

February 10, 2009

H 102. BUDGET CODE TECHNICAL CORRECTION. Filed 2/10/09. *TO ENACT A TECHNICAL AMENDMENT TO A SESSION LAW PERTAINING TO BUDGET CODE REFERENCES.*

Makes a technical change to Section 5 of SL 2007-532 by removing language that required deposit of funds credited to the Health Trust Account by the State Controller in the Nontax Budget Code 19978 (Intra State transfers) to support appropriations by the 2007 General Assembly for operations and claims of the North Carolina Health Insurance Risk Pool.

Intro. by Holliman.

UNCODIFIED

July 29, 2009

H 102. CONTINUING BUDGET AUTHORITY (NEW). Filed 2/10/09. Senate committee substitute makes the following changes to 1st edition. Deletes contents of the previous edition and replaces it with *AN ACT AUTHORIZING THE DIRECTOR OF THE BUDGET TO CONTINUE EXPENDITURES FOR THE OPERATION OF GOVERNMENT AT A PERCENTAGE OF THE LEVEL AUTHORIZED IN S.L. 2008-107, AS AMENDED.*

Authorization for Expenditure of Funds. Amends Section 1 of SL 2009-215, as amended by SL 2009-296, to require the Director of the Budget (Governor) to implement the budget reductions set out in Senate Bill 202, 3rd edition and Senate Bill 202, 6th edition, that are not in controversy. Prohibits the Governor from implementing any transfers set out in those bills. Provides that the appropriation and authorization to allocate and spend funds must remain in effect until the ratification of the Current Operations and Capital Improvements Appropriations Act of 2009 (Appropriations Act of 2009), at which time that act becomes effective and governs appropriations and expenditures. Requires that the Governor adjust allocations to give effect to the Appropriations Act of 2009 from July 1, 2009, when that act becomes law.

Appropriation of ARRA Funds. Amends Section 6(c) of SL 2009-215 by deleting language prohibiting state agencies from using federal American Recovery and Reinvestment Act of 2009 (ARRA) funds for recurring purposes unless provided for by that section. Also deletes language that allowed additional state personnel to be employed on a temporary or time-limited basis depending on the nature of the award of ARRA funds.

Accelerated DHHS Procurement Process to Achieve Budget Reductions. Repeals Section 8A of SL 2009-215. Instead, reinserts substantively identical provisions from Section 8A of SL 2009-215 into Section 3 of this act with the following changes. Requires that any modifications or extensions of existing contracts or the entering into of sole source contracts by the Department of Health and Human Services (DHHS) to timely achieve savings must be approved by the Secretary of the Department of Administration (was, by the Governor) and reported to specified legislative committees, the Fiscal Research Division, and the Office of State Budget and Management. Also deletes that this provision applies to the acquisition of medical equipment, supplies, and appliances.

Use Pre-stimulus FMAP for Medicaid Hold Harmless. Amends GS 105-523(b)(2) to provide in the definition for the *hold harmless threshold* that a county's Medicaid service costs for fiscal years 2008-09, 2009-10, and 2010-11 are to be determined without regard to the changes made to the Federal Medicaid Assistance Percentage by Section 5001 of ARRA. Effective for distributions for months beginning on or after October 1, 2008.

Use of Funds in the Unreserved Credit Balance. Effective June 30, 2009, requires that, notwithstanding GS Chapter 143C, funds in the unreserved credit balance on June 30, 2009, must be used only to partially repay federal funds that were overdrawn in the Medicaid Program in 2008-09. Provides that the remainder of the overdrawn funds are to be repaid during the 2009-11 fiscal biennium. Requires the Governor to report the timing and amount of repayment to the chairs of the Senate and House Appropriations Committees and the Fiscal Research Division by October 1, 2009.

Effective Date. Amends Section 10 of SL 2009-215, as amended by Section 2 of SL 2009-296, to provide that the act expires when the Appropriations Act of 2009 becomes law.

July 30, 2009

H 102. CONTINUING BUDGET AUTHORITY. Filed 2/10/09. Conference report recommends the following changes to 2nd edition to reconcile matters in controversy.

Authorization for Expenditure of Funds. Deletes proposed language in Section 1 of SL 2009-215, as amended, which provided that the appropriation and authorization to allocate and spend funds must remain in effect until the ratification of the Current Operations and Capital Improvements Appropriations Act of 2009 (Appropriations Act of 2009) and required that the Director of the Budget (Governor) adjust allocations to give effect to the Appropriations Act of 2009 from July 1, 2009, when that act becomes law.

Use of ARRA Funds by LEAS (was, Appropriation of ARRA Funds). Deletes the amendments to Section 6(c) of SL 2009-215, which would have removed language (1) prohibiting state agencies from using federal American Recovery and Reinvestment Act of 2009 (ARRA) funds for recurring purposes unless provided for by that section and (2) allowing additional state personnel to be employed on a temporary or time-limited basis depending on the nature of the award of ARRA funds. Instead, specifies that Section 6(c) of SL 2009-215 is to not be construed to prohibit the use of ARRA funds to employ teachers and other school personnel for the 2009-10 school year.

Accelerated DHHS Procurement Process to Achieve Budget Reductions. Deletes the repeal of Section 8A of SL 2009-215. Instead, amends Section 8A of SL 2009-215 to require that any modifications or extensions of existing contracts or the entering into of sole source contracts by the Department of Health and Human Services to timely achieve savings must be approved by the Secretary of the Department of Administration (was, by the Governor) and reported to specified legislative committees, the Fiscal Research Division, and the Office of State Budget and Management. Also deletes that this provision applies to the acquisition of medical equipment, supplies, and appliances.

August 3, 2009

SL 2009-399 (H 102). CONTINUING BUDGET AUTHORITY. AN ACT AUTHORIZING THE DIRECTOR OF THE BUDGET TO CONTINUE EXPENDITURES FOR THE OPERATION OF GOVERNMENT AT A PERCENTAGE OF THE LEVEL AUTHORIZED IN S.L. 2008-107, AS AMENDED. Summarized in *Daily Bulletin* 7/29/09 and 7/30/09. Enacted July 31, 2009. Effective July 31, 2009, except as otherwise provided.