

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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HOUSE BILL 935
Committee Substitute Favorable 7/11/19
Committee Substitute #2 Favorable 8/20/19

Short Title: Social Services Reform.

(Public)

Sponsors:

Referred to:

April 22, 2019

1 A BILL TO BE ENTITLED
2 AN ACT TO IMPLEMENT VARIOUS PROVISIONS RELATED TO SOCIAL SERVICES
3 REFORM.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.(a)** In accordance with the plan submitted by the Social Services
6 Regional Supervision and Collaboration Working Group (SSWG) in its report to the Joint
7 Legislative Oversight Committee on Health and Human Services as required by S.L. 2017-41
8 (Rylan's Law), the Department of Health and Human Services (Department) shall establish seven
9 regions for regional supervision of child welfare and social services and begin providing
10 oversight and support within those regions through home-based staff and the central office team
11 by March 1, 2020. To that end, the Department shall move forward, pursuant to existing
12 authority, with repurposing and redeploying (i) positions identified in the report to support
13 regionalization and (ii) all managerial staff needed to support regionalization in the central office.
14 The Department shall pursue procurement of physical offices within each of the seven regions
15 beginning in March 2021 and shall prioritize staffing to improve the child welfare system. The
16 Department shall move towards full implementation of a regional model, with offices, by March
17 1, 2022.

18 **SECTION 1.(b)** There is appropriated from the General Fund to the Department of
19 Health and Human Services, Division of Social Services, the sum of nine hundred fourteen
20 thousand seven hundred ninety dollars (\$914,790) recurring for each year of the 2019-2021 fiscal
21 biennium to support 11 new staff positions to improve regional supervision and support of child
22 welfare services pursuant to the plan as described under subsection (a) of this section.

23 **SECTION 1.(c)** If any provision of this section and G.S. 143C-5-4 are in conflict,
24 the provisions of this section shall prevail.

25 **SECTION 1.(d)** The appropriations and the authorizations to allocate and spend
26 funds which are set out in this section shall remain in effect until the Current Operations
27 Appropriations Act for the applicable fiscal year becomes law, at which time that act shall
28 become effective and shall govern appropriations and expenditures. When the Current
29 Operations Appropriations Act for that fiscal year becomes law, the Director of the Budget shall
30 adjust allotments to give effect to that act from July 1 of the fiscal year.

31 **SECTION 1.(e)** This section becomes effective July 1, 2019.

32 **SECTION 2.(a)** Chapter 108A of the General Statutes is amended by adding a new
33 Article to read:

34 "Article 8.

35 "Miscellaneous.



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1 **"§ 108A-133. Criminal history record checks required for child care institutions.**

2 (a) Application. – This section applies to a child care institution as defined by Title IV-E
3 of the Social Security Act. The requirement for a criminal history record check applies to all
4 applicants for employment and all individuals wishing to volunteer in a child care institution.

5 (b) Requirement. – An offer of employment by a child care institution, or by a contract
6 agency of a child care institution, is conditioned on consent to a State and national criminal
7 history record check of the applicant. Acceptance of an individual who wishes to volunteer in a
8 child care institution is conditioned on consent to a State and national criminal history record
9 check of the applicant. The national criminal history record check shall include a check of the
10 applicant's fingerprints. A child care institution shall not employ an applicant, or allow an
11 individual to volunteer, who refuses to consent to a criminal history record check required by this
12 section.

13 (c) Process. – Within five business days of making the conditional offer of employment,
14 or formally discussing a volunteer opportunity, a child care institution, or a contract agency of a
15 child care institution, shall submit a request to the Department of Public Safety under
16 G.S. 143B-968 to conduct a State and national criminal history record check as required by this
17 section. The Department of Public Safety shall return the results of the national criminal history
18 record check to the Department of Health and Human Services, Criminal Records Check Unit.

19 (d) Factors. – If an applicant's or individual's criminal history record check reveals one
20 or more convictions of a relevant offense listed under subsection (e) of this section, the conviction
21 shall not automatically bar employment. The Department of Health and Human Services,
22 Criminal Records Check Unit, shall consider all of the following factors in determining whether
23 to recommend the applicant be hired, or the individual be allowed to volunteer:

24 (1) The level and seriousness of the crime.

25 (2) The date of the crime.

26 (3) The age of the person at the time of the conviction.

27 (4) The circumstances surrounding the commission of the crime, if known.

28 (5) The nexus between the criminal conduct of the person and the job duties of
29 the position to be filled.

30 (6) The prison, jail, probation, parole, rehabilitation, and employment records of
31 the person since the date the crime was committed.

32 (7) The subsequent commission by the person of a relevant offense.

33 Once the Department of Health and Human Services, Criminal Records Check Unit,
34 considers the relevant offense listed in subsection (e) of this section, and the factors listed in this
35 subsection, the Department of Health and Human Services, Criminal Records Check Unit, shall
36 inform the child care institution, or a contract agency of a child care institution, whether an
37 applicant should be hired, or an individual should be allowed to volunteer. The Department shall
38 not provide the results of the criminal history record check to the child care institution or a
39 contract agency of a child care institution.

40 (e) Relevant Offense. – As used in this section, "relevant offense" means a county, state,
41 or federal criminal history of conviction or pending indictment of a crime, whether a
42 misdemeanor or felony, that bears upon an individual's fitness to have responsibility for the safety
43 and well-being of children. These crimes include the criminal offenses set forth in any of the
44 following Articles of Chapter 14 of the General Statutes: Article 5, Counterfeiting and Issuing
45 Monetary Substitutes; Article 5A, Endangering Executive and Legislative Officers; Article 6,
46 Homicide; Article 7B, Rape and Other Sex Offenses; Article 8, Assaults; Article 10, Kidnapping
47 and Abduction; Article 13, Malicious Injury or Damage by Use of Explosive or Incendiary
48 Device or Material; Article 14, Burglary and Other Housebreakings; Article 15, Arson and Other
49 Burnings; Article 16, Larceny; Article 17, Robbery; Article 18, Embezzlement; Article 19, False
50 Pretenses and Cheats; Article 19A, Obtaining Property or Services by False or Fraudulent Use
51 of Credit Device or Other Means; Article 19B, Financial Transaction Card Crime Act; Article

20, Frauds; Article 21, Forgery; Article 26, Offenses against Public Morality and Decency; Article 26A, Adult Establishments; Article 27, Prostitution; Article 28, Perjury; Article 29, Bribery; Article 31, Misconduct in Public Office; Article 35, Offenses Against the Public Peace; Article 36A, Riots, Civil Disorders, and Emergencies; Article 39, Protection of Minors; Article 40, Protection of the Family; Article 59, Public Intoxication; and Article 60, Computer-Related Crime. These crimes also include possession or sale of drugs in violation of the North Carolina Controlled Substances Act, Article 5 of Chapter 90 of the General Statutes, and alcohol-related offenses such as sale to underage persons in violation of G.S. 18B-302 or driving while impaired in violation of G.S. 20-138.1 through G.S. 20-138.5.

(f) Penalty for Furnishing False Information. – Any applicant for employment, or individual who wishes to volunteer, who willfully furnishes, supplies, or otherwise gives false information on an employment application that is the basis for a criminal history record check under this section shall be guilty of a Class A1 misdemeanor.

(g) Conditional Employment. – A child care institution may employ an applicant conditionally prior to obtaining the results of a criminal history record check regarding the applicant if both of the following requirements are met:

(1) The child care institution shall not employ an applicant prior to obtaining the applicant's consent for a criminal history record check as required in subsection (b) of this section or the completed fingerprint cards as required in G.S. 143B-968.

(2) The child care institution shall submit the request for a criminal history record check not later than five business days after the individual begins conditional employment.

(h) Notification of Results. – Within five business days of receipt of the national criminal history of the person, the Department of Health and Human Services, Criminal Records Check Unit, shall notify the child care institution as to whether the information received may affect the employability of the applicant or ability of the individual to volunteer. In no case shall the results of the national criminal history record check be shared with the child care institution or the contract agency of a child care institution. Child care institutions shall make available upon request verification that a criminal history check has been completed on all staff and volunteers. All criminal history information is confidential and may not be disclosed.

(i) Immunity. – The Department of Health and Human Services, Criminal Records Check Unit; a child care institution; a contract agency of a child care institution; and an officer or employee of any of these entities acting in good faith and in compliance with this section shall be immune from civil liability for denying employment to an applicant, or the opportunity for an individual to volunteer, based on information provided in the criminal history record check. A child care institution, or contract agency for a child care institution and officers and employees shall be immune from civil liability for failure to check an applicant's, employee's, or volunteer's history of criminal offenses if the applicant's, employee's, or volunteer's criminal history record check is requested and received in compliance with this section."

SECTION 2.(b) G.S. 131D-10.6(7) reads as rewritten:

"§ 131D-10.6. Powers and duties of the Department.

In addition to other powers and duties prescribed by law, the Department shall exercise the following powers and duties:

...

(7) Grant, deny, suspend or revoke a license or a provisional license, in accordance with this Article, G.S. 108A-133, and Commission rules."

SECTION 2.(c) Article 13 of Chapter 143B of the General Statutes is amended by adding a new section to read:

"§ 143B-968. National criminal record checks for child care institutions.

1 The Department of Public Safety shall provide to the Department of Health and Human
2 Services, Criminal Records Check Unit, in accordance with G.S. 108A-133, the criminal history
3 of any current or prospective employee or volunteer in a child care institution as defined by Title
4 IV-E of the Social Security Act, including individuals working with a contract agency in a child
5 care institution. The Department of Health and Human Services, Criminal Records Check Unit,
6 shall provide to the Department of Public Safety, along with the request, the fingerprints of the
7 individual to be checked, any additional information required by the Department of Public Safety,
8 and a form signed by the individual to be checked consenting to the check of the criminal record
9 and to the use of fingerprints and other identifying information required by the State or National
10 Repositories of Criminal Histories. The fingerprints of the individual shall be forwarded to the
11 State Bureau of Investigation for a search of the State's criminal history record file, and the State
12 Bureau of Investigation shall forward a set of fingerprints to the Federal Bureau of Investigation
13 for a national criminal history record check. All information received by the Department of
14 Health and Human Services, Criminal Records Check Unit, shall be kept confidential in
15 accordance with G.S. 108A-133. The Department of Public Safety may charge a reasonable fee
16 to conduct a criminal record check under this section."

17 **SECTION 2.(d)** This section becomes effective on December 1, 2020, and applies
18 to all employees, volunteers, and applicants on and after that date.

19 **SECTION 3.** Section 11C.5(a) of S.L. 2017-57 reads as rewritten:

20 "**SECTION 11C.5.(a)** Funds appropriated from the General Fund to the Department of
21 Health and Human Services for the child welfare postsecondary support program shall be used
22 to continue providing assistance with the "cost of attendance" as that term is defined in 20 U.S.C.
23 § 108711 for the educational needs of (i) foster youth aging out of the foster care ~~system~~system,
24 (ii) youth who exit foster care to a permanent home through the Guardianship Assistance
25 Program, and (iii) special needs children adopted from foster care after age 12. These funds shall
26 be allocated by the State Education Assistance Authority."

27 **SECTION 4.(a)** G.S. 108A-9 reads as rewritten:

28 "**§ 108A-9. Duties and responsibilities.**

29 The county board of social services shall have the following duties and responsibilities:

30 ...

31 (4a) To attend education and training sessions provided for new board members
32 during the first year they serve on the board.

33 "

34 **SECTION 4.(b)** The Department of Health and Human Services, Division of Social
35 Services, shall collaborate with key stakeholders, including the North Carolina Association of
36 County Boards of Social Services, Association of North Carolina County Social Services
37 Directors, North Carolina Association of County Commissioners, and the University of North
38 Carolina School of Government, to create formal education and training sessions for new county
39 boards of social services members in accordance with G.S. 108A-9(4a), as provided in subsection
40 (a) of this section. The education and training sessions shall include a segment on the potential
41 liabilities of the county board of social services. The education and training sessions shall be
42 available statewide by March 1, 2020.

43 **SECTION 4.(c)** Section 4(b) of this act is effective when it becomes law. Section
44 4(a) of this act becomes effective October 1, 2020, and by October 1, 2022, all current county
45 board of social services members must have participated in the education and training sessions
46 provided in G.S. 108A-9(4a).

47 **SECTION 5.** The Administrative Office of the Courts shall conduct a feasibility and
48 cost study of a proposed child support tribunal, with dedicated court officers to hear child support
49 matters, using quasi-judicial procedures. The study shall include, at a minimum, strategies to
50 address funding, staffing, and a plan for how the proposed changes will be implemented. The

1 Administrative Office of the Courts shall submit a report of its findings and recommendations to
2 the Joint Legislative Oversight Committee on Health and Human Services by March 1, 2020.

3 **SECTION 6.(a)** Part 2B of Article 1 of Chapter 108A of the General Statutes is
4 amended by adding a new section to read:

5 **"§ 108A-15.16. Conflicts of interest.**

6 When conflicts of interest arise in the provision of social services provided by county
7 departments of social services, county departments of social services shall work expeditiously to
8 resolve those conflicts consistent with applicable law and any policies and procedures established
9 by the Department of Health and Human Services. Policies and procedures shall address county
10 financial and practice responsibilities associated with conflicts of interest. Upon identifying a
11 conflict of interest, the county shall notify the appropriate authority within the Department of
12 Health and Human Services of the conflict. The Department of Health and Human Services shall
13 have authority to make final decisions regarding conflicts of interest assignments when disputes
14 arise, with regional staff having initial authority when a dispute arises between county
15 departments of social services, and central office staff having initial authority when disputes arise
16 between regions. The Social Services Commission shall adopt rules regarding conflicts of interest
17 management, including establishing reasonable and specific time lines for resolving conflicts of
18 interest. For purposes of this section, a "conflict of interest" occurs when a county department of
19 social services is not able to manage the adverse interests of two individuals that the department
20 of social services owes a duty to serve, or because of a preexisting relationship between an
21 individual and a county that results in a county department of social services inability to
22 objectively fulfill its statutory responsibilities, or when the provision of social services and duty
23 owed by a county department of social services conflicts with services and the duty owed by
24 another county department of social services."

25 **SECTION 6.(b)** The Social Services Commission shall report to the Joint Legislative
26 Oversight Committee on Health and Human Services upon adopting rules pursuant to
27 G.S. 108A-15.16, as enacted in subsection (a) of this section.

28 **SECTION 7.(a)** Part I of S.L. 2017-41 reads as rewritten:

29 **"SECTION 1.1.** Regional Supervision of and Collaboration by Local Social Services
30 Programs. –

31 ...

- 32 (3) The Department shall submit the plan to the Joint Legislative Oversight
33 Committee on Health and Human Services by November 15, 2018. The plan
34 shall provide for the system of regional supervision to be operational no later
35 than March 1, ~~2020.~~ 2022. The Department shall not implement the plan
36 without an act by the General Assembly.

37 **"SECTION 1.2.(a)** Social Services Regional Supervision and Collaboration Working
38 Group. – The School of Government at the University of North Carolina at Chapel Hill (SOG)
39 shall ~~convene a~~ continue the work of the Social Services Regional Supervision and Collaboration
40 Working Group (Working Group) to make recommendations to the Department regarding the
41 regional supervision and collaboration plan. The Working Group shall consist of the currently
42 constituted members as of December 1, 2018.

43 **"SECTION 1.2.(b)** Composition. – The Working Group shall consist of the following
44 members:

- 45 (1) Three members ~~of the Senate~~ appointed by the President Pro Tempore of the
46 Senate, one of whom shall be designated as a cochair.
47 (2) Three members ~~of the House of Representatives~~ appointed by the Speaker of
48 the House of Representatives, one of whom shall be designated as a cochair.

49 ...

50 **"SECTION 1.2.(b1)** Vacancy. – A vacancy on the Working Group created by death,
51 resignation, or otherwise, shall be filled in the same manner as the original appointment.

1 ...
2 "SECTION 1.2.(d) Duties. – The Working Group shall continue to develop
3 recommendations for the regional supervision and collaboration plan required by Section 1.1 of
4 this act. The Working Group shall ~~divide its work into two stages, the first~~ continue to (i) address
5 regional supervision and ~~the second to~~ (ii) address interagency collaboration and regionalization.

6 (1) Stage One. – The Working Group shall convene ~~its first meeting~~ no later than
7 ~~October 6, 2017. During the first stage, the Working Group shall develop~~
8 October 4, 2019, and continue developing recommendations regarding:

- 9 a. The size, number, and location of the regions. Recommendations shall
10 take into consideration (i) the need for regions to maintain direct, local
11 connections with the jurisdictions they serve; (ii) alignment with other
12 regional organizations that intersect with the work of social services,
13 as appropriate; and (iii) awareness of the cultural differences and
14 similarities between regions.
- 15 b. The allocation of responsibility between the central, regional, and local
16 officials in supervising and administering the social services programs
17 and services.
- 18 c. Methods for holding the regional offices accountable for performance
19 and responsiveness.
- 20 d. Requirements for the regional offices to share information about local
21 departmental performance with the relevant board or boards of county
22 commissioners, county or regional board of social services, or
23 consolidated human services board.
- 24 e. Options for authorizing the board of county commissioners to
25 intervene in urgent situations to assume direct control of the
26 department of social services at the local level prior to the State
27 assuming control of service delivery pursuant to G.S. 108A-74.
- 28 f. Any other issues related to regional supervision identified by the
29 cochairs.

30 (2) Stage Two. – ~~During the second stage, the~~ The Working Group shall:

- 31 a. Develop recommendations regarding legislative and regulatory
32 changes necessary to improve collaboration between counties in the
33 administration of social services programs and services. Recommendations shall address, at a minimum, information sharing,
34 conflicts of interest, and intercounty movement of people enrolled in
35 programs or receiving social services.
- 36 b. Develop a vision for transitioning the State from a
37 county-administered system to a regionally administered system. The
38 vision shall identify general benefits and challenges associated with
39 making such a transition.

40 (3) Stage Three. – After completing the work in Stages One and Two, the
41 Working Group shall:

- 42 a. Review the recommendations from the Center for the Support of
43 Families and the Department. After reviewing both reports, the
44 Working Group shall revise the Stage One recommendations
45 regarding regional supervision.
- 46 b. Provide more detailed recommendations regarding the following:
 - 47 1. The role of local elected officials and social services governing
48 boards in social services oversight.
 - 49 2. Legal representation of local social services agencies.
 - 50 3. Managing conflicts of interest.

