

GENERAL ASSEMBLY OF NORTH CAROLINA
1993 SESSION

CHAPTER 766
SENATE BILL 1384

AN ACT TO IMPLEMENT RECOMMENDATIONS OF THE JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON EARLY CHILDHOOD EDUCATION AND DEVELOPMENT INITIATIVES TO CHANGE THE SELECTION PROCESS FOR LOCAL DEMONSTRATION PROJECTS, TO ALLOW THE DEPARTMENT OF HUMAN RESOURCES TO DELEGATE CONTRACTING AUTHORITY TO LOCAL PARTNERSHIPS, THE NORTH CAROLINA PARTNERSHIP FOR CHILDREN, INC., OR A PUBLIC OR GOVERNMENTAL ENTITY, TO REQUIRE LOCAL PARTNERSHIPS TO BE NEWLY FORMED ORGANIZATIONS, TO CLARIFY THE USE OF STATE FUNDS BY LOCAL PARTNERSHIPS, TO PROVIDE THAT STATE FUNDS SHALL NOT SUPPLANT CURRENT EXPENDITURES BY COUNTIES ON BEHALF OF YOUNG CHILDREN AND THEIR FAMILIES, AND TO MAKE TECHNICAL CHANGES TO THE LAW GOVERNING THE EARLY CHILDHOOD INITIATIVES.

The General Assembly of North Carolina enacts:

Section 1. Part 10B of Article 3 of Chapter 143B of the General Statutes reads as rewritten:

"Part 10B. Early Childhood Initiatives.

"§ 143B-168.10. Early childhood initiatives; findings.

The General Assembly finds, upon consultation with the Governor, that every child can benefit from, and should have access to, high-quality early childhood education and development services. The economic future and well-being of the State depend upon it. To ensure that all children have access to quality early childhood education and development services, the General Assembly further finds that:

- (1) Parents have the primary duty to raise, educate, and transmit values to young preschool children;
- (2) The State can assist parents in their role as the primary caregivers and educators of young preschool children; and
- (3) There is a need to explore innovative approaches and strategies for aiding parents and families in the education and development of young preschool children.

"§ 143B-168.11. Early childhood initiatives; intent; ~~North Carolina Partnership for Children, Inc.~~ purpose; definitions.

(a) ~~It is the intent of~~ The purpose of this Part is to establish a framework whereby the General Assembly, upon consultation with the Governor, ~~to~~ may support through

financial and other means, the North Carolina Partnership for Children, Inc., a nonprofit corporation which has as its mission Inc. and comparable local partnerships, which have as their missions the development of a comprehensive, long-range strategic plan for early childhood development and the provision, through public and private means, of high-quality early childhood education and development services for children and families. It is the intent of the General Assembly that communities be given the maximum flexibility and discretion practicable in developing their plans.

(b) The following definitions apply in this Part:

- (1) Board of Directors. – The Board of Directors of the North Carolina Partnership for Children, Inc.
- (2) Department. – The Department of Human Resources.
- (3) Local Partnership. – A local, private, nonprofit 501(c)(3) organization established to coordinate a local demonstration project under this Part.
- (4) North Carolina Partnership. – The North Carolina Partnership for Children, Inc.
- (5) Secretary. – The Secretary of Human Resources.

~~"§ 143B-168.12. — Early childhood initiatives; North Carolina Partnership for Children, Inc.; conditions; powers and duties; local demonstration projects; statewide needs and resource assessment; rule making; reporting requirements.~~

~~(a) As a condition for receiving funds appropriated to the North Carolina Partnership for Children, Inc., members of the Board of Directors of the North Carolina Partnership for Children, Inc., shall consist of four ex officio members and 29 appointed members. The four ex officio members shall be the Secretary of the Department of Human Resources, the Secretary of the Department of Environment, Health, and Natural Resources, the Superintendent of Public Instruction, and the President of the Department of Community Colleges. The appointed members shall be appointed as follows: six by the Speaker of the House of Representatives, six by the President Pro Tempore of the Senate, and 17 by the Governor. Each of the members appointed by the President Pro Tempore of the Senate shall reside in a separate one of the following congressional districts: 1st, 3rd, 5th, 7th, 9th, and 11th. Each of the members appointed by the Speaker of the House of Representatives shall reside in a separate one of the following congressional districts: 2nd, 4th, 6th, 8th, 10th, and 12th. Four of the members appointed by the Governor shall be members of the party other than the Governor's party.~~

~~As a further condition for receiving funding, the North Carolina Partnership for Children, Inc., shall agree that it shall adopt procedures for its operations that are comparable to those of Article 33C of Chapter 143 of the General Statutes, the Open Meetings Law, and Chapter 132 of the General Statutes, the Public Records Law, and provide for enforcement by the Department. The corporation shall be subject to audit and review by the State Auditor pursuant to Article 5A of Chapter 147 of the General Statutes. The State Auditor shall conduct annual financial and compliance audits of the corporation.~~

~~(b) As a condition for receiving funding appropriated to it, the North Carolina Partnership for Children, Inc., shall oversee the development and implementation of 12 local demonstration projects. Each demonstration project shall be coordinated by a new local, private, nonprofit 501(c)(3) organization responsible for developing a comprehensive, collaborative, long-range plan of services to children and families in the service-delivery area. The board of directors of each local nonprofit organization shall consist of members including representatives of public and private nonprofit health and human service agencies, day care providers, the business community, foundations, county and municipal governments, local education units, and families. The Department of Human Resources, in cooperation with the North Carolina Partnership for Children, Inc., may specify in its requests for applications the local agencies that shall be represented on the Board.~~

~~As a further condition for receiving funding, these local nonprofit organizations shall agree that they shall adopt procedures for their operations that are comparable to those of Article 33C of Chapter 143 of the General Statutes, the Open Meetings Law, and Chapter 132 of the General Statutes, the Public Records Law, and provide for enforcement by the Department. The organizations shall be subject to audit and review by the State Auditor pursuant to Article 5A of Chapter 147 of the General Statutes. The State Auditor shall conduct annual financial and compliance audits of the organizations.~~

~~The Department of Human Resources shall develop a statewide process, in cooperation with the North Carolina Partnership for Children, Inc., to select the local demonstration projects. The 12 local demonstration projects developed and implemented shall be located in the 12 congressional districts, one to a district.~~

~~An existing local, private, nonprofit 501(c)(3) organization in the community may apply to serve as the coordinator of a demonstration project if the governance of the project meets the objective of decision making by a broad range of public and private health and human services providers.~~

~~(c) Funds appropriated to be allocated to the local demonstration projects for services to children and families shall be used to expand coverage and improve the quality of services. These funds shall not be allocated to any local demonstration project until the Secretary of the Department of Human Resources, upon recommendation of the North Carolina Partnership for Children, Inc., has approved this local allocation. All local plans shall be approved by the Secretary.~~

~~(d) Funds appropriated to support the local strategic planning process and activities of the North Carolina Partnership for Children, Inc., the local nonprofit organizations, and start up and related activities shall be available for these purposes upon the effective date of enactment of this Part.~~

~~(e) Communities shall be given the maximum flexibility and discretion practicable in developing their plans. Depending on local, regional, or statewide needs, funds may be used to support activities and services that shall be made available and accessible to providers, children, and families on a voluntary basis. These activities and services may include:~~

- ~~(1) Child day care services, including:
 - a. Start up funding for day care providers;~~

- b. ~~Assistance to enable child day care providers to conform to licensing and building code requirements;~~
- e. ~~Needs and resources assessments for child day care services;~~
- d. ~~Child day care resources and referral services;~~
- e. ~~Enhancement of the quality of child day care provided;~~
- f. ~~Technical assistance for child day care providers; and~~
- g. ~~Evaluation of plan implementation of child day care services;~~
- (2) ~~Family and child-centered services, including early childhood education and child development services, including:~~
 - a. ~~Enhancement of the quality of family and child-centered services provided;~~
 - b. ~~Technical assistance for family and child-centered services;~~
 - e. ~~Needs and resource assessments for family and child-centered services;~~
 - d. ~~Home-centered services; and~~
 - e. ~~Evaluation of plan implementation of family and child-centered services; and~~
- (3) ~~Other appropriate activities and services for child day care providers and for family and child-centered services, including:~~
 - a. ~~Staff and organizational development, leadership and administrative development, technology assisted education, and long range planning; and~~
 - b. ~~Procedures to ensure that infants and young children receive needed health, immunization, and related services.~~

(f) ~~The Department of Human Resources, in cooperation with the North Carolina Partnership for Children, Inc., shall develop a needs and resource assessment for each county. Of the funds appropriated to it to implement this Part, the Department may make available funds to each county for one year to an appropriate private nonprofit entity or to the county to perform this assessment.~~

(g) ~~The Department of Human Resources, in cooperation with the North Carolina Partnership for Children, Inc., shall adopt any rules necessary to implement this section, including rules to ensure that no State funds or local funds used to supplant these State funds shall be used for personnel sick leave and annual leave benefits not allowed to State employees.~~

(h) ~~The Department of Human Resources shall report (i) quarterly to the Joint Legislative Commission on Governmental Operations and (ii) to the General Assembly and the Governor by April 1, 1994, and by March 1, 1995, on the ongoing results of all the local demonstration projects' work, including all details of the use to which the allocations were put, and on the continuing plans of the North Carolina Partnership for Children, Inc., and of the Department of Human Resources, together with legislative proposals, including proposals to implement the program statewide.~~

"§ 143B-168.12. North Carolina Partnership for Children, Inc.; conditions.

- (a) In order to receive State funds, the following conditions shall be met:

- (1) Members of the Board of Directors shall consist of the following 33 members:
 - a. The Secretary of Human Resources, ex officio;
 - b. The Secretary of Environment, Health, and Natural Resources, ex officio;
 - c. The Superintendent of Public Instruction, ex officio;
 - d. The President of the Department of Community Colleges, ex officio;
 - e. One resident from each of the 1st, 3rd, 5th, 7th, 9th, and 11th Congressional Districts, appointed by the President Pro Tempore of the Senate;
 - f. One resident from each of the 2nd, 4th, 6th, 8th, 10th, and 12th Congressional Districts, appointed by the Speaker of the House of Representatives; and
 - g. Seventeen members, of whom four shall be members of the party other than the Governor's party, appointed by the Governor.
- (2) The North Carolina Partnership shall agree to adopt procedures for its operations that are comparable to those of Article 33C of Chapter 143 of the General Statutes, the Open Meetings Law, and Chapter 132 of the General Statutes, the Public Records Law, and provide for enforcement by the Department.
- (3) The North Carolina Partnership shall oversee the development and implementation of the local demonstration projects as they are selected.

(b) The North Carolina Partnership shall be subject to audit and review by the State Auditor under Article 5A of Chapter 147 of the General Statutes. The State Auditor shall conduct annual financial and compliance audits of the North Carolina Partnership.

"§ 143B-168.13. Implementation of program; duties of Department and Secretary.

- (a) The Department shall:
 - (1) Develop a statewide process, in cooperation with the North Carolina Partnership, to select the local demonstration projects. The first 12 local demonstration projects developed and implemented shall be located in the 12 congressional districts, one to a district. The locations of subsequent selections of local demonstration projects shall represent the various geographic areas of the State.
 - (2) Develop, in cooperation with the North Carolina Partnership, a needs and resource assessment for each county. Of the funds appropriated to it to implement this Part, the Department may make available funds to each county for one year to an appropriate private nonprofit entity or to the county to perform this assessment.
 - (3) Provide technical and administrative assistance to local partnerships, particularly during the first year after they are selected under this Part

to receive State funds. The Department, at any time, may authorize the North Carolina Partnership or a governmental or public entity to do the contracting for one or more local partnerships. After a local partnership's first year, the Department may allow the partnership to contract for itself.

- (4) Adopt, in cooperation with the North Carolina Partnership, any rules necessary to implement this Part, including rules to ensure that no State funds or local funds used to supplant these State funds shall be used for personnel sick leave and annual leave benefits not allowed to State employees. In order to allow local partnerships to focus on the development of long-range plans in their initial year of funding, the Department may adopt rules that limit the categories of direct services for young children and their families for which funds are made available during the initial year.
- (5) Report (i) quarterly to the Joint Legislative Commission on Governmental Operations and (ii) to the General Assembly and the Governor by April 1, 1994, and by March 1, 1995, on the ongoing results of all the local demonstration projects' work, including all details of the use to which the allocations were put, and on the continuing plans of the North Carolina Partnership and of the Department, together with legislative proposals, including proposals to implement the program statewide.

(b) The Secretary shall approve, upon recommendation of the North Carolina Partnership, all allocations of State funds to local demonstration projects. The Secretary also shall approve all local plans.

"§ 143B-168.14. Local partnerships; conditions.

- (a) In order to receive State funds, the following conditions shall be met:
 - (1) Each local demonstration project shall be coordinated by a new local partnership responsible for developing a comprehensive, collaborative, long-range plan of services to children and families in the service-delivery area. The board of directors of each local partnership shall consist of members including representatives of public and private nonprofit health and human service agencies, day care providers, the business community, foundations, county and municipal governments, local education units, and families. The Department, in cooperation with the North Carolina Partnership, may specify in its requests for applications the local agencies that shall be represented on a local board of directors. No existing local, private, nonprofit 501(c)(3) organization, other than one established on or after July 1, 1993, and that meets the guidelines for local partnerships as established under this Part, shall be eligible to apply to serve as the local partnership for the purpose of this Part.
 - (2) Each local partnership shall agree to adopt procedures for its operations that are comparable to those of Article 33C of Chapter 143

of the General Statutes, the Open Meetings Law, and Chapter 132 of the General Statutes, the Public Records Law, and provide for enforcement by the Department.

(3) Each local partnership shall adopt procedures to ensure that all personnel who provide services to young children and their families under this Part know and understand their responsibility to report suspected child abuse, neglect, or dependency, as defined in G.S. 7A-517.

(b) Each local partnership shall be subject to audit and review by the State Auditor under Article 5A of Chapter 147 of the General Statutes. The State Auditor shall conduct annual financial and compliance audits of the local partnerships.

"§ 143B-168.15. Use of State funds.

(a) State funds allocated to local projects for services to children and families shall be used to meet assessed needs, expand coverage, and improve the quality of these services. The local plan shall address the assessed needs of all children to the extent feasible. It is the intent of the General Assembly that the needs of both young children below poverty who remain in the home, as well as the needs of young children below poverty who require services beyond those offered in child care settings, be addressed. Therefore, as local partnerships address the assessed needs of all children, they should devote an appropriate amount of their State allocations, considering these needs and other available resources, to meet the needs of children below poverty and their families.

(b) Depending on local, regional, or Statewide needs, funds may be used to support activities and services that shall be made available and accessible to providers, children, and families on a voluntary basis. Of the funds allocated to local partnerships that are designated by the Secretary for direct services, seventy-five percent (75%) shall be used for any one or more of the following activities and services:

- (1) Child day care services, including:
 - a. Child day care subsidies to reduce waiting lists;
 - b. Raising the county child day care subsidy rate to the State market rate, if applicable, in return for improvements in the quality of child day care services;
 - c. Raising the income eligibility for child day care subsidies to seventy-five percent (75%) of the State median family income;
 - d. Start-up funding for child day care providers;
 - e. Assistance to enable child day care providers to conform to licensing and building code requirements;
 - f. Child day care resources and referral services;
 - g. Enhancement of the quality of child day care provided;
 - h. Technical assistance for child day care providers;
 - i. Quality grants for child day care centers or family child day care homes;
 - j. Expanded services or enhanced rates for children with special needs;

- k. Head Start services;
 - l. Development of comprehensive child day care services that include child health and family support;
 - m. Activities to reduce staff turnover;
 - n. Activities to serve children with special needs;
 - o. Transportation services related to providing child day care services;
 - p. Evaluation of plan implementation of child day care services; and
 - q. Needs and resources assessments for child day care services.
- (2) Family- and child-centered services, including early childhood education and child development services, including:
- a. Enhancement of the quality of family- and child-centered services provided;
 - b. Technical assistance for family- and child-centered services;
 - c. Needs and resource assessments for family- and child-centered services;
 - d. Home-centered services; and
 - e. Evaluation of plan implementation of family- and child-centered services.
- (3) Other appropriate activities and services for child day care providers and for family- and child-centered services, including:
- a. Staff and organizational development, leadership and administrative development, technology assisted education, and long-range planning; and
 - b. Procedures to ensure that infants and young children receive needed health, immunization, and related services.

(c) Long-term plans for local projects that do not receive their full allocation in the first year, other than those selected in 1993, should consider how to meet the assessed needs of low-income children and families within their neighborhoods or communities. These plans also should reflect a process to meet these needs as additional allocations and other resources are received.

(d) State funds designated by the Secretary for start-up and related activities may be used for capital expenses or to support activities and services for children, families, and providers. State funds designated by the Secretary to support activities and services for children, families, and providers shall not be used for major capital expenses unless the Secretary approves this use of State funds based upon a finding that a local partnership has demonstrated that (i) this use is a clear priority need for the local plan, (ii) it is necessary to enable the local partnership to provide services and activities to underserved children and families, and (iii) the local partnership will not otherwise be able to meet this priority need by using State or federal funds available to that county.

(e) State funds allocated to local partnerships shall not supplant current expenditures by counties on behalf of young children and their families, and maintenance of current efforts on behalf of these children and families shall be

sustained. State funds shall not be applied without the Secretary's approval where State or federal funding sources, such as Head Start, are available or could be made available to that county.

"§ 143B-168.16. Home-centered services; consent.

No home-centered services including home visits or in-home parenting training shall be allowed under this Part unless the written, informed consent of the participating parents authorizing the home-centered services is first obtained by the local partnership, educational institution, local school administrative unit, private school, not-for-profit organization, governmental agency, or other entity that is conducting the parenting program. The participating parents may revoke at any time their consent for the home-centered services.

The consent form shall contain a clear description of the program including (i) the activities and information to be provided by the program during the home visits, (ii) the number of expected home visits, (iii) any responsibilities of the parents, (iv) the fact, if applicable, that a record will be made and maintained on the home visits, (v) the fact that the parents may revoke at any time the consent, and (vi) any other information as may be necessary to convey to the parents a clear understanding of the program.

Parents at all times shall have access to any record maintained on home-centered services provided to their family and may place in that record a written response to any information with which they disagree that is in the record."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 16th day of July, 1994.

Dennis A. Wicker
President of the Senate

Daniel Blue, Jr.
Speaker of the House of Representatives