

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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SENATE BILL 1384*

Short Title: Amend Early Childhd. Initiatives.

(Public)

Sponsors: Senators Winner of Mecklenburg, Allran, Conder, Edwards, Walker, Ward; and Gunter.

Referred to: Children and Human Resources.

May 25, 1994

A BILL TO BE ENTITLED

1 AN ACT TO IMPLEMENT RECOMMENDATIONS OF THE JOINT LEGISLATIVE
2 OVERSIGHT COMMITTEE ON EARLY CHILDHOOD EDUCATION AND
3 DEVELOPMENT INITIATIVES TO CHANGE THE SELECTION PROCESS
4 FOR LOCAL DEMONSTRATION PROJECTS, TO ALLOW THE
5 DEPARTMENT OF HUMAN RESOURCES TO DELEGATE CONTRACTING
6 AUTHORITY TO LOCAL PARTNERSHIPS, THE NORTH CAROLINA
7 PARTNERSHIP FOR CHILDREN, INC., OR A PUBLIC OR GOVERNMENTAL
8 ENTITY, TO REQUIRE LOCAL PARTNERSHIPS TO BE NEWLY FORMED
9 ORGANIZATIONS, TO CLARIFY THE USE OF STATE FUNDS BY LOCAL
10 PARTNERSHIPS, TO PROVIDE THAT STATE FUNDS SHALL NOT
11 SUPPLANT CURRENT EXPENDITURES BY COUNTIES ON BEHALF OF
12 YOUNG CHILDREN AND THEIR FAMILIES, AND TO MAKE TECHNICAL
13 CHANGES TO THE LAW GOVERNING THE EARLY CHILDHOOD
14 INITIATIVES.
15

16 The General Assembly of North Carolina enacts:

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

19 **"PART 10B. EARLY CHILDHOOD INITIATIVES.**

20 **"§ 143B-168.10. Early childhood initiatives; findings.**

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

1 To ensure that all children have access to quality early childhood education and
2 development services, the General Assembly further finds that:

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

10 **"§ 143B-168.11. Early childhood initiatives; intent; North Carolina Partnership for**
11 **Children, Inc. purpose; definitions.**

12 (a) It is the intent of The purpose of this Part is to establish a framework whereby the
13 General Assembly, upon consultation with the Governor, to ~~may~~ support through
14 financial and other means, the North Carolina Partnership for Children, Inc., a nonprofit
15 corporation which has as its mission Inc. and comparable local partnerships, which have as
16 their missions the development of a comprehensive, long-range strategic plan for early
17 childhood development and the provision, through public and private means, of high-
18 quality early childhood education and development services for children and families.
19 It is the intent of the General Assembly that communities be given the maximum
20 flexibility and discretion practicable in developing their plans.

21 (b) The following definitions apply in this Part:

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

30 **"§ 143B-168.12. ~~Early childhood initiatives; North Carolina Partnership for~~**
31 **~~Children, Inc.; conditions; powers and duties; local demonstration~~**
32 **~~projects; statewide needs and resource assessment; rule making;~~**
33 **~~reporting requirements.~~**

34 ~~(a) As a condition for receiving funds appropriated to the North Carolina~~
35 ~~Partnership for Children, Inc., members of the Board of Directors of the North Carolina~~
36 ~~Partnership for Children, Inc., shall consist of four ex officio members and 29 appointed~~
37 ~~members. The four ex officio members shall be the Secretary of the Department of~~
38 ~~Human Resources, the Secretary of the Department of Environment, Health, and~~
39 ~~Natural Resources, the Superintendent of Public Instruction, and the President of the~~
40 ~~Department of Community Colleges. The appointed members shall be appointed as~~
41 ~~follows: six by the Speaker of the House of Representatives, six by the President Pro~~
42 ~~Tempore of the Senate, and 17 by the Governor. Each of the members appointed by the~~
43 ~~President Pro Tempore of the Senate shall reside in a separate one of the following~~
44 ~~congressional districts: 1st, 3rd, 5th, 7th, 9th, and 11th. Each of the members appointed~~

1 by the Speaker of the House of Representatives shall reside in a separate one of the
2 following congressional districts: 2nd, 4th, 6th, 8th, 10th, and 12th. Four of the
3 members appointed by the Governor shall be members of the party other than the
4 Governor's party.

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

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

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

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

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

40 (c) Funds appropriated to be allocated to the local demonstration projects for
41 services to children and families shall be used to expand coverage and improve the
42 quality of services. These funds shall not be allocated to any local demonstration
43 project until the Secretary of the Department of Human Resources, upon

1 recommendation of the North Carolina Partnership for Children, Inc., has approved this
2 local allocation. All local plans shall be approved by the Secretary.

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

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

12 (1) Child day care services, including:

13 a. Start-up funding for day care providers;

14 b. Assistance to enable child day care providers to conform to
15 licensing and building code requirements;

16 c. Needs and resources assessments for child day care services;

17 d. Child day care resources and referral services;

18 e. Enhancement of the quality of child day care provided;

19 f. Technical assistance for child day care providers; and

20 g. Evaluation of plan implementation of child day care services;

21 (2) Family and child centered services, including early childhood
22 education and child development services, including:

23 a. Enhancement of the quality of family and child centered
24 services provided;

25 b. Technical assistance for family and child centered services;

26 c. Needs and resource assessments for family and child centered
27 services;

28 d. Home centered services; and

29 e. Evaluation of plan implementation of family and child
30 centered services; and

31 (3) Other appropriate activities and services for child day care providers
32 and for family and child centered services, including:

33 a. Staff and organizational development, leadership and
34 administrative development, technology assisted education, and
35 long range planning; and

36 b. Procedures to ensure that infants and young children receive
37 needed health, immunization, and related services.

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

43 (g) The Department of Human Resources, in cooperation with the North Carolina
44 Partnership for Children, Inc., shall adopt any rules necessary to implement this section,

1 including rules to ensure that no State funds or local funds used to supplant these State
2 funds shall be used for personnel sick leave and annual leave benefits not allowed to
3 State employees.

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

11 **"§ 143B-168.12. North Carolina Partnership for Children, Inc.; conditions.**

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

13 (1) Members of the Board of Directors shall consist of the following 33
14 members:

15 a. The Secretary of Human Resources, ex officio;

16 b. The Secretary of Environment, Health, and Natural Resources,
17 ex officio;

18 c. The Superintendent of Public Instruction, ex officio;

19 d. The President of the Department of Community Colleges, ex
20 officio;

21 e. One resident from each of the 1st, 3rd, 5th, 7th, 9th, and 11th
22 Congressional Districts, appointed by the President Pro
23 Tempore of the Senate;

24 f. One resident from each of the 2nd, 4th, 6th, 8th, 10th, and 12th
25 Congressional Districts, appointed by the Speaker of the House
26 of Representatives; and

27 g. Seventeen members, of whom four shall be members of the
28 party other than the Governor's party, appointed by the
29 Governor.

30 (2) The North Carolina Partnership shall agree to adopt procedures for its
31 operations that are comparable to those of Article 33C of Chapter 143
32 of the General Statutes, the Open Meetings Law, and Chapter 132 of
33 the General Statutes, the Public Records Law, and provide for
34 enforcement by the Department.

35 (3) The North Carolina Partnership shall oversee the development and
36 implementation of the local demonstration projects as they are
37 selected.

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

42 **"§ 143B-168.13. Implementation of program; duties of Department and Secretary.**

43 (a) The Department shall:

- 1 (1) Develop a statewide process, in cooperation with the North Carolina
2 Partnership, to select the local demonstration projects. The first 12
3 local demonstration projects developed and implemented shall be
4 located in the 12 congressional districts, one to a district. The
5 locations of subsequent selections of local demonstration projects shall
6 represent the various geographic areas of the State.
- 7 (2) Develop, in cooperation with the North Carolina Partnership, a needs
8 and resource assessment for each county. Of the funds appropriated to
9 it to implement this Part, the Department may make available funds to
10 each county for one year to an appropriate private nonprofit entity or
11 to the county to perform this assessment.
- 12 (3) Provide technical and administrative assistance to local partnerships,
13 particularly during the first year after they are selected under this Part
14 to receive State funds. The Department, at any time, may authorize the
15 North Carolina Partnership or a governmental or public entity to do the
16 contracting for one or more local partnerships. After a local
17 partnership's first year, the Department may allow the partnership to
18 contract for itself.
- 19 (4) Adopt, in cooperation with the North Carolina Partnership, any rules
20 necessary to implement this Part, including rules to ensure that no
21 State funds or local funds used to supplant these State funds shall be
22 used for personnel sick leave and annual leave benefits not allowed to
23 State employees.
- 24 (5) Report (i) quarterly to the Joint Legislative Commission on
25 Governmental Operations and (ii) to the General Assembly and the
26 Governor by April 1, 1994, and by March 1, 1995, on the ongoing
27 results of all the local demonstration projects' work, including all
28 details of the use to which the allocations were put, and on the
29 continuing plans of the North Carolina Partnership and of the
30 Department, together with legislative proposals, including proposals to
31 implement the program statewide.

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

35 **"§ 143B-168.14. Local partnerships; conditions.**

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

- 37 (1) Each local demonstration project shall be coordinated by a new local
38 partnership responsible for developing a comprehensive, collaborative,
39 long-range plan of services to children and families in the service-
40 delivery area. The board of directors of each local partnership shall
41 consist of members including representatives of public and private
42 nonprofit health and human service agencies, day care providers, the
43 business community, foundations, county and municipal governments,
44 local education units, and families. The Department, in cooperation

1 with the North Carolina Partnership, may specify in its requests for
2 applications the local agencies that shall be represented on a local
3 board of directors. No existing local, private, nonprofit 501(c)(3)
4 organization, other than one established on or after July 1, 1993, and
5 that meets the guidelines for local partnerships as established under
6 this Part, shall be eligible to apply to serve as the local partnership for
7 the purpose of this Part.

8 (2) Each local partnership shall agree to adopt procedures for its
9 operations that are comparable to those of Article 33C of Chapter 143
10 of the General Statutes, the Open Meetings Law, and Chapter 132 of
11 the General Statutes, the Public Records Law, and provide for
12 enforcement by the Department.

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

16 **"§ 143B-168.15. Use of State funds.**

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

27 (b) Depending on local, regional, or Statewide needs, funds may be used to
28 support activities and services that shall be made available and accessible to providers,
29 children, and families on a voluntary basis. These activities and services may include:

30 (1) Child day care services, including:

31 a. Start-up funding for day care providers;

32 b. Assistance to enable child day care providers to conform to
33 licensing and building code requirements;

34 c. Needs and resources assessments for child day care services;

35 d. Child day care resources and referral services;

36 e. Enhancement of the quality of child day care provided;

37 f. Technical assistance for child day care providers;

38 g. Evaluation of plan implementation of child day care services;

39 h. Raising the county child day care subsidy rate to the State
40 market rate, if applicable, in return for improvements in the
41 quality of child day care services; and

42 i. Raising the income eligibility for child day care subsidies up to
43 seventy-five percent (75%) of the State median family income.

- 1 (2) Family- and child-centered services, including early childhood
2 education and child development services, including:
3 a. Enhancement of the quality of family- and child-centered
4 services provided;
5 b. Technical assistance for family- and child-centered services;
6 c. Needs and resource assessments for family- and child-centered
7 services;
8 d. Home-centered services; and
9 e. Evaluation of plan implementation of family- and child-
10 centered services; and
- 11 (3) Other appropriate activities and services for child day care providers
12 and for family- and child-centered services, including:
13 a. Staff and organizational development, leadership and
14 administrative development, technology assisted education, and
15 long-range planning; and
16 b. Procedures to ensure that infants and young children receive
17 needed health, immunization, and related services.
- 18 (c) Long-term plans for local projects that do not receive their full allocation in
19 the first year, other than those selected in 1993, should consider how to meet the
20 assessed needs of low-income children and families within their neighborhoods or
21 communities. These plans also should reflect a process to meet these needs as
22 additional allocations and other resources are received.
- 23 (d) State funds designated by the Secretary for start-up and related activities may
24 be used for capital expenses or to support activities and services for children, families,
25 and providers. State funds designated by the Secretary to support activities and services
26 for children, families, and providers shall not be used for major capital expenses unless
27 the Secretary approves this use of State funds based upon a finding that a local
28 partnership has demonstrated that (i) this use is a clear priority need for the local plan,
29 (ii) it will enable the local partnership to provide services and activities to underserved
30 children and families, and (iii) the local partnership will not otherwise be able to meet
31 this priority need by using State or federal funds available to that county.
- 32 (e) State funds allocated to local partnerships shall not supplant current
33 expenditures by counties on behalf of young children and their families, and
34 maintenance of current efforts on behalf of these children and families shall be
35 sustained. State funds shall not be applied without the Secretary's approval where State
36 or federal funding sources, such as Head Start, are available or could be made available
37 to that county."

38 Sec. 2. This act is effective upon ratification.