

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019**

**HOUSE BILL 961  
RATIFIED BILL**

AN ACT TO PROVIDE FOR CERTAIN FEDERAL FUNDING.

The General Assembly of North Carolina enacts:

**PART I. HEALTH AND HUMAN SERVICES BLOCK GRANTS**

**DHHS BLOCK GRANTS**

**SECTION 1.1.(a)** Except as otherwise provided, appropriations from federal block grant funds are made for each year of the fiscal biennium ending June 30, 2021, according to the following schedule:

<b>TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) FUNDS</b>	<b>FY 2019-2020</b>	<b>FY 2020-2021</b>
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**Local Program Expenditures**

**Division of Social Services**

01. Work First Family Assistance	\$37,549,914	\$35,549,914
02. Work First County Block Grants	80,093,566	80,093,566
03. Work First Electing Counties	2,378,213	2,378,213
04. Adoption Services – Special Children Adoption Fund	2,026,877	2,026,877
05. Child Protective Services – Child Welfare Workers for Local DSS	9,412,391	9,412,391
06. Funding for Counties to Assist with County Implementation of NC FAST, Project 4	8,092	0
07. Child Welfare Program Improvement Plan	775,176	775,176
08. Child Welfare Collaborative	400,000	400,000
09. Child Welfare Initiatives	1,400,000	1,400,000

**Division of Child Development and Early Education**

10. Subsidized Child Care Program	53,203,069	45,813,694
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11. Swap-Child Care Subsidy	5,400,000	12,600,000
12. NC Pre-K Services	66,300,000	68,300,000
<b>Division of Public Health</b>		
13. Teen Pregnancy Prevention Initiatives	3,450,000	3,450,000
<b>DHHS Administration</b>		
14. Division of Social Services	2,482,260	2,482,260
15. Office of the Secretary	34,042	34,042
16. Eligibility Systems – Operations and Maintenance	653,815	711,349
17. NC FAST Implementation	1,817,362	0
18. Division of Social Services – Workforce Innovation & Opportunity Act (WIOA)	93,216	93,216
<b>Transfers to Other Block Grants</b>		
<b>Division of Child Development and Early Education</b>		
19. Transfer to the Child Care and Development Fund	21,773,001	21,773,001
<b>Division of Social Services</b>		
20. Transfer to Social Services Block Grant for Child Protective Services – Training	1,300,000	1,300,000
21. Transfer to Social Services Block Grant for Child Protective Services	5,040,000	5,040,000
22. Transfer to Social Services Block Grant for County Departments of Social Services for Children's Services	13,097,783	13,097,783
23. Transfer to Social Services Block Grant – Foster Care Services	1,385,152	1,385,152
24. Transfer to Social Services Block Grant – Child Advocacy Centers	1,582,000	1,582,000
25. Transfer to Social Services Block Grant – Child Protective Services,	737,067	737,067

Child Welfare Training for Counties

<b>TOTAL TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) FUNDS</b>	<b>\$312,392,996</b>	<b>\$310,435,701</b>
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**TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)  
EMERGENCY CONTINGENCY FUNDS**

**Local Program Expenditures**

**Division of Child Development and Early Education**

01. Subsidized Child Care	\$33,439,988	\$33,439,988
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<b>TOTAL TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) EMERGENCY CONTINGENCY FUNDS</b>	<b>\$33,439,988</b>	<b>\$33,439,988</b>
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**SOCIAL SERVICES BLOCK GRANT**

**Local Program Expenditures**

**Divisions of Social Services and Aging and Adult Services**

01. County Departments of Social Services	\$19,905,849	\$19,905,849
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02. County Departments of Social Services (Transfer From TANF)	13,097,783	13,097,783
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03. EBCI Tribal Public Health and Human Services	244,740	244,740
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04. Child Protective Services (Transfer From TANF)	5,040,000	5,040,000
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05. State In-Home Services Fund	1,943,950	1,943,950
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06. Adult Protective Services	2,138,404	2,138,404
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07. State Adult Day Care Fund	1,994,084	1,994,084
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08. Child Protective Services/CPS Investigative Services – Child Medical Evaluation Program	901,868	901,868
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09. Special Children Adoption Incentive Fund	462,600	462,600
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10. Child Protective Services – Child Welfare Training for Counties (Transfer From TANF)	1,300,000	1,300,000
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11. Child Protective Services – Child		
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Welfare Training for Counties (Transfer From TANF)	737,067	737,067
12. Home and Community Care Block Grant (HCCBG)	2,696,888	2,696,888
13. Child Advocacy Centers (Transfer from TANF \$1,582,000)	1,582,000	1,582,000
14. Guardianship – Division of Social Services	1,802,671	1,802,671
15. Foster Care Services (Transfer From TANF)	1,385,152	1,385,152
<b>Division of Central Management and Support</b>		
16. DHHS Competitive Block Grants for Nonprofits	4,774,525	4,774,525
<b>Division of Mental Health, Developmental Disabilities, and Substance Abuse Services</b>		
17. Mental Health Services – Adult and Child/Developmental Disabilities Program/ Substance Abuse Services – Adult	4,149,595	4,149,595
<b>DHHS Program Expenditures</b>		
<b>Division of Services for the Blind</b>		
18. Independent Living Program	3,603,793	3,603,793
<b>Division of Health Service Regulation</b>		
19. Adult Care Licensure Program	402,951	402,951
20. Mental Health Licensure and Certification Program	200,880	200,880
<b>Division of Aging and Adult Services</b>		
21. Guardianship	3,825,443	3,825,443
<b>DHHS Administration</b>		
22. Division of Aging and Adult Services	679,541	679,541
23. Division of Social Services	654,220	654,220
24. Office of the Secretary/Controller's Office	132,047	132,047
25. Legislative Increases/Fringe Benefits	236,278	236,278

26. Division of Child Development and Early Education	13,878	13,878
27. Division of Mental Health, Developmental Disabilities, and Substance Abuse Services	27,446	27,446
28. Division of Health Service Regulation	121,719	121,719
<b>TOTAL SOCIAL SERVICES BLOCK GRANT</b>	<b>\$74,055,372</b>	<b>\$74,055,372</b>

**LOW-INCOME ENERGY ASSISTANCE BLOCK GRANT**

**Local Program Expenditures**

**Division of Social Services**

01. Low-Income Energy Assistance Program (LIEAP)	\$40,298,638	\$40,298,638
02. Crisis Intervention Program (CIP)	40,298,638	40,298,638

**Local Administration**

**Division of Social Services**

03. County DSS Administration	6,618,366	6,618,366
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**DHHS Administration**

**Division of Central Management and Support**

04. Division of Social Services	10,000	10,000
05. Office of the Secretary/DIRM	128,954	128,954
06. Office of the Secretary/Controller's Office	18,378	18,378
07. NC FAST Development	2,287,188	2,287,188
08. NC FAST Operations and Maintenance	2,539,033	2,539,033

**Transfers to Other State Agencies**

**Department of Environmental Quality**

09. Weatherization Program	8,692,641	8,552,641
10. Heating Air Repair and Replacement Program (HARRP)	5,881,761	5,701,761

11. Local Residential Energy Efficiency Service Providers – Weatherization	544,742	514,742
12. Local Residential Energy Efficiency Service Providers – HARRP	327,169	277,169
13. DEQ – Weatherization Administration	544,742	514,742
14. DEQ – HARRP Administration	277,169	277,169
<b>Department of Administration</b>		
15. N.C. Commission on Indian Affairs	87,736	87,736
<b>TOTAL LOW-INCOME ENERGY ASSISTANCE BLOCK GRANT</b>	<b>\$108,555,155</b>	<b>\$108,125,155</b>
<b>CHILD CARE AND DEVELOPMENT FUND BLOCK GRANT</b>		
<b>Local Program Expenditures</b>		
<b>Division of Child Development and Early Education</b>		
01. Child Care Services	\$232,109,943	\$239,499,318
02. Smart Start Subsidy	7,392,654	7,392,654
03. Transfer from TANF Block Grant for Child Care Subsidies	21,773,001	21,773,001
04. Quality and Availability Initiatives (TEACH Program \$3,800,000)	55,217,124	55,217,124
<b>DHHS Administration</b>		
<b>Division of Child Development and Early Education</b>		
05. DCDEE Administrative Expenses	9,710,886	9,710,886
<b>Division of Social Services</b>		
06. Local Subsidized Child Care Services Support	18,533,357	18,533,357
07. Direct Deposit for Child Care Payments	505,100	505,100
<b>Division of Central Management and Support</b>		
08. NC FAST Development	464,290	0
09. NC FAST Operations and Maintenance	1,104,504	1,201,697

10. DHHS Central Administration – DIRM Technical Services	645,162	645,162
11. DHHS Central Administration	7,346	7,346
<b>Division of Public Health</b>		
12. Child Care Health Consultation Contracts	62,205	62,205
<b>TOTAL CHILD CARE AND DEVELOPMENT FUND BLOCK GRANT</b>	<b>\$347,525,572</b>	<b>\$354,547,850</b>
<b>MENTAL HEALTH SERVICES BLOCK GRANT</b>		
<b>Local Program Expenditures</b>		
01. Mental Health Services – Child	\$4,779,087	\$4,779,087
02. Mental Health Services – Adult/Child	18,531,361	18,531,360
03. Mental Health Services – First Psychotic Symptom Treatment	1,976,970	1,976,970
<b>DHHS Administration</b>		
<b>Division of Mental Health, Developmental Disabilities, and Substance Abuse Services</b>		
04. Administration	200,000	200,000
<b>TOTAL MENTAL HEALTH SERVICES BLOCK GRANT</b>	<b>\$25,487,418</b>	<b>\$25,487,417</b>
<b>SUBSTANCE ABUSE PREVENTION AND TREATMENT BLOCK GRANT</b>		
<b>Local Program Expenditures</b>		
<b>Division of Mental Health, Developmental Disabilities, and Substance Abuse Services</b>		
01. Substance Abuse – HIV and IV Drug	\$3,500,747	\$2,550,915
02. Substance Abuse Prevention	9,110,422	9,110,422
03. Substance Abuse Services – Treatment for Children/Adults (Medication-Assisted Opioid Use Disorder Treatment Pilot Program \$500,000; First Step Farm of WNC, Inc. \$100,000)	28,203,732	29,500,823
05. Crisis Solutions Initiatives – Collegiate Wellness/Addiction Recovery	1,085,000	1,085,000

06. Crisis Solutions Initiatives – Community Paramedic Mobile Crisis Management	20,000	20,000
<b>DHHS Program Expenditures</b>		
<b>Division of Central Management and Support</b>		
07. Competitive Grants	1,600,000	1,600,000
<b>DHHS Administration</b>		
<b>Division of Mental Health, Developmental Disabilities, and Substance Abuse Services</b>		
08. Administration	454,000	454,000
09. Controlled Substance Reporting System Enhancement	427,655	427,655
10. Veterans Initiatives	250,000	250,000
<b>Division of Public Health</b>		
11. HIV Testing for Individuals in Substance Abuse Treatment	1,300,000	0
<b>TOTAL SUBSTANCE ABUSE PREVENTION AND TREATMENT BLOCK GRANT</b>	<b>\$45,951,556</b>	<b>\$44,998,815</b>
<b>MATERNAL AND CHILD HEALTH BLOCK GRANT</b>		
<b>Local Program Expenditures</b>		
<b>Division of Public Health</b>		
01. Women and Children's Health Services (Safe Sleep Campaign \$45,000; Sickle Cell Centers \$100,000; Prevent Blindness \$575,000; March of Dimes \$350,000; Teen Pregnancy Prevention Initiatives \$650,000; 17P Project \$52,000; Nurse-Family Partnership \$550,000; Perinatal & Neonatal Outreach Coordinator Contracts \$440,000; Mountain Area Pregnancy Services \$250,000; Carolina Pregnancy Care Fellowship \$400,000)	14,719,224	14,719,224
02. Oral Health	48,227	48,227
03. Evidence-Based Programs in Counties With Highest Infant Mortality Rates	1,575,000	1,575,000



**DHHS Program Expenditures**

04. Children's Health Services	1,427,323	1,427,323
05. Women's Health – Maternal Health	169,864	169,864
06. Women and Children's Health – Perinatal Strategic Plan Support Position	68,245	68,245
07. State Center for Health Statistics	158,583	158,583
08. Health Promotion – Injury and Violence Prevention	87,271	87,271

**DHHS Administration**

09. Division of Public Health Administration	552,571	552,571
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**TOTAL MATERNAL AND CHILD  
HEALTH BLOCK GRANT****\$18,806,308      \$18,806,308****PREVENTIVE HEALTH SERVICES BLOCK GRANT****Local Program Expenditures**

01. Physical Activity and Prevention	\$3,030,116	\$3,030,116
02. Injury and Violence Prevention (Services to Rape Victims – Set-Aside)	160,000	160,000

**DHHS Program Expenditures****Division of Public Health**

03. HIV/STD Prevention and Community Planning	137,648	137,648
04. Oral Health Preventive Services	150,000	150,000
05. Laboratory Services – Testing, Training, and Consultation	21,000	21,000
06. Injury and Violence Prevention (Services to Rape Victims – Set-Aside)	53,206	53,206
07. Performance Improvement and Accountability	592,123	592,123
08. State Center for Health Statistics	82,505	82,505

**DHHS Administration**

## Division of Public Health

09. Division of Public Health	65,000	65,000
<b>TOTAL PREVENTIVE HEALTH SERVICES BLOCK GRANT</b>	<b>\$4,291,598</b>	<b>\$4,291,598</b>
<b>COMMUNITY SERVICES BLOCK GRANT</b>		
01. Community Action Agencies	\$24,170,204	\$20,539,214
02. Discretionary Funding	921,096	921,096
03. Office of Economic Opportunity	981,096	981,096
04. Office of Economic Opportunity – Workforce Investment Opportunities Act (WIOA)	60,000	60,000
<b>TOTAL COMMUNITY SERVICES BLOCK GRANT</b>	<b>\$26,132,396</b>	<b>\$22,501,406</b>

## GENERAL PROVISIONS

**SECTION 1.1.(b)** Information to Be Included in Block Grant Plans. – The Department of Health and Human Services shall submit a separate plan for each Block Grant received and administered by the Department, and each plan shall include the following:

- (1) A delineation of the proposed allocations by program or activity, including State and federal match requirements.
- (2) A delineation of the proposed State and local administrative expenditures.
- (3) An identification of all new positions to be established through the Block Grant, including permanent, temporary, and time-limited positions.
- (4) A comparison of the proposed allocations by program or activity with two prior years' program and activity budgets and two prior years' actual program or activity expenditures.
- (5) A projection of current year expenditures by program or activity.
- (6) A projection of federal Block Grant funds available, including unspent federal funds from the current and prior fiscal years.
- (7) The required amount of maintenance of effort and the amount of funds qualifying for maintenance of effort in the previous year delineated by program or activity.

**SECTION 1.1.(c)** Changes in Federal Fund Availability. – If the Congress of the United States increases the federal fund availability for any of the Block Grants or contingency funds and other grants related to existing Block Grants administered by the Department of Health and Human Services from the amounts appropriated in this act, the Department shall allocate the increase proportionally across the program and activity appropriations identified for that Block Grant in this section. In allocating an increase in federal fund availability, the Office of State Budget and Management shall not approve funding for new programs or activities not appropriated in this act.

If the Congress of the United States decreases the federal fund availability for any of the Block Grants or contingency funds and other grants related to existing Block Grants administered by the Department of Health and Human Services from the amounts appropriated

in this act, the Department shall develop a plan to adjust the Block Grants based on reduced federal funding.

Notwithstanding the provisions of this subsection, for fiscal years 2019-2020 and 2020-2021, increases in the federal fund availability for the Temporary Assistance to Needy Families (TANF) Block Grant shall be used only for the North Carolina Child Care Subsidy program to pay for child care in four- or five-star rated facilities for 4-year-old children and shall not be used to supplant State funds.

Prior to allocating the change in federal fund availability, the proposed allocation must be approved by the Office of State Budget and Management. If the Department adjusts the allocation of any Block Grant due to changes in federal fund availability, then a report shall be made to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division.

**SECTION 1.1.(d)** Except as otherwise provided, appropriations from federal Block Grant funds are made for each year of the fiscal biennium ending June 30, 2021, according to the schedule enacted for State fiscal years 2019-2020 and 2020-2021 or until a new schedule is enacted by the General Assembly.

**SECTION 1.1.(e)** All changes to the budgeted allocations to the Block Grants or contingency funds and other grants related to existing Block Grants administered by the Department of Health and Human Services that are not specifically addressed in this section shall be approved by the Office of State Budget and Management. The Office of State Budget and Management shall not approve funding for new programs or activities not appropriated in this section. Additionally, if budgeted allocations are decreased, the Office of State Budget and Management shall not approve any reduction of funds designated for subrecipients in subsection (a) of this section under (i) Item 03 of the Substance Abuse Prevention and Treatment Block Grant or (ii) Item 01 of the Maternal and Child Health Block Grant. The Office of State Budget and Management shall consult with the Joint Legislative Oversight Committee on Health and Human Services for review prior to implementing any changes. In consulting, the report shall include an itemized listing of affected programs, including associated changes in budgeted allocations. All changes to the budgeted allocations to the Block Grants shall be reported immediately to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division. This subsection does not apply to Block Grant changes caused by legislative salary increases and benefit adjustments.

**SECTION 1.1.(f)** Except as otherwise provided, the Department of Health and Human Services shall have flexibility to transfer funding between the Temporary Assistance for Needy Families (TANF) Block Grant and the TANF Emergency Contingency Funds Block Grant so long as the total allocation for the line items within those block grants remains the same.

## **TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) FUNDS**

**SECTION 1.1.(g)** The sum of eighty million ninety-three thousand five hundred sixty-six dollars (\$80,093,566) for each year of the 2019-2021 fiscal biennium appropriated in this act in TANF funds to the Department of Health and Human Services, Division of Social Services, shall be used for Work First County Block Grants. The Division shall certify these funds in the appropriate State-level services based on prior year actual expenditures. The Division has the authority to realign the authorized budget for these funds among the State-level services based on current year actual expenditures. The Division shall also have the authority to realign appropriated funds from Work First Family Assistance for electing counties to the Work First County Block Grant for electing counties based on current year expenditures so long as the electing counties meet Maintenance of Effort requirements.

**SECTION 1.1.(h)** The sum of nine million four hundred twelve thousand three hundred ninety-one dollars (\$9,412,391) appropriated in this act to the Department of Health and Human Services, Division of Social Services, in TANF funds for each fiscal year of the

2019-2021 fiscal biennium for child welfare improvements shall be allocated to the county departments of social services for hiring or contracting staff to investigate and provide services in Child Protective Services cases; to provide foster care and support services; to recruit, train, license, and support prospective foster and adoptive families; and to provide interstate and post-adoption services for eligible families.

Counties shall maintain their level of expenditures in local funds for Child Protective Services workers. Of the Block Grant funds appropriated for Child Protective Services workers, the total expenditures from State and local funds for fiscal years 2019-2020 and 2020-2021 shall not be less than the total expended from State and local funds for the 2012-2013 fiscal year.

**SECTION 1.1.(i)** The sum of two million twenty-six thousand eight hundred seventy-seven dollars (\$2,026,877) appropriated in this act in TANF funds to the Department of Health and Human Services, Special Children Adoption Fund, for each fiscal year of the 2019-2021 fiscal biennium shall be used in accordance with G.S. 108A-50.2. The Division of Social Services, in consultation with the North Carolina Association of County Directors of Social Services and representatives of licensed private adoption agencies, shall develop guidelines for the awarding of funds to licensed public and private adoption agencies upon the adoption of children described in G.S. 108A-50 and in foster care. Payments received from the Special Children Adoption Fund by participating agencies shall be used exclusively to enhance the adoption services program. No local match shall be required as a condition for receipt of these funds.

**SECTION 1.1.(j)** The sum of one million four hundred thousand dollars (\$1,400,000) appropriated in this act in TANF funds to the Department of Health and Human Services, Division of Social Services, for each fiscal year of the 2019-2021 fiscal biennium shall be used for child welfare initiatives to (i) enhance the skills of social workers to improve the outcomes for families and children involved in child welfare and (ii) enhance the provision of services to families in their homes in the least restrictive setting.

**SECTION 1.1.(k)** Of the three million four hundred fifty thousand dollars (\$3,450,000) allocated in this act in TANF funds to the Department of Health and Human Services, Division of Public Health, for each year of the 2019-2021 fiscal biennium for teen pregnancy prevention initiatives, the sum of five hundred thousand dollars (\$500,000) in each year of the 2019-2021 fiscal biennium shall be used to provide services for youth in foster care or the juvenile justice system.

**SECTION 1.1.(k1)** The total requirements for NC Pre-K shall remain unchanged due to the additional sum of four million one hundred thousand dollars (\$4,100,000) in recurring funds for the 2019-2020 fiscal year and the additional sum of six million one hundred thousand dollars (\$6,100,000) in recurring funds for the 2020-2021 fiscal year from TANF funds appropriated in this section. Funds made available after the adjustment in this subsection shall remain unspent until otherwise appropriated by the General Assembly.

**SECTION 1.1.(k2)** The total requirements for the Child Care Subsidy program shall remain unchanged due to the additional sum of five million four hundred thousand dollars (\$5,400,000) in nonrecurring funds for the 2019-2020 fiscal year and the additional sum of twelve million six hundred thousand dollars (\$12,600,000) in nonrecurring funds for the 2020-2021 fiscal year from additional TANF funds appropriated in this section. Funds made available after the adjustment in this subsection shall remain unspent until otherwise appropriated by the General Assembly.

## **SOCIAL SERVICES BLOCK GRANT**

**SECTION 1.1.(l)** The sum of nineteen million nine hundred five thousand eight hundred forty-nine dollars (\$19,905,849) for each year of the 2019-2021 fiscal biennium appropriated in this act in the Social Services Block Grant to the Department of Health and Human Services, Division of Social Services, and the sum of thirteen million ninety-seven

thousand seven hundred eighty-three dollars (\$13,097,783) for each year of the 2019-2021 fiscal biennium transferred from funds appropriated in the TANF Block Grant shall be used for county block grants. The Division shall certify these funds in the appropriate State-level services based on prior year actual expenditures. The Division has the authority to realign the authorized budget for these funds, as well as State Social Services Block Grant funds, among the State-level services based on current year actual expenditures.

Of the funds allocated in this subsection for each year of the 2019-2021 fiscal biennium for county block grants, three million dollars (\$3,000,000) shall be used to assist counties in the implementation of Project 4, Child Services, in North Carolina Families Accessing Services Through Technology (NC FAST). These funds shall be available in each fiscal year of the fiscal biennium for this purpose.

**SECTION 1.1.(m)** The sum of one million three hundred thousand dollars (\$1,300,000) appropriated in this act in the Social Services Block Grant to the Department of Health and Human Services, Division of Social Services, for each fiscal year of the 2019-2021 fiscal biennium shall be used to support various child welfare training projects as follows:

- (1) Provide a regional training center in southeastern North Carolina.
- (2) Provide training for residential child caring facilities.
- (3) Provide for various other child welfare training initiatives.

**SECTION 1.1.(n)** The Department of Health and Human Services is authorized, subject to the approval of the Office of State Budget and Management, to transfer Social Services Block Grant funding allocated for departmental administration between divisions that have received administrative allocations from the Social Services Block Grant.

**SECTION 1.1.(o)** Social Services Block Grant funds appropriated for the Special Children Adoption Incentive Fund shall require a fifty percent (50%) local match.

**SECTION 1.1.(p)** The sum of five million forty thousand dollars (\$5,040,000) appropriated in this act in the Social Services Block Grant for each fiscal year of the 2019-2021 fiscal biennium shall be allocated to the Department of Health and Human Services, Division of Social Services. The Division shall allocate these funds to local departments of social services to replace the loss of Child Protective Services State funds that are currently used by county governments to pay for Child Protective Services staff at the local level. These funds shall be used to maintain the number of Child Protective Services workers throughout the State. These Social Services Block Grant funds shall be used to pay for salaries and related expenses only and are exempt from 10A NCAC 71R .0201(3) requiring a local match of twenty-five percent (25%).

**SECTION 1.1.(q)** The sum of four million seven hundred seventy-four thousand five hundred twenty-five dollars (\$4,774,525) for each year of the 2019-2021 fiscal biennium appropriated in this act in the Social Services Block Grant to the Department of Health and Human Services (DHHS), Division of Central Management and Support, shall be used for DHHS competitive block grants pursuant to Section 11A.14 of S.L. 2017-57, as amended by Section 11A.4 of S.L. 2018-5. These funds are exempt from the provisions of 10A NCAC 71R .0201(3).

**SECTION 1.1.(r)** The sum of one million five hundred eighty-two thousand dollars (\$1,582,000) appropriated in this act in the Social Services Block Grant for each fiscal year of the 2019-2021 fiscal biennium to the Department of Health and Human Services, Division of Social Services, shall be used to continue support for the Child Advocacy Centers, and the funds are exempt from the provisions of 10A NCAC 71R .0201(3).

**SECTION 1.1.(s)** The sum of three million eight hundred twenty-five thousand four hundred forty-three dollars (\$3,825,443) for each fiscal year of the 2019-2021 fiscal biennium appropriated in this act in the Social Services Block Grant to the Department of Health and Human Services, Divisions of Social Services and Aging and Adult Services, shall be used for guardianship services pursuant to Chapter 35A of the General Statutes. The Department may expend funds allocated in this section to support existing corporate guardianship contracts during the 2019-2020 and 2020-2021 fiscal years.

**SECTION 1.1.(t)** Of the funds appropriated in the Social Services Block Grant to the Division of Aging and Adult Services for Adult Protective Services, the sum of eight hundred ninety-three thousand forty-one dollars (\$893,041) shall be used to increase the number of Adult Protective Services workers where these funds can be the most effective. These funds shall be used to pay for salaries and related expenses and shall not be used to supplant any other source of funding for staff. These funds are also exempt from 10A NCAC 71R .0201(3) requiring a local match of twenty-five percent (25%).

**SECTION 1.1.(u)** The sum of seven hundred thirty-seven thousand sixty-seven dollars (\$737,067) appropriated in this act in the Social Services Block Grant for each fiscal year of the 2019-2021 fiscal biennium shall be allocated to the Department of Health and Human Services, Division of Social Services. These funds shall be used to assist with training needs for county child welfare training staff and shall not be used to supplant any other source of funding for staff. County departments of social services are exempt from 10A NCAC 71R .0201(3) requiring a local match of twenty-five percent (25%).

### **LOW-INCOME ENERGY ASSISTANCE BLOCK GRANT**

**SECTION 1.1.(v)** Additional emergency contingency funds received may be allocated for Energy Assistance Payments or Crisis Intervention Payments without prior consultation with the Joint Legislative Oversight Committee on Health and Human Services. Additional funds received shall be reported to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division upon notification of the award. The Department of Health and Human Services shall not allocate funds for any activities, including increasing administration, other than assistance payments, without prior consultation with the Joint Legislative Oversight Committee on Health and Human Services.

**SECTION 1.1.(w)** The sum of forty million two hundred ninety-eight thousand six hundred thirty-eight dollars (\$40,298,638) for each year of the 2019-2021 fiscal biennium appropriated in this act in the Low-Income Energy Assistance Block Grant to the Department of Health and Human Services, Division of Social Services, shall be used for Energy Assistance Payments for the households of (i) elderly persons age 60 and above with income up to one hundred thirty percent (130%) of the federal poverty level and (ii) disabled persons eligible for services funded through the Division of Aging and Adult Services.

County departments of social services shall submit to the Division of Social Services an outreach plan for targeting households with 60-year-old household members no later than August 1 of each year. The outreach plan shall comply with the following:

- (1) Ensure that eligible households are made aware of the available assistance, with particular attention paid to the elderly population age 60 and above and disabled persons receiving services through the Division of Aging and Adult Services.
- (2) Include efforts by the county department of social services to contact other State and local governmental entities and community-based organizations to (i) offer the opportunity to provide outreach and (ii) receive applications for energy assistance.
- (3) Be approved by the local board of social services or human services board prior to submission.

### **CHILD CARE AND DEVELOPMENT FUND BLOCK GRANT**

**SECTION 1.1.(x)** Payment for subsidized child care services provided with federal TANF funds shall comply with all regulations and policies issued by the Division of Child Development and Early Education for the subsidized child care program.

**SECTION 1.1.(y)** If funds appropriated through the Child Care and Development Fund Block Grant for any program cannot be obligated or spent in that program within the

obligation or liquidation periods allowed by the federal grants, the Department may move funds to child care subsidies, unless otherwise prohibited by federal requirements of the grant, in order to use the federal funds fully.

#### **MENTAL HEALTH SERVICES BLOCK GRANT**

**SECTION 1.1.(z)** The sum of one million nine hundred seventy-six thousand nine hundred seventy dollars (\$1,976,970) appropriated in this act in the Mental Health Services Block Grant to the Department of Health and Human Services, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, for each year of the 2019-2021 fiscal biennium is allocated for Mental Health Services – First Psychotic Symptom Treatment.

#### **SUBSTANCE ABUSE PREVENTION AND TREATMENT BLOCK GRANT**

**SECTION 1.1.(aa)** The sum of two hundred fifty thousand dollars (\$250,000) appropriated in this act in the Substance Abuse Prevention and Treatment Block Grant to the Department of Health and Human Services, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, for each fiscal year of the 2019-2021 fiscal biennium shall be used to support Veterans initiatives.

#### **MATERNAL AND CHILD HEALTH BLOCK GRANT**

**SECTION 1.1.(bb)** If federal funds are received under the Maternal and Child Health Block Grant for abstinence education, pursuant to section 912 of Public Law 104-193 (42 U.S.C. § 710), for the 2019-2020 fiscal year or the 2020-2021 fiscal year, then those funds shall be transferred to the State Board of Education to be administered by the Department of Public Instruction. The Department of Public Instruction shall use the funds to establish an abstinence until marriage education program and shall delegate to one or more persons the responsibility of implementing the program and G.S. 115C-81(e1)(4) and (4a). The Department of Public Instruction shall carefully and strictly follow federal guidelines in implementing and administering the abstinence education grant funds.

**SECTION 1.1.(cc)** The sum of one million five hundred seventy-five thousand dollars (\$1,575,000) appropriated in this act in the Maternal and Child Health Block Grant to the Department of Health and Human Services, Division of Public Health, for each year of the 2019-2021 fiscal biennium shall be used for evidence-based programs in counties with the highest infant mortality rates. The Division shall report on (i) the counties selected to receive the allocation, (ii) the specific evidence-based services provided, (iii) the number of women served, and (iv) any impact on the counties' infant mortality rate. The Division shall report its findings to the House of Representatives Appropriations Committee on Health and Human Services, the Senate Appropriations Committee on Health and Human Services, and the Fiscal Research Division no later than December 31 of each year.

**SECTION 1.1.(dd)** The sum of sixty-eight thousand two hundred forty-five dollars (\$68,245) allocated in this section in the Maternal and Child Health Block Grant to the Department of Health and Human Services, Division of Public Health, Women and Children's Health Section, for each fiscal year of the 2019-2021 fiscal biennium shall not be used to supplant existing State or federal funds. This allocation shall be used for a Public Health Program Consultant position assigned full-time to manage the North Carolina Perinatal Health Strategic Plan and provide staff support for the stakeholder work group.

**SECTION 1.1.(ee)** The sum of one hundred thousand dollars (\$100,000) allocated in this section in the Maternal and Child Health Block Grant to the Department of Health and Human Services, Division of Public Health, for each year of the 2019-2021 fiscal biennium for community-based sickle cell centers shall not be used to supplant existing State or federal funds.

#### **FUNDS FOR SUICIDE PREVENTION LIFELINE**

**SECTION 1.1.(ff)** There is appropriated from the General Fund to the Department of Health and Human Services, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, the sum of three hundred forty-eight thousand five hundred fifty-eight dollars (\$348,558) in nonrecurring funds for the 2019-2020 fiscal year, to be used for the Suicide Prevention Lifeline.

**PART II. AGRICULTURE AND NATURAL AND ECONOMIC RESOURCES BLOCK GRANTS**

**COMMUNITY DEVELOPMENT BLOCK GRANTS**

**SECTION 2.2.(a)** Federal Community Development Block Grant funds received by the Department of Commerce during the 2019-2021 fiscal biennium are hereby appropriated and allocations of those funds are made according to the following schedule:

**COMMUNITY DEVELOPMENT BLOCK GRANT**

01. State Administration	\$1,610,278
02. Neighborhood Revitalization	10,000,000
03. Economic Development	11,000,000
04. Infrastructure	25,719,918

**TOTAL COMMUNITY DEVELOPMENT**

<b>BLOCK GRANT – 2020 Program Year</b>	<b>\$48,330,196</b>
<b>2021 Program Year</b>	<b>\$48,330,196</b>

**SECTION 2.2.(b)** If federal funds are reduced below the amounts specified in this section after the effective date of this act, then every program in each of these federal block grants shall be reduced by the same percentage as the reduction in federal funds.

**SECTION 2.2.(c)** Any block grant funds appropriated by the Congress of the United States in addition to the funds specified in this section shall be expended as follows: each program category under the Community Development Block Grant shall be increased by the same percentage as the increase in federal funds.

**SECTION 2.2.(d)** The Department of Commerce shall consult with the Joint Legislative Commission on Governmental Operations prior to reallocating Community Development Block Grant Funds. Notwithstanding the provisions of this subsection, whenever the Director of the Budget finds either of the following conditions exist:

- (1) If a reallocation is required because of an emergency that poses an imminent threat to public health or public safety, then the Director of the Budget may authorize the reallocation without consulting the Commission. The Department of Commerce shall report to the Commission on the reallocation no later than 30 days after it was authorized and shall identify in the report the emergency, the type of action taken, and how it was related to the emergency.
- (2) If the State will lose federal block grant funds or receive less federal block grant funds in the next fiscal year unless a reallocation is made, then the Department of Commerce shall provide a written report to the Commission on the proposed reallocation and shall identify the reason that failure to take action will result in the loss of federal funds. If the Commission does not hear



the issue within 30 days of receipt of the report, the Department may take the action without consulting the Commission.

**SECTION 2.2.(e)** By September 1, 2019, and September 1, 2020, the Department of Commerce shall report to the chairs of the House of Representatives Appropriations Committee on Agriculture and Natural and Economic Resources; the chairs of the Senate Appropriations Committee on Agriculture, Natural, and Economic Resources; the Joint Legislative Economic Development and Global Engagement Oversight Committee; and the Fiscal Research Division on the use of Community Development Block Grant Funds appropriated in the prior fiscal year. The report shall include the following:

- (1) A discussion of each of the categories of funding and how the categories were selected, including information on how a determination was made that there was a statewide need in each of the categories.
- (2) Information on the number of applications that were received in each category and the total dollar amount requested in each category.
- (3) A list of grantees, including the grantee's name, county, category under which the grant was funded, the amount awarded, and a narrative description of the project.

**SECTION 2.2.(f)** For purposes of this section, eligible activities under the category of infrastructure in subsection (a) of this section shall be defined as provided in the HUD State Administered Community Development Block Grant definition of the term "infrastructure." Notwithstanding the provisions of subsection (d) of this section, funds allocated to the infrastructure category in subsection (a) of this section shall not be reallocated to any other category.

**SECTION 2.2.(g)** Throughout each year, deobligated funds arise in the various funding categories and program years of the Community Development Block Grant (CDBG) program as a result of (i) projects coming in under budget, (ii) projects being cancelled, or (iii) projects being required to repay funds. Surplus federal administrative funds in the CDBG program may vary from year to year based upon the amount of State-appropriated funds allocated and the amount of eligible in-kind funds identified.

**SECTION 2.2.(h)** To allow the Department of Commerce and the Department of Environmental Quality to quickly deploy deobligated and surplus federal administrative funds as they are identified throughout the program year, the following shall apply to the use of deobligated CDBG funds and surplus federal administrative funds:

- (1) All surplus federal administrative funds shall be divided equally between the Departments of Commerce and Environmental Quality and shall be used as provided in subdivisions (2) and (3) of this subsection.
- (2) All deobligated funds allocated to the Department of Commerce and any surplus federal administrative funds, as provided for in subdivision (1) of this subsection, may be used by the Department for all of the following:
  - a. To issue grants in the CDBG economic development or neighborhood revitalization program category.
  - b. For providing training and guidance to local governments relative to the CDBG program, its management, and administrative requirements.
  - c. For any other purpose consistent with the Department's administration of the CDBG program if an equal amount of State matching funds is available.
- (3) All deobligated funds allocated to the Department of Environmental Quality and any surplus federal administrative funds, as provided for in subdivision (1) of this subsection, may be used by the Department for all of the following:
  - a. To issue grants in the CDBG infrastructure program category.

- b. For any other purpose consistent with the Department's administration of the CDBG program if an equal amount of State matching funds is available.

**PART III. STATE REVOLVING INFRASTRUCTURE FUNDS**

**SECTION 3.1.** The following recurring funds for the 2019-2021 fiscal biennium are appropriated from the General Fund to the Department of Environmental Quality and allocated to the Division of Water Infrastructure to match maximum available federal funds for the indicated revolving funds:

- (1) Eight hundred twenty-nine thousand one hundred ninety-eight dollars (\$829,198) to the Clean Water State Revolving Fund.
- (2) Two million six hundred forty-six thousand nine hundred sixty dollars (\$2,646,960) to the Drinking Water State Revolving Fund.

**PART IV. MISCELLANEOUS**

**SECTION 4.1.** If any provision of this act and G.S. 143C-5-4 are in conflict, the provisions of this act shall prevail.

**SECTION 4.2.** The appropriations and the authorizations to allocate and spend funds which are set out in this act shall remain in effect until the Current Operations Appropriations Act, as defined in G.S. 143C-1-1, for the applicable fiscal year becomes law, at which time that act shall become effective and shall govern appropriations and expenditures. When the Current Operations Appropriations Act for that fiscal year becomes law, the Director of the Budget shall adjust allotments to give effect to that act from July 1 of the fiscal year.

**SECTION 4.3.** This act becomes effective July 1, 2019.

In the General Assembly read three times and ratified this the 25<sup>th</sup> day of July, 2019.

s/ Philip E. Berger  
President Pro Tempore of the Senate

s/ Tim Moore  
Speaker of the House of Representatives

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Roy Cooper  
Governor

Approved \_\_\_\_\_m. this \_\_\_\_\_ day of \_\_\_\_\_, 2019