

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001**

**HOUSE BILL 435
RATIFIED BILL**

AN ACT TO ALLOW THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO PROVIDE STAFF AND OTHER ASSISTANCE TO A NONPROFIT CORPORATION ESTABLISHED TO SUPPORT THE GOVERNOR MOREHEAD SCHOOL.

The General Assembly of North Carolina enacts:

SECTION 1. Part 9A of Article 3 of Chapter 143B of the General Statutes is amended by adding a new section to read:

"§ 143B-164.18. Establishment of private, nonprofit corporations.

The Department of Health and Human Services may encourage the establishment of private, nonprofit corporations to support the Governor Morehead School. If the sole purpose of a corporation is to support the Governor Morehead School, the Department may, with the approval of the Board of Directors of the Governor Morehead School, assign employees to assist with the establishment and operation of the nonprofit corporation and may make available to the corporation office space, equipment, supplies, and other related resources. The limitation on hours of service by an employee provided in G.S. 143B-139.4 does not apply to employees assisting a nonprofit corporation established pursuant to this section.

The board of directors of each private, nonprofit corporation that obtains assistance under this section shall secure and pay for the services of the State Auditor or employ a certified public accountant to conduct an annual audit of the financial accounts of the corporation. The board of directors of the corporation shall transmit to the Department of Health and Human Services a copy of the annual financial audit report of the corporation."

SECTION 2. G.S. 143B-164.11 is amended by adding a new subsection to read:

"(c) The Board of Directors of the Governor Morehead School may encourage the establishment of private, nonprofit corporations to support the institution. If the sole purpose of a corporation is to support the Governor Morehead School, the Department of Health and Human Services may, with the approval of the Board of Directors, assign employees to assist with the establishment and operation of the corporation and may make available to the corporation office space, equipment, supplies, and other related resources. The limitation on hours of service by an employee provided in G.S. 143B-139.4 does not apply to employees assisting a nonprofit corporation pursuant to this subsection. The board of directors of each private, nonprofit corporation that obtains assistance under this subsection shall secure and pay for the services of the State Auditor or employ a certified public accountant to conduct an annual audit of the financial accounts of the corporation. The board of directors of the corporation shall transmit to the Department of Health and Human Services a copy of the annual financial audit report of the corporation."

SECTION 3. G.S. 143B-139.4(a) reads as rewritten:

"§ 143B-139.4. Department of Health and Human Services; authority to assist private nonprofit organizations.

(a) The Secretary of the Department of Health and Human Services may allow employees of the Department or provide other appropriate services to assist any private

nonprofit organization which works directly with services or programs of the Department and whose sole purpose is to support the services and programs of the Department. ~~Except as provided in G.S. 143B-164.18, a Department employee shall be allowed to work with an organization no more than twenty-20 hours in any one month. These services are not subject to the provisions of Chapter 150B of the General Statutes.~~"

SECTION 4. This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 6th day of September, 2001.

Marc Basnight
President Pro Tempore of the Senate

James B. Black
Speaker of the House of Representatives

Michael F. Easley
Governor

Approved _____ .m. this _____ day of _____, 2001