit to the county board of social services an estimated budget of total county funds required to finance each program of public assistance, including all administrative expenses, within the county in the next fiscal year on forms furnished by the Department of Human Resources. The county board of social services shall review, modify, and approve such estimated budget and transmit it before April 1 to the board of county commissioners, which shall review, modify and approve it before April 15 for transmittal by said date to the Department of Human Resources. The Director of the Division of Social Services, as agent for the Department of Human Resources, shall review the estimated budget submitted by each county and shall notify the board of county commissioners by June 1 of the approval or disapproval of the county's estimated budget of total county funds necessary to support and administer adequate programs of public assistance.

If the Director of the Division of Social Services approves the estimated budget submitted by the county, and if administrative and program expenditures for that year in the county's Aid to Families with Dependent Children, Medical Assistance, State-county Special Assistance for Adults, WIN Single Administrative Unit, WIN Day Care, and State Boarding Home Fund for Foster Care programs exceed the approved estimate of administrative and program costs for said programs, or if the administrative expenditures for that year in the county's Food Stamp program exceed the approved estimate of administrative costs for said program, then the county shall be eligible to borrow the required additional county share from the "State Public Assistance Contingency Fund" established in G.S. 108-54.1.

If the Director of the Division of Social Services disapproves the estimated budget of the county, he shall recommend an appropriate budget of total county funds necessary to sustain and administer adequate programs of public assistance whose acceptance by the board of county commissioners shall be a condition precedent to borrowing any moneys from the "State Public Assistance Contingency Fund" established in G.S. 108-54.1; provided that, if the board of county commissioners disputes the budget recommended by the Director of the Division of Social Services as appropriate to sustain and administer adequate programs of public assistance within that county, the Secretary of Human Resources shall make a final determination that shall be binding upon the county.

Upon final determination of the county budget for all programs of public assistance within that county for the next fiscal year, the board of county commissioners shall levy taxes sufficient to provide for the payment of the county's share of such budget as well as for repayment of any amount borrowed from the "State Public Assistance Contingency Fund"."

Sec. 2. Section 2 of Chapter 1418 of the 1973 Session Laws is hereby amended to read as follows:

"**Sec. 2.** Chapter 108 of the General Statutes is hereby amended by adding the following section immediately following G.S. 108-54, to be numbered G.S. 108-54.1 and to read as follows:

'§ 108-54.1. State Public Assistance Contingency Fund. — (a) To allow for an efficient and equitable means of providing the funds by which a county exceeds its approved estimated budget of administrative and program costs for those programs of public assistance enumerated in G.S. 108-54 within that county during the fiscal year, the Department of Human Resources is authorized and empowered to establish from appropriations made by the General Assembly and from grants of the federal government (when such grants are made available to the State) a fund to be known as the "State Public Assistance Contingency Fund". This fund shall be used exclusively to provide loans to counties whose expenditures for said programs of public assistance, including administration of such programs, have exceeded the accepted budget estimate.

(b) Loans shall be made to the counties at any time during the fiscal year by the Director of the Division of Social Services, as agent for the Department of Human Resources, when satisfied of the county's need for such loan under this Part.

(c) The loans provided by this section shall be used by the counties entitled to them solely to supplement the funds appropriated by the county to support the budget determined pursuant to G.S. 108-54 to be necessary to sustain and administer adequate programs of public assistance within the county and only when such budget is exceeded during the fiscal year for those programs of public assistance specifically enumerated in G.S. 108-54.

(d) Any amount borrowed by a county from the "State Public Assistance Contingency Fund" during one fiscal year shall be repaid to said fund within the next two fiscal years."

Sec. 3. Section 6 of Chapter 1418 of the Session Laws of 1973 is hereby amended to read as follows:

"**Sec. 6.** This act shall become effective on July 1, 1974."

Sec. 4. It is the intent of this act to amend Sections 1 and 2 and to continue in effect Sections 3, 4 and 5 of Chapter 1418 of the Session Laws of 1973.

Sec. 5. This act shall become effective July 1, 1977.

In the General Assembly read three times and ratified, this the 1st day of July, 1977.