

- 1 (6) Mechanisms to maximize current State and local funds and to expand
2 use of Medicaid funds to accomplish the intent of this Program.
3 (7) Other appropriate components to accomplish the Program's purpose.
4 (8) The Secretary of the Department of Health and Human Services may
5 enter into contracts with residential service providers.

6 Section 11.19.(b) The Department shall not allocate funds appropriated for Program
7 services until a Memorandum of Agreement has been executed between the Department
8 and other affected State agencies. The Memorandum of Agreement shall address
9 specifically the roles and responsibilities of the various departmental divisions and
10 affected State ~~agencies~~agencies, including the Department of Public Instruction,
11 involved in the administration, financing, care, and placement of children at risk of
12 institutionalization or other out-of-home placement. The Department shall not allocate
13 funds appropriated in this act for the Program until Memoranda of Agreement between
14 local departments of social ~~services and services,~~ area mental health programs, local
15 school administrative units, and the Administrative Office of the Courts, and the Office
16 of Juvenile Justice, as appropriate, are executed to effectuate the purpose of the
17 Program. The Memoranda of Agreement shall address issues pertinent to local
18 implementation of the ~~Program.~~ Program, including provision for the immediate
19 availability of student records to a local school administrative unit receiving a child
20 placed in a residential setting outside the child's home county.

21 Section 11.19.(c) Notwithstanding any other provision of law to the contrary,
22 services under the Child Residential Treatment Services Program are not an entitlement
23 for non-Medicaid eligible children served by the Program.

24 Section 11.19.(d) The Department of Health and Human Services, in conjunction
25 with the Office of Juvenile Justice and other affected agencies, shall report on the
26 following:

- 27 (1) The number and other demographic information of children served.
28 (2) The amount and source of funds expended to implement the Program.
29 (3) Information regarding the number of children screened, specific
30 placement of children, and treatment needs of children served.
31 (4) The average length of stay in residential treatment, transition, and
32 return to home.
33 (5) The number of children diverted from institutions or other out-of-home
34 placements such as training schools and State psychiatric hospitals.
35 (6) Recommendations on other areas of the Program that need to be
36 improved.
37 (7) Other information relevant to successful implementation of the
38 Program.
39 (8) A method of identifying and tracking children placed outside of the
40 family unit in group homes or therapeutic foster care home settings.

41 The Department shall submit a progress report on implementation of the Program
42 not later than February 1, 2001, and a final report not later than May 1, 2002, to the
43 House of Representatives Appropriations Subcommittee on Health and Human

1 Services, the Senate Appropriations Committee on Human Resources, and the Fiscal
2 Research Division."

3 **SECTION 2.** G.S. 115C-140.1(a) reads as rewritten:

4 "(a) Notwithstanding the provisions of any other statute and without regard for the
5 place of domicile of a parent or guardian, the cost of a free appropriate public education
6 for a child with special needs who is placed in or assigned to a group home, foster home
7 or other similar facility, pursuant to State and federal law, shall be borne by the local
8 board of education in which the group home, foster home or other similar facility is
9 located. However, the local school administrative unit in which a child is domiciled
10 shall transfer to the local school administrative unit in which the institution is located an
11 amount equal to the actual local cost in excess of State and federal funding required to
12 educate that child in the local school administrative unit for the fiscal year. Nothing in
13 this section obligates any local board of education to bear any cost for the care and
14 maintenance of a child with special needs in a group home, foster home or other similar
15 facility."

16 **SECTION 3.** The State Board of Education shall revise the formula for State
17 Aid for Children with Disabilities and the Group Homes formula to provide to local
18 school administrative units an amount greater than the State per funded headcount for
19 children with special needs placed outside their home counties in counties where there
20 is higher than average concentration of group homes or therapeutic foster care homes
21 serving children in the county.

22 **SECTION 4.** No additional group homes shall be approved, opened,
23 licensed, or built in any county where the number of residential treatment homes and
24 supervised living homes for individuals of all disability groups beds exceeds 1 per 733
25 people, according to the most recent federal decennial census.

26 **SECTION 5.** The State Board of Education shall provide for a local school
27 administrative unit to request funds from the Group Homes Program for Children with
28 Disabilities if a child assigned to that unit was not in that unit's April headcount for
29 exceptional children for the previous school year, even if the local school administrative
30 unit received Group Homes Program funds for that child for a portion of the preceding
31 school year.

32 **SECTION 6.** This act is effective when it becomes law.