

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2005**

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**HOUSE BILL 2078\***

Short Title: Increase State Funding for MH/DD/SA Services. (Public)

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Sponsors: Representatives Insko, Alexander, Barnhart, Earle (Primary Sponsors); England, Justice, Steen, B. Allen, Brown, Coleman, Culp, Farmer-Butterfield, Fisher, Glazier, Goodwin, Harrison, Lucas, Luebke, McLawhorn, Spear, Underhill, Wainwright, Weiss, Womble, and Wray.

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Referred to: Appropriations.

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May 18, 2006

A BILL TO BE ENTITLED

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2 AN ACT TO INCREASE STATE FUNDING AND FLEXIBILITY FOR MENTAL  
3 HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE  
4 SERVICES AS RECOMMENDED BY THE JOINT LEGISLATIVE OVERSIGHT  
5 COMMITTEE FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
6 AND SUBSTANCE ABUSE SERVICES.

7 The General Assembly of North Carolina enacts:

8 **SECTION 1.** There is appropriated from the General Fund to the  
9 Department of Health and Human Services the sum of seventy-two million eight  
10 hundred eighty-eight thousand two hundred fifty-nine dollars (\$72,888,259) for the  
11 2006-2007 fiscal year to be allocated as follows:

- 12 (1) \$29,435,119 to pay for developmental therapies for the  
13 developmentally disabled. The Division shall develop rigorous care  
14 management requirements for this service.  
15 (2) \$21,726,070 to pay for mental health services.  
16 (3) \$21,726,070 to pay for substance abuse services.  
17 (4) The funds allocated under subdivisions (2) and (3) of this section shall  
18 be allocated to those area authorities and county programs where the  
19 current State service dollar allocation per capita is less than the median  
20 State service dollar per capita allocation, which is \$37.65 based upon  
21 the State fiscal year 2005-2006 allocations.

22 **SECTION 2.** Notwithstanding G.S. 143-23, an area authority or a county  
23 program may transfer from one age or disability category to a different age or disability  
24 category up to fifteen percent (15%) of the funds initially allocated to the age or  
25 disability category from which funds are being transferred. Area authorities and county  
26 programs shall:

- 1           (1) Publicly document that they have addressed the service needs of the  
2           category from which the funds are being transferred before any  
3           transfer may occur, and  
4           (2) Submit the required documentation to the Division of Mental Health,  
5           Developmental Disabilities, and Substance Abuse Services and to the  
6           Fiscal Research Division within 15 days of making the transfer.

7           **SECTION 3.** This act becomes effective July 1, 2006. Section 2 expires  
8 July 1, 2007. The Fiscal Research Division shall track the allocation and utilization of  
9 the funds appropriated under this act.