

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

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SENATE BILL 362

Short Title: Phase Out County Share/Special Assistance.

(Public)

Sponsors: Senator Dalton.

Referred to: Appropriations/Base Budget.

March 3, 2005

A BILL TO BE ENTITLED

1 AN ACT TO PHASE OUT THE COUNTY SHARE OF THE COST OF THE
2 STATE-COUNTY SPECIAL ASSISTANCE PROGRAM IN CERTAIN
3 COUNTIES CONDITIONED UPON THE COUNTY MAINTAINING LOCAL
4 FUNDING LEVELS FOR PUBLIC SCHOOL STUDENTS.
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6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** Effective July 1, 2006, a qualifying county shall have its
8 county share of the nonfederal costs of Medicaid services paid to adult care homes
9 under the State-County Special Assistance Program reduced by ten percent (10%) in
10 each fiscal year that the county maintains or exceeds its per-student expense
11 appropriation from the immediately preceding fiscal year until the county share reaches
12 zero percent (0%) for the qualifying county, at which time the State will pay one
13 hundred percent (100%) of the nonfederal costs for that county for each fiscal year in
14 which the county is a qualifying county and has met the requirements of this section. As
15 used in this section, a qualifying county is a county in which:

- 16 (1) The county share on July 1 of the fiscal year exceeds one percent (1%)
17 of county expenditures for that fiscal year, and
18 (2) County expenditures of county funds for the fiscal year do not exceed
19 one hundred million dollars (\$100,000,000).

20 If a qualifying county fails to maintain its per-student expense appropriation
21 for the current fiscal year, then the ten percent (10%) reduction in county share shall be
22 reduced by the percentage of the reduction in per-student expense appropriation for that
23 fiscal year. In the event a qualifying county that has attained zero percent (0%) county
24 share fails to maintain its per-student expense appropriation for the current fiscal year,
25 the qualifying county's county share shall be increased by ten percent (10%) in each
26 fiscal year that the per-student expense appropriation is not maintained, but shall not be
27 higher than the county share applicable to all nonqualifying counties for that fiscal year.
28 If a county loses its status as a qualifying county, the county share for that county shall

1 revert to the full county share applicable to all nonqualifying counties for that fiscal
2 year.

3 **SECTION 2.** This act is effective when it becomes law.