

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

S

1

SENATE BILL 1227

Short Title: Assistance Fraud Debt Set-off.

(Public)

Sponsors: Senator Allran.

Referred to: Finance.

May 8, 1989

A BILL TO BE ENTITLED

AN ACT TO PROVIDE PROCEDURES FOR SETTING OFF AGAINST A DEBTOR'S STATE TAX REFUND AMOUNTS OWED BECAUSE THE DEBTOR FRAUDULENTLY OBTAINED PUBLIC ASSISTANCE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105A-2(1) reads as rewritten:

"(1) 'Claimant agency' means and includes:

- a. The State Education Assistance Authority as enabled by Article 23 of Chapter 116 of the General Statutes;
- b. The North Carolina Department of Human Resources when in the exercise of its authority to collect health profession student loans made pursuant to G.S. 131-121;
- c. The North Carolina Department of Human Resources when in the performance of its duties under the Medical Assistance Program enabled by Chapter 108A, Article 2, Part 6, and any county operating the same Program at the local level, when and only to the extent such a county is in the performance of Medical Assistance Program collection functions;
- d. The North Carolina Department of Human Resources when in the performance of its duties, under the Child Support Enforcement Program as enabled by Chapter 110, Article 9 and Title IV, Part D of the Social Security Act to obtain indemnification for past paid public assistance or to collect child support arrearages owed to an individual receiving

- 1 program services and any county operating the program at the
2 local level, when and only to the extent that the county is
3 engaged in the performance of those same duties.
- 4 e. The University of North Carolina, including its constituent
5 institutions as specified by G.S. 116-2(4);
- 6 f. The North Carolina Memorial Hospital in the conduct of its
7 financial affairs and operations pursuant to G.S. 116-37;
- 8 g. The Board of Governors of the University of North Carolina
9 and the State Board of Education through the College
10 Scholarship Loan Committee when in the performance of its
11 duties of administering the Scholarship Loan Fund for
12 Prospective College Teachers enabled by Chapter 116, Article
13 5;
- 14 h. The Office of the North Carolina Attorney General on behalf of
15 any State agency when the claim has been reduced to a
16 judgment;
- 17 i. The State Board of Community Colleges through community
18 colleges as enabled by Chapter 115D in the conduct of their
19 financial affairs and operations;
- 20 j. State facilities as listed in G.S. 122C-181(a), School for the
21 Deaf at Morganton, North Carolina Sanatorium at McCain,
22 Western Carolina Sanatorium at Black Mountain, Eastern North
23 Carolina Sanatorium at Wilson, and Gravelly Sanatorium at
24 Chapel Hill under Chapter 143, Article 7; Governor Morehead
25 School under Chapter 115, Article 40; Central North Carolina
26 School for the Deaf under Chapter 115, Article 41; Wright
27 School for Treatment and Education of Emotionally Disturbed
28 Children under Chapter ~~122, Article 12A;~~ 122C; the Lenox
29 Baker Children's Hospital under Chapter 131, Article 14; and
30 these same institutions by any other names by which they may
31 be known in the future;
- 32 k. The North Carolina Department of Revenue;
- 33 l. The Administrative Office of the Courts;
- 34 m. The Division of Forest Resources of the Department of Natural
35 Resources and Community Development;
- 36 n. The Administrator of the Teachers' and State Employees'
37 Comprehensive Major Medical Plan, established in Article 3 of
38 General Statutes Chapter 135;
- 39 o. The State Board of Education through the Superintendent of
40 Public Instruction when in the performance of his duties of
41 administering the Scholarship Loan Fund for Prospective
42 Teachers enabled by Chapter 115C, Article 32A and the
43 scholarship loan and grant programs enabled by Chapter 115C,
44 Article 24C, Part 1.

- 1 p. The Board of Trustees of the Teachers' and State Employees'
2 Retirement System and the Board of Trustees of the Local
3 Governmental Employees' Retirement System in the
4 performance of their duties pursuant to Chapters 120, 128, 135
5 and 143 of the General Statutes.
- 6 q. The North Carolina Teaching Fellows Commission in the
7 performance of its duties pursuant to Chapter 115C, Article
8 24C, Part 2.
- 9 r. The North Carolina Department of Human Resources when in
10 the performance of its intentional program violation collection
11 duties under the Food Stamp Program enabled by Chapter
12 108A, Article 2, Part 5, and any county operating the same
13 Program at the local level, when and only to the extent such a
14 county is in the performance of Food Stamp Program
15 intentional program violation collection functions.
- 16 s. The North Carolina Department of Human Resources
17 when, in the performance of its duties under the Aid to Families
18 with Dependent Children Program or the Aid to Families with
19 Dependent Children - Emergency Assistance Program provided
20 in Part 2 of Article 2 of Chapter 108A or under the State-
21 County Special Assistance for Adults Program provided in Part
22 3 of Article 2 of Chapter 108A, it seeks to collect public
23 assistance payments obtained through an intentional false
24 statement, intentional misrepresentation, or intentional failure to
25 disclose a material fact, and any county operating the same
26 programs to the extent it seeks to collect public assistance
27 payments obtained through an intentional false statement,
28 intentional misrepresentation, or intentional failure to disclose a
29 material fact."

30 Sec. 2. This act shall become effective January 1, 1990.