

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 363

Short Title: Area Auth. Property.

(Public)

Sponsors: Representative Flaherty.

Referred to: Appropriations.

March 28, 1991

A BILL TO BE ENTITLED

AN ACT TO REGULATE ACQUISITION OF PROPERTY BY AREA MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE AUTHORITIES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 122C-147(b) reads as rewritten:

"(b) Unless otherwise specified by the Secretary, State appropriations to area authorities shall be used exclusively for the operating costs of the area authority; provided however:

(1) ~~The Secretary may specify that designated State funds may be used by area authorities (i) for the purchase, alteration, improvement, or rehabilitation of real estate to be used as a 24-hour and day facility or (ii) in contracting with a private, nonprofit corporation that operates 24-hour and day facilities for the mentally ill, developmentally disabled, or substance abusers and according to the terms of the contract between the area authority and the private, nonprofit corporation, for the purchase, alteration, improvement, rehabilitation of real estate or, to make a lump sum down payment or periodic payments on a real property mortgage in the name of the private, nonprofit corporation.~~

The Secretary may specify that designated State funds may be used by an area authority in fulfilling its responsibilities under G.S. 122C-117, for the purchase, alteration, improvement, or periodic payments on a real property mortgage in (i) the name of the county or area authority

1                    for facilities operated by the area authority or (ii) in the name of a  
2                    private, nonprofit corporation under contract with an area authority,  
3                    when the contract is for the purpose of assisting the area authority in  
4                    fulfilling its responsibilities under G.S. 122C-117.

- 5            (2) Upon cessation of the use of ~~the 24-hour and day-a~~ facility by the area  
6            authority, if operated by the area authority, or upon termination,  
7            default, or nonrenewal of the contract if operated by a contractual  
8            agency, the Department shall be reimbursed a proportionate share of  
9            value, based on the State's investment, in accordance with rules  
10           ~~adopted by the Secretary for the Department's participation in the purchase~~  
11           ~~of the 24-hour and day facility.~~ Secretary, when State funds have been  
12           paid on a grant, lump sum, or mortgage basis."

13           Sec. 2. This act becomes effective July 1, 1991.