



# HOUSE BILL 111: Supplemental Appropriations Act.

2019-2020 General Assembly

<b>Committee:</b>	House Appropriations. If favorable, re-refer to Rules, Calendar, and Operations of the House	<b>Date:</b>	July 9, 2019
<b>Introduced by:</b>	Rep. Lambeth	<b>Prepared by:</b>	Committee Staff
<b>Analysis of:</b>	PCS to First Edition H111-CSMGa-11		

## BILL ANALYSIS:

Section 1.1 – Implementation in Conjunction with Statutory Procedures for Budget Continuation: Requires this act to be implemented in conjunction with the procedures for budget continuation outlined in the State Budget Act, and provides that the provisions of this act prevail in the event of any conflict.

Section 2.1 – Public Schools ADM: Appropriates recurring funds to the Department of Public Instruction to provide for increases in Average Daily Membership and average salary adjustments.

Section 2.2. – NC Promise: Permits the Board of Governors to carryforward unexpended UNC enrollment funds from the 2018-2019 fiscal year for the purpose of the "buy down" of any financial obligations for the 2019-2020 fiscal year resulting from NC Promise Tuition Plan for Elizabeth City State University, the University of North Carolina at Pembroke, and Western Carolina University or for rapid growth at any of those constituent institutions.

Section 2.3. – In-State Tuition for Certain Veterans & Other Individuals: Makes changes to the statute providing for a waiver of the 12-month residency requirement for in-State tuition for certain veterans and other individuals in order to comply with federal law requirements.

Section 3.1 – Funds for NC FAST Operations & Maintenance: Appropriates funds from the General Fund to cover operations and maintenance of the NC FAST System.

Section 4.1 – Use of Medicaid Transformation Fund for Nonrecurring Expenditures of the NC FAST System: Provides for the transfer of funds from the Medicaid Transformation Fund to cover nonrecurring expenditures of the NC FAST System necessitated by federal requirements

Section 5.1 – Funds for Suicide Prevention Lifeline: Provides nonrecurring funds for the Suicide Prevention Lifeline.

Section 6.1 – LME/MCO Intergovernmental Transfers: Directs each local management entity/managed care organization (LME/MCO) to contribute a specified amount through intergovernmental transfer to the Division of Health Benefits (DHB) and directs that if DHB does not make an additional capitated payment associated with the Medicaid Risk Reserve to an LME/MCO, then the corresponding transfer is not required.

Section 7.1 – Clarification & Implementation of 2018 Disaster Recovery:

(a) Corrects a limitation on grants by the Golden LEAF Foundation contained in one of the 2018 disaster recovery bills. Would allow the funds to be used to for hazard mitigation as well as other authorized purposes

Kory Goldsmith  
Director



Legislative Drafting  
919-733-6660

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(b) Removes a limitation on use of funds to replace volunteer fire department equipment. Previously the funds were not available unless the loss was not covered by either federal disaster funds or covered by insurance.

(c) Extends the life of certain CAMA permits that would otherwise expire due to a lack of contractors available to do the work.

(d) Allows farmers in certain additional western counties impacted by 2018 storms to apply for Agricultural Disaster funds.

Section 8.1 – Funding for Raise the Age Implementation: Provides funding for the Office of Indigent Defense Services and the Department of Public Safety for the implementation of Raise the Age, including but not limited to hiring 180 full-time employees.

Section 9.1 – Department of Revenue/Operations & Maintenance of Tax Systems: Transfers funds from the Department's Collections Assistance Fee Special Fund to the Department's Division of Information Technology for support and maintenance of the Department's IT tax collections systems.

Section 10.1 – Western Carolina Steam Plant Project: Appropriates funds from the General Fund for the Western Carolina University steam plant replacement project.

Section 11.1 – Department of Transportation/Additional Debt Service: Provides the Department of Transportation with additional funds to ensure that the principal and interest on bonds issued for transportation projects is promptly paid as required by the State Budget Act.

Section 12.1 – Clarify State's Employer Contribution Rate Procedure for Budget Continuation: Clarifies that the recurring portion of the State's employer contribution rates budgeted for retirement and related benefits in effect as of June 30 of the prior fiscal year remain in effect if a fiscal year begins for which no Current Operations Appropriations Act has become law.

**EFFECTIVE DATE:** Section 2.2 [NC Promise] becomes effective June 30, 2019. Section 7.1(d) [Expand DACS Farmer Assistance] becomes effective when the bill becomes law. The remainder of the bill becomes effective July 1, 2019.