

N.C. GENERAL ASSEMBLY LEGISLATIVE FISCAL NOTE

Fiscal Research  
733-4910

Prepared By: Gregory Berns	Date Prepared	Bill No.	Edition 1
Approved By: TOMC 4/6/89	4/5/89	HB 120	Sponsor: Rep Diggs
Short Title: Group Home assistance Change			Req. by: Rep. Daimont

TYPE OF FISCAL IMPACT	COUNTY		FUNDS AFFECTED:		
	State Gov't	Local Gov't	(x) General	( ) Highway	( ) Other: (x) Local
No Fiscal Impact	( )	( )			
Increase Expenditure	(x)	(x)			
Decrease Expenditure	( )	( )			
Increase Revenue	( )	( )			
Decrease Revenue	( )	( )			
No Estimate Avail.	( )	( )			

Description of Legislation

- Summary of Legislation: Expands the number of mental health group homes whose residents may be eligible for payments from the Special Assistance for Adults Supplemental Income Program.
- Effective Date : July 1, 1989.
- Fund or Tax Affected : General Fund
- Principal Department/Program Affected : Department of Human Resources Divisions of Mental Health, Mental Retardation and Substance Abuse and Social Services.

Cost or Revenue Impact on State

	FY 89-90	FY 90-91	FY
1. Non-Recurring Costs/Revenues			
2. Recurring Costs/Revenues	\$33,078	\$33,078	
3. Fiscal/Revenue Assumptions			

Cost/Revenue Impact on County or Local Government

	FY 89-90	FY 90-91	FY
1. Non-Recurring Costs/Revenues			
2. Recurring Costs/Revenues	\$33,078	\$33,078	
3. Fiscal/Revenue Assumptions			

Sources of Data for Fiscal Note

Department of Human Resources and the Attorney Generals Office.

Technical Considerations/Comments

Based on information from the Department of Human Resources, there are seven group homes which are operated by area mental health programs through contracts with other agencies which would be affected by this legislation. Four of these homes are licensed under G.S. 131, which enable their residents to receive Special Assistance payments, and all the residents of these group homes do receive the assistance payments. There are 17 residents in the remaining three group homes who would become eligible for assistance payments under this legislation. The average monthly Special Assistance payment is \$324.50. If all 17 residents were to apply and receive the assistance payments, the annualized cost would be \$66,157. Half of these funds would come from state general fund dollars and half from county funds. The Department anticipates being able to meet these additional costs without additional appropriations.

It should be noted that the Department requested and received an Attorney General's opinion as to whether the current law would allow payment of Special Assistance funds to residents in the three contracted group homes mentioned above. The opinion stated that under a strict reading of the law, payments would not be allowed. However, under a broader reading, payments would be allowed and, in fact, a strict reading of the law might be subject to constitutional attack.



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