

2005

**SENATE
MENTAL HEALTH &
YOUTH SERVICES**

**COMMITTEE
MINUTES**

Mental Health & Youth Services Membership List

Senator Ellie Kinnaird Chair Room 2115 LB 733-5804	Senator Martin Nesbitt Vice Chairman 300-B LOB 715-3001
Senator Jim Forrester Ranking Minority Member 1129 LB 715-3050	Senator Austin Allran Room 516 733-5876
Senator Stan Bingham Room 2117 LB 733-5665	Senator Andrew Brock Room 1101 LB 715-0690
Senator Harry Brown Room 620 LOB 715-3034	Senator Janet Cowell Room 1028 LB 715-6400
Senator Charlie Dannelly Room 2010 LB 733-5955	Senator Eddie Goodall Room 1414 LB 733-7659
Senator Jim Jacumin Room 409 LOB 715-3040	Senator Vernon Malone Room 2113 LB 733-5880
Senator William Purcell Room 625 LOB 733-5953	Senator John Snow Room 517 LOB 733-5875
Senator A. B. Swindell Room 629 LOB 715-3030	Senator Scott Thomas Room 300-E 733-6275
Senator Larry Shaw Room 621 LOB 733-9349	
Kory Goldsmith Council Research Division 733-2578	Dr. Shirley Iorio Council Research Division 733-2578
Ben Popkin Council Research Division 733-2578	Kathie Young Committee Assistant 733-5804

North Carolina General Assembly
Through Senate Committee on
Mental Health & Youth Services

Date: 08/17/2005
Time: 15:42
Page: 001 of 001
Leg. Day: H-116/S-117

2005-2006 Biennium

Bill	Introducer	Short Title	Latest Action	In Date	Out Date
H0661	Glazier	RESP. INDIVIDUALS LIST/EXPUNCTION PROCESS.	*S Cal Pursuant Rule 36(b)	06-06-05	07-12-05
H1087	Culpepper	CLARIFY DEFINITION OF SOCIAL WORKER.	*S Ref To Com On Mental Health & Youth Services	06-06-05	
H1262	Weiss	AUTH. SOCIAL WORK BD. TO EMPLOY PERSONNEL.	SR Ch. SL 2005-129	05-09-05	06-15-05
H1346	Haire	INTERSTATE COMPACT FOR JUVENILES.	*SR Ch. SL 2005-194	06-01-05	06-23-05
H1517	Carney	CLARIFY DEFINITION OF CHILD CARE.	*S Cal Pursuant Rule 36(b)	06-06-05	08-10-05
H1551	Farmer-Butterfie	PRE-SERV.TRAIN'G EXEMPT./CERTAIN CPS WORKERS.	S Ref To Com On Mental Health & Youth Services	06-01-05	
H1635	Adams	AMEND DISPLACED HOMEMAKER LAWS/UP FUND FEES.	*S Passed 2nd & 3rd Reading	06-23-05	07-06-05

'\$' indicates the bill is an appropriation bill.

A bold line indicates the bill is an appropriation bill.

'*' indicates that the text of the original bill was changed by some action.

'=' indicates that the original bill is identical to another bill.

**Senate Mental Health & Youth Services Committee
Wednesday, March 16, 2005, 12:00 Noon
414 LOB**

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Presentations:

Sen. Martin Nesbitt, chair of Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services

Sally Cameron Executive Director
NC Psychology Association

Robin Huffman Executive Director
NC Psychiatry Association

Other Business

Adjournment

MENTAL HEALTH & YOUTH SERVICES COMMITTEE
WEDNESDAY, MARCH 16, 2005

MINUTES

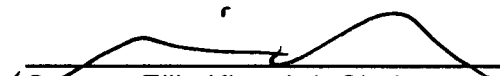
Mental Health & Youth Services committee met March 16, 2005 at 12:00 noon in Room 414 of the Legislative Office Building. Nine members were present, including Senator Ellie Kinnaird, who presided.

Senator Kinnaird called the meeting to order introduced the sergeant at arms and pages.

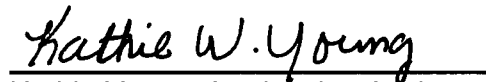
Senator Martin Nesbitt, chair of Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities and Substance Abuse Services gave an overview of Mental Health Reform in North Carolina.

Sally Cameron, Executive Director, and North Carolina Psychology Association spoke on the work done at the national level by the American Psychological Association, which supports the effort around collaboration across all systems to the benefit of children with mental illness or emotional disorders. (See Attached)

Senator Kinnaird thanked the presenters and adjourned the meeting at 1:00 p. m.

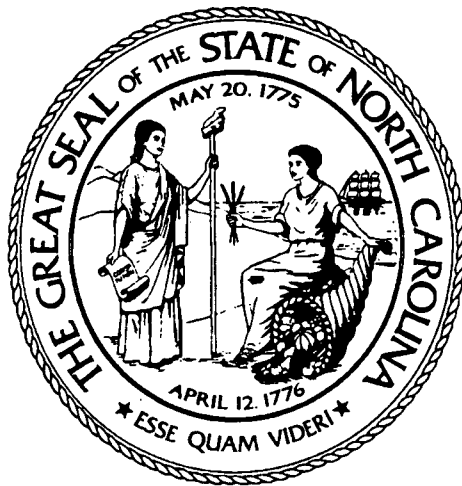


Senator Ellie Kinnaird, Chair



Kathie Young, Legislative Assist.

**JOINT LEGISLATIVE OVERSIGHT COMMITTEE
ON
MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,
AND SUBSTANCE ABUSE SERVICES**



**REPORT TO THE GENERAL ASSEMBLY
OF NORTH CAROLINA**

January 2005

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NORTH CAROLINA GENERAL ASSEMBLY
STATE LEGISLATIVE BUILDING
RALEIGH, NORTH CAROLINA 27603

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DEVELOPMENTAL DISABILITIES AND SUBSTANCE ABUSE SERVICES**

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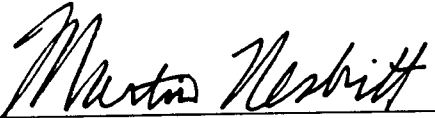
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January 26, 2005

TO THE MEMBERS OF THE 2005 GENERAL ASSEMBLY

Pursuant to Session Law 2000-83, House Bill 1519 of the North Carolina General Statutes, the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities and Substance Abuse Services submits its report to the 2005 General Assembly for the 2005 Regular Session.

Respectfully submitted,



Senator Martin L. Nesbitt, Jr., Co-Chair



Representative Verla Insko, Co-Chair

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PART I

INTRODUCTION

The Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services (LOC) is submitting this report to update the 2005 General Assembly on the activities of the LOC during the 2004 interim. Included in this report is the final report on the Plan for Mental Health System Reform as required by Section 3(e)(4) of House Bill 1519, Session Law 2000-83 (See Appendix I); a report on the findings and recommendations for the Alcohol Drug Education Traffic School Program (ADETS) as required by Section 4 of House Bill 1356, Session Law 2004-197 (See Appendix II); and the proceedings of meetings concerning the integration of care for children with multiple service needs as directed by Section 24.2 of Senate Bill 1152, Session Law 2004-161 (See Appendix IV).

The LOC met on September 29, 2004, November 17, 2004, December 17, 2004, January 4, 2005, and January 18, 2005. The DWI/ADETS Advisory Committee met on October 19, 2004, December 14, 2004, and January 4, 2005. The Children's Services Work Group met on November 17, 2004, December 7, 2004, December 16, 2004, January 4, 2005, and January 18, 2005. Committee proceedings are included in this report.

LEGISLATIVE OVERSIGHT COMMITTEE PROCEEDINGS

The Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services met on five occasions during the 2004 interim. The following is a brief summary of the Committee's proceedings. Detailed minutes and information from each Committee meeting is available in the Legislative Library.

September 29, 2004

The Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services (LOC) convened its first meeting of the interim on Wednesday, September 29, 2004 at 10:00 A.M. in Room 544 of the Legislative Office Building.

Kory Goldsmith, Staff Attorney, provided a presentation of enacted legislation concerning Mental Health/Developmental Disabilities/Substance Abuse Services (MH/DD/SAS) issues from the 2004 Session including two bills previously recommended by the LOC: Involuntary Commitment Warrant Clarification and Increase Fees/Qualifications for the DWI Assessments. She also reviewed the studies assigned to the Committee including a study on the Integration of Care for Children with Multiple System Service Needs. She also noted that the Department of Health and Human Services had been directed to study Care for the Mentally Ill in Long Term Care Facilities and the Financing of MH/DD/SA Services.

Jim Klingler, Fiscal Analyst, reviewed the budget provisions from H.B. 1414 – Appropriations Act of 2004 and noted items reduced or funded in the Money Report. He also noted an appropriation of \$10 million to the Mental Health Trust Fund for the purpose of building community capacity and assisting with the mental health reform transition as well as changes in Medicaid policy that allow independent providers to directly enroll with Medicaid for reimbursement for services delivered primarily to non-target populations. Under Special Provisions, Mr. Klingler highlighted the Mental Health Treatment Courts item, which established three pilot mental health treatment courts in three districts.

Kory Goldsmith continued the presentation with a historical overview of mental health reform and the requirements of reform legislation. Ms. Goldsmith reviewed the State and federal context and the General Assembly's response, which included commissioning several studies. In 2000, the General Assembly created the LOC to develop a plan for mental health reform and examine ongoing system-wide issues. Ms. Goldsmith then reviewed HB 381, the reform legislation noting the significant changes in governance at the local level and the State's responsibilities.

Jim Klingler completed the presentation by summarizing what has occurred with reform implementation and identifying the work that remains to be done. He reviewed the *State Plan - Blueprint for Change* developed by DHHS. He explained the steps in creating the Local Management Entities and the Consumer and Family Advisory Councils. He noted that the Consumer Advocacy Program created in HB 381 has never been funded. However, the Division has established the Advocacy and Consumer Services Section.

Significant work remains to complete reform including: implementation of the service array; divestiture of services by LMEs; LME merger and consolidations to reduce from 33 to 20 by January 2007; and allocation of funds to the LMEs. Local business plans will need to be continually assessed. The downsizing and replacement of State institutions is also an ongoing issue.

Mike Moseley, Director of the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMH), provided an update on the implementation of reform. Mr. Moseley said that he was committed to visit every LME by January and the Division will hold four town meetings between now and next July to hear concerns and address issues.

Leza Wainwright, DMH Deputy Director, gave a presentation on the changes in the service array. One of the fundamental changes required by the reform legislation was to identify target populations to receive State and State allocated federal funds to ensure funds are used to serve people most in need of services. She identified the criteria for the target populations in adult, child and adolescents in Mental Health, Developmental Disabilities, and Substance Abuse. Ms. Wainwright noted LMEs may use county funding to cover the cost of services for the non-target population. She reviewed the benefit packages, new services for mental health and substance abuse and identified those services to be eliminated.

Ms. Wainwright explained that DHHS contracted with Technical Assistance Collaborative to gather rate information from around the country to help determine service rates for North Carolina. In reviewing the direct enrollment of Service Providers, she gave a brief background, explained Medicaid requirements and enhanced benefits. Continuing, she explained the changes to the LMEs. She addressed changes in the contract and assured members that divestiture of services would not occur until providers were in place. She reviewed the service management functions of an LME explaining the review and approval of the Person Centered Plan and she spoke of "trigger points" that would result in utilization review. She also provided information regarding provider monitoring, enrollment and requirements for endorsement.

Mike Moseley spoke on the status of downsizing the Mental Retardation Centers and the State Psychiatric Hospitals. Mr. Moseley explained the barriers in downsizing the Mental Retardation Centers, including financial resources, provider resources and planning. He explained the urgency of meeting the requirements of the Olmstead decision and the Legislative mandate requiring a reduction each year of 4 percent.

Continuing, Mr. Moseley said the current CAP/MRDD waiver runs through June 2006. Because numerous problems exist with the existing waiver, the new comprehensive waiver targeting those with intense needs is to be submitted to CMS and will be in place by July 1, 2005. It will run concurrently with the current waiver until the current waiver expires. An Independence Plus waiver is also being written to address those with less intense needs who can be served at a lower cost and can be more self-directed. The goal is to submit that waiver request to CMS by July 1, 2005.

Mr. Moseley addressed the downsizing of the psychiatric hospitals. He explained that no acute adult admission beds have closed and none would close until appropriate community alternatives were in place. He said that \$7.7 million from the Mental Health Trust Fund had been allocated to the LMEs to build community capacity, and that \$15.3

million in recurring funds had been transferred from the State hospitals' budgets to the LMEs to fund community mental health services.

Addressing admissions, Mr. Moseley said the attempt to downsize 36 beds by 2005 is offset by an increase in the number of acute care adult admissions. He reviewed data addressing the reasons for the increase and said the Secretary is working with the Hospital Association to try to increase incentives for private hospitals to keep their existing psychiatric beds and to create additional beds.

November 17, 2004

The LOC held its second meeting of the interim on November 17, 2004 at 1:00 P.M. in Room 544 of the Legislative Office Building.

Senator Martin Nesbitt, Co-Chair, gave an update on the Children's Services Work Group informal information session that took place earlier that day. He told members that all the agencies representing children's services were present to discuss collaboration.

Representative Alexander, Co-Chair of the DWI/ADET Advisory Committee, gave a brief report on activities of the committee. She said the committee is studying ADET facilities and the fee structure as directed by legislation passed last Session.

Jim Klingler, Fiscal Analyst, gave an overview of the budget for community mental health, developmental disabilities, and substance abuse services and the allocation of State appropriations. He told members that of the \$1.6 billion in the State's MHDDSAS budget, Medicaid pays 65% of all services delivered in the community. The State appropriates 20% of that amount. He said that just over \$1 billion flows through the area programs with 49% coming from Medicaid. The difference is that the Medicaid funds are paid to direct enrolled Medicaid providers. Given proposed changes to the State Plan, all Medicaid providers will be direct enrolled which will cause significantly more money to flow from the State and the State Medicaid Program to providers and not through the area programs.

Continuing, Mr. Klingler stated that the greatest change in the budget figures had been in the growth of Medicaid payment for services (122%) over the past five years. Mike Moseley, DMH Director, added that in addition to residential treatment services, community-based services are a source of growth in the Medicaid program. The issue spawned a number of questions regarding the use and regulation of group homes. Mr. Moseley said Secretary Hooker Odom is overseeing the effort to review the regulatory climate connected to these programs and other residential programs and provider qualifications.

Returning to the funding allocation presentation, Mr. Klingler reviewed the direct State appropriations to the area programs for the delivery of services. He noted that State appropriations are the main source of funding for indigent care and services not covered by Medicaid and that the funds are not equitably distributed across the area programs. Mr. Klingler said that DHHS had been instructed by the General Assembly to report by February 1, 2005 on a revised system for allocating State and federal funds to area mental health authorities.

Mr. Klingler continued by explaining that Medicaid funding presents the largest single source of funding for area programs. The Federal Government pays \$0.631/2 on every dollar expended for Medicaid reimbursable services.

Mr. Klingler reviewed the allocation of State funds and illustrated how they vary across the State per capita and per person served. Finally, he gave some long-term and short-term options for consideration when looking at a new allocation system and questions that should be considered regarding the system. He emphasized the options were simply ways to approach the issue of methodologically infusing more dollars.

Dr. Beth Melcher, Director of the North Carolina Science to Service Project, gave a presentation on the implementation of evidence-based practices for adults with mental illness, a project commissioned by the DMH. She focused on what she believed to be the core of reform – access to services that support people in their lives, their recovery, and that allows them to stay in their communities. Dr. Melcher reviewed federal studies, initiatives, and goals. Evidenced Based Practices offers standardized treatments. She said controlled research has been done on services, with objective outcome measures. She said Evidenced Based Practices offers mental health consumers choices of outcomes from services offered.

Dr. Melcher said information gathered from studies and surveys informed the recommendations compiled into the final report from the North Carolina Science to Service Project. The report is available in its entirety at www.ncs2s.org.

December 17, 2004

The Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services held its third meeting on Friday, December 17, 2004 at 9:30 A.M. in Room 643 of the Legislative Office Building.

Kory Goldsmith, Committee Counsel, gave an update on the Children's Services information session held on December 16th. Ms. Goldsmith explained that the purpose of the work group meeting had been to make recommendations that would be brought back to the LOC. Representative Insko said that a bill would be drafted and presented to the Child Services Committee on January 4th for review. The bill would then be presented to the LOC on January 18th. Senator Nesbitt reiterated that one issue that continues to be raised is that although there exist collaborative bodies, the key players do not always attend those meetings. He said the consensus from the workgroup was that the Legislature needed to facilitate collaboration.

Dr. Michael Lancaster, DMH Chief of Clinical Policy, gave a presentation on target population. Dr. Lancaster noted that the term "target population" appears in the mental health reform legislation and that it was included because there were not sufficient resources in the State to serve everyone in the State with disabilities. Dr. Lancaster explained the consultative process the Division used for determining the target population. Dr. Lancaster provided estimates regarding the number of persons in the target and non-target populations for mental illness, child mental illness, and substance abuse or drug problems, and compared the number of persons currently served versus those not currently being served.

In adult mental health, using CDC estimates, the Division believes that 260,000 people in the target population are not being served. Of those 20% to 50% are covered by insurance or alternative resources. The remaining 50% are those who should be treated by the public system. The cost would be \$2,300 per case with an additional \$149-\$207 million needed to treat the target population.

Regarding the non-target population, Dr. Lancaster said the criteria indicates those persons may have a diagnosis of mental illness related to anxiety, underlying depression or other disorders. He said that 7% of those currently being served are in the non-target population and that approximately \$11 million had been spent last year to provide services for these individuals.

Senator Dannelly briefed the committee on the DWI/ADET Advisory Committee, noting the Advisory Committee would present final recommendations to the LOC on January 18, 2005.

Mike Moseley, DMH Director, gave an update on system reform. He said that he had recently completed visits to all 15 facilities and 24 of the 33 Local Management Entities. He told members that he would complete the visits by the end of January. Mr. Moseley said the subcommittee of the Physicians Advisory Group for the Division of Medical Assistance (DMA) had made its final recommendations on the service definitions and hopefully DHHS would be able to submit the final State Plan Amendment for new services to the federal government in early January. He continued by saying that DMH had brought providers together from the various disabilities to discuss the associated rates for services. The review should be complete in early January with the final rates being published later that month. He said a comprehensive training program regarding the new service definition has been developed. Mr. Moseley said two major statewide training events are planned in January targeting providers, LMEs, and consumers.

Continuing, Mr. Moseley said a joint work group from the staff of the Division of Vocational Rehabilitation and the Division of MHDDSAS had studied the Adult Developmental Vocational Program System. The group made preliminary recommendations on developmental disabilities in August to the Division Director but the group was asked to go back and expand the scope to include consumers with mental health and substance abuse issues and to give fiscal data showing the cost of their recommendations. This process should be completed in February or March.

Regarding the Child Mental Health Plan implementation, Mr. Moseley said Dr. Lancaster is leading a group that has been working and formulating recommendations and looking at ways to ensure smooth implementation of the new services. He said one issue of particular interest is the placement of children in a residential treatment environment. Alternative treatment must be in place for those in Level 1, Level 2 and Level 3 group homes. The goal is to treat children in the home community with less disruptive, more effective and less costly services. Mr. Moseley noted that group home treatment facilities are Medicaid funded services, so any changes are subject to approval by the Centers for Medicare and Medicaid Services. The Division will present proposed rule changes to the Commission for Mental Health, Developmental Disabilities, and Substance Abuse Services at their January meeting. He also said the Secretary is finalizing a regulatory package to be presented to the Legislature during the upcoming Session.

January 4, 2005

The Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services held its fourth meeting on Tuesday, January 4, 2004 at 1:00 P.M. in Room 643 of the Legislative Office Building.

Representative Martha Alexander, Co-Chair of the DWI/ADETS Advisory Committee, reviewed the results of the survey of the 54 ADETS. She explained that the survey examined the qualifications of the instructors, class size, cost findings and the cost findings of other states. Based on information compiled from the survey, she reviewed draft legislation that included suggested recommendations by the Advisory Committee. The first recommendation was to increase the fee to the ADET schools from \$75 to \$160. In Section 2 of the draft legislation, individuals providing ADET school instruction must be a Certified Substance Abuse Counselor, a Certified Clinical Addiction Specialist, or a Certified Substance Abuse Prevention Consultant by January 1, 2009. Section 3 recommends that the minimum hours of instruction not be less than 16 hours and that the maximum class size not be more than 20 persons. She indicated that the Commission on Mental Health, Developmental Disabilities, and Substance Abuse Services would have to revise its rules regarding this last recommendation. Representative Alexander explained that Section 4 would contain language pertaining to a quality assurance/outcome study. Staff would include that language after reviewing current laws. She said Section 5 would include appropriated funds to the Department of Health and Human Services but that figure will be determined once the language for Section 4 has been decided.

A motion to adopt the bill for recommendation by the LOC and to authorize staff to add Sections 4 and 5 was approved.

Representative Insko provided an update on the Children's Services Work Group. She explained the group had identified barriers to collaboration, identified existing laws that are in conflict with one another and spoke to the need to develop common language. She said the group first drafted a bill to create a Council in the Executive Branch to meet with the Governor. However, concern that the Council might not meet prompted a second draft mandating the system of care as the State policy for providing services to children. The second draft included principles defining the system of care, and established a tier of work groups. Representative Insko said based on issues that were identified but were not represented in either draft of the bill, staff would develop a third draft securing the support of affected agency heads.

Flo Stein, DMH Chief of Community Policy Management, gave an update on implementation of best practices. Her presentation addressed DMH accomplishments and plans for connecting services to research. She explained that DMH has obtained grants to study best practices in the three areas of disabilities. She referenced the Science to Service Project for Adult Mental Health Services that the LOC heard about earlier this year and said the developmental disabilities best practice framework would be included in the 2005 State Plan. Ms. Stein said North Carolina has one of the most highly developed outcome measurement systems in the country for substance abuse services, and this past year the outcome system was recognized three times in Congress. DMH is working on including developmental disabilities core indicators into a measurement system following the division success in including mental health in the system. Ms. Stein explained that a system of partnership had been established to look at research, to study how practices are being adopted, and to look at new research that might be considered.

That group will give its findings to a Division Advisory Group that will meet twice a year.

Addressing LOC member concerns, Ms. Stein explained the system requires the development of an infrastructure to support the adoption for these practices. The Area Health Education Centers and the University System are in the process of looking at the new service definitions and changing the curriculum to ensure people are prepared.

Mr. Moseley followed by adding that a major systemwide training initiative would begin at the end of January for providers, consumers, LMEs, and family members. Beyond that, a support structure will be in place to offer support as the transition begins and will continue after the new services are implemented.

January 18, 2005

The Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services held its fifth meeting on January 18, 2004 at 10:30 A.M. in Room 643 of the Legislative Office Building.

Andy Wilson, DMA Senior Eligibility Policy Consultant, provided an update on the policy of suspending Medicaid enrollment for persons committed to institutions. Mr. Wilson explained that the current DMA policy terminates Medicaid services for a person entering a public institution or a person between the ages of 22 and 64 entering an Institution for Mental Disease (IMD) and has been in place since 1978. Although the Centers for Medicare and Medicaid Services (CMS) recently recommended a suspension of services rather than a termination, DMA does not believe the recommendation warrants changing the current policy. Mr. Wilson explained that from DMA's perspective, the Medicaid status for persons in a public institution or an IMD is the same whether terminated or suspended. He further explained the process for reapplication upon discharge, noting the re-evaluation process would take no longer than 45 days. LOC members asked DMA to report back with a plan to shorten the review process and to provide federal and State definitions for "suspension" and "termination."

Mr. Wilson reported on multiple eligibility and waiver options under Medicaid that the State currently does not utilize. He gave 5 examples – TEFRA Children, Medicaid Coverage of the Working Disabled (Medicaid Buy-In), State/County Special assistance for Adults Living at Home, Optional Targeted Low Income Children, and Presumptive Eligibility of Children. The actual cost for incorporating any of these options has not been determined. None of the options would expand coverage to individuals over 20 years of age who are not blind; disabled; pregnant; or the caretakers of children under age 19. LOC members requested that DMA report back with an estimated cost analysis of implementing any of the options.

Coalition 2001 is a coalition representing 50 statewide not-for-profit organizations working together to meet the needs of North Carolinians living with mental illness, developmental disabilities, and the disease of addiction. The Coalition's fiscal priorities for 2005 include increasing the Mental Health Trust Fund by \$20 million with an emphasis on crisis services and a recurring appropriation request of \$134 million which includes \$90 million for community capacity development for those in the target population who are waiting for services. The Committee endorsed the Coalition 2001

proposals and voted to include them in the Oversight Committee report to the General Assembly.

Jim Klingler, Fiscal Analyst, presented two draft bills specifically addressing how to pay for the outcome study of the ADETS program. The first draft contained an appropriation to pay for the outcomes study. The second draft had no appropriation but rather authorized the Department to receive 10% of each fee paid to the ADETS by the offender to cover administrative costs. The Committee approved the second draft and voted to include the bill draft in the LOC Report.

Members then reviewed and approved the LOC's final report on the implementation of the State plan for mental health reform. This report is required by legislation passed during the 2000 Session creating the LOC. The report includes an historical overview for mental health reform, summarizes the provisions of the mental health reform legislation, describes reform implementation, and outlines unfinished business.

Kory Goldsmith, Committee Counsel then explained the bill draft containing the recommendations of the Children's Services Work Group. After discussion, the LOC approved the bill with some modifications and moved to include it in the LOC report.

The Committee approved the draft report with recommended changes and instructed staff to incorporate the draft report into a final report to the 2005 General Assembly.

PART II

FINAL REPORT ON THE PLAN FOR MENTAL HEALTH REFORM

As required under S.L. 2000-83, Sec. 3 (e)(4)

I. Introduction

During the mid to late-1990's, North Carolina's public mental health system faced significant challenges. There were 40 Area Authorities Statewide, but several programs were experiencing severe financial difficulties and even bankruptcy. Newspaper articles chronicled deaths in State mental health facilities and State psychiatric hospitals were in danger of losing federal funds due to severe staffing shortages and record-keeping violations. The General Assembly responded by commissioning several studies (State Auditor/PCG Studies) of the State psychiatric hospitals and the Area mental health programs. The State Auditor/PCG Studies found that:

- the governance and funding structures of area authorities did not promote accountability to local governments or to the State;
- the use of State hospital inpatient beds in North Carolina was significantly higher than in peer group states;
- the accessibility and quality of clinical assessment varied widely across the State;
- services for acute substance abuse were lacking across the State;
- the role of State hospitals with regard to area programs was not clear;
- the system suffered from a lack of clarity about what it was trying to accomplish;
- the State spent a large percentage of its funds on State hospitals and clients covered under certain lawsuits, making it difficult to provide services to other individuals; and
- the State served a greater proportion of its developmentally disabled clients in large, State-operated residential centers than was the national norm and did not utilize the Medicaid waiver program to pay for community services to the extent other states did.

Contemporaneous with these studies and findings, the United States Supreme Court issued the Olmstead decision clarifying the States' responsibilities towards certain institutionalized individuals. The Court held that States have an obligation to provide community-based treatment for persons with mental disabilities when treatment officials determine that community placement is appropriate, the affected person does not oppose community-based treatment, and the placement can be reasonably accommodated taking into account available resources.

In response to these studies and court decisions, the General Assembly passed HB 1519 (S.L. 2000-83) (See Appendix I). In that legislation, the General Assembly found that:

- (1) State and local governments were not effectively or efficiently using available resources to provide mental health, developmental disabilities, and substance abuse services across the State;
- (2) Effective implementation of State policy to assist individuals with mental illness, developmental disabilities, and substance abuse problems required a

standard system of services to identify, assess and meet client needs within available resources;

(3) The findings of the studies and federal court decisions compelled the State to consider significant changes in the operation and utilization of the State psychiatric services;

(4) State and local funds for mental health, developmental disabilities, and substance abuse services must be stabilized and increased over time to ensure that the purposes of mental health reform system are achieved; and

(5) Reform should begin immediately and focus on correcting system inefficiencies, inequities in service availability, deficiencies in funding and accountability, and improving services to citizens.

That same legislation created the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services (LOC). The LOC was charged with examining, on a continual basis, the system-wide issues affecting the development, financing, administration, and delivery of mental health, developmental disabilities, and substance abuse services, including issues related to governance, accountability and quality of services. The LOC was also charged with developing a Plan for Mental Health System Reform (Plan) to provide for the systematic, phased-in implementation of changes to the State's mental health system. The LOC was directed to make interim reports on the development and implementation of the Plan to the General Assembly upon its convening in 2001, in May 2002, upon the convening of the 2003 General Assembly, in May 2004, and a final report upon the convening of the 2005 General Assembly. This report constitutes the LOC's final Report on the Plan for Mental Health System Reform.

II. Contents of the Plan for Mental Health System Reform

HB 1519 directed the LOC to develop a Plan for Mental Health System Reform addressing a wide variety of issues including:

- the findings and recommendations of the State Auditor's/PCG studies;
- the administration and delivery of developmental disability services;
- the feasibility and impact of downsizing the State's psychiatric hospitals;
- the impact of reform on the quality of mental health services;
- increasing consumer and family involvement in reform and implementation;
- enhancing and improving substance abuse services;
- inclusion of a basic package of service benefits as well as specific benefits for targeted populations;
- examination of the State's responsibility under Olmstead to allow institutionalized persons to receive services in community-based settings;
- mental health services to children; and
- whether to implement a contested case hearings procedure for applicants and recipients of mental health, developmental disabilities, and substance abuse services.

The LOC's first task, however, was to report to the 2001 General Assembly regarding changes that should be made to the governance, structure, and financing of the State's mental health system at the State and local level. In response to this requirement, the LOC created five subcommittees and commissioned independent studies on developmental disabilities and substance abuse services. The LOC also worked during the 2001 Session to draft and pass reform legislation.

III. Reform Legislation

During the 2001 Regular Session, the LOC introduced HB381 – An Act to Phase in Implementation of Mental Health System Reform at the State and Local Level (S.L. 2001-427). In its enacted form, the legislation made significant policy changes addressing issues of State and local governance, increasing accountability, and emphasizing community-based services that are consumer driven. It established the requirement that State and local governments provide, within available resources, certain core services including: screening, assessment, referral, crisis services, service coordination, consultation, prevention, and education. It shifted the role of local public mental health, developmental disability, and substance abuse agencies from that of direct service providers to one of managing and coordinating services delivered by private providers. The legislation also established a Consumer Advocacy Program to operate at the State and local levels.¹ It also directed the LOC to conduct an in-depth review of current State funding allocation methods and disparities and make recommendations no later than May 1, 2002.²

The legislation also charged the Secretary of the Department of Health and Human Services (Secretary) with developing a State Plan to implement reform that included:

- (1) the mission and vision for the State mental health, developmental disability, and substance abuse system;
- (2) the protection of client rights and consumer involvement;
- (3) the provision of services to targeted populations including criteria for targeted populations;
- (4) a description of core services available to all individuals;
- (5) service standards;
- (6) a uniform portal process; and
- (7) strategies and schedules to eliminate disparities in allocation of State funding across programs by January 1, 2007.

It also clarified the State's role as articulated in the powers and duties of the Secretary. These include:

- Review and approve local business plans;
- Oversight of area authorities, county programs and providers of public services;
- Development of a unified system of services to be provided in local programs, State facilities and private providers;
- Monitoring fiscal and administrative practices of area authorities and county programs;
- Adopting rules for enforcement of clients rights; ensuring the State Reform Plan is coordinated with Medicaid State Plan and North Carolina Health Choice; and
- Suspending funding and assuming service delivery or management functions of an area authority or county program that is not providing minimally adequate services to persons in need in a timely manner.

¹ The General Assembly has not, to this point, appropriated the funds to implement this program.

² The LOC created a subcommittee to study this issue, but has not made any final recommendations to the General Assembly.

In addition, the Secretary is directed to develop a plan to reduce the number of area authorities and county programs to 20 by no later than January 1, 2007.

The legislation also significantly clarified the counties' role in the provision of mental health, developmental disabilities, and substance abuse services. County Commissioners are given the authority to choose the governance structure for area programs (area authorities or county programs), dissolve an area authority, approve the hiring of area authority and county program directors, approve the program budget, and approve the local business plan. The legislation allowed the creation of interlocal agreements for multi-county programs to provide for a targeted minimum population of 200,000 or a targeted minimum number of five counties served by the program. It also required counties, through an area authority or county programs, to develop a business plan to guide the management and delivery of public services at the local and State level. The business plan must address the development of a provider network based upon consumer choice and fair competition. Finally, area authorities and county programs would contract with other providers for the provision of services unless otherwise approved by the Secretary

IV. Olmstead Implementation and other 2001 Budget Provisions

The 2001 Appropriations Act (SB 1005, S.L. 2001-424) contained provisions related to the State's Olmstead obligations. It directed the Department of Health and Human Services (Department) to develop policies to provide appropriate services in the least restrictive environment to persons receiving mental health, developmental disabilities or substance abuse services in Adult Care Homes. It required the Department to develop plans to transition residents with Olmstead plans in State Mental Retardation Centers to appropriate community programs and to downsize the Centers. It also directed the Department to develop plans to construct a replacement for the Dorothea Dix Hospital and provide for the transition of patients to the new facility, to the community, or to other long-term care facilities, as appropriate.

The 2001 Appropriations Act also created G.S. 143-15D, The Trust Fund for Mental Health, Developmental Disabilities, and Substance Abuse Services and Bridge Funding Needs (MH Trust Fund). The MH Trust Fund is an interest bearing, nonreverting special trust fund. The moneys in the fund may be used only to:

- Provide start-up funds and operating support for community treatment alternatives for individuals in State institutions.
- Facilitate the State's compliance with the Olmstead decision.
- Facilitate reform of the mental health, developmental disabilities, and substance abuse service system.
- Provide bridge funding to maintain appropriate client services during transitional periods as a result of facility closures.
- Construct, repair, and renovate State facilities.

The General Assembly shifted \$3 million dollars from an existing fund and added another \$47.5 million to the MH Trust Fund.³

V. Reform Implementation

³ Later in the same fiscal year, the Governor seized \$37.5 million in response to the State Budget crisis.

During the past four years, the Department of Health and Human Services (Department) has worked with the area and county mental health programs and other affected parties to develop and execute mental health reform.

The State Plan - G.S. 122C-102 directs the Department to develop a plan for implementing the new mental health reform law. In November 2001, the Secretary released the *State Plan 2001: a Blueprint for Change* (State Plan), which would be the central document for implementation and education regarding the future of North Carolina's mental health system. In subsequent years, the Department has updated the State Plan annually.

As directed in HB 381, the Department included in the State Plan a method for transforming the area and county mental health programs from primarily service delivery organizations to service management organizations. The State Plan created a process by which counties would decide on their form of local governance. Once established, each public community mental health program would be referred to as a Local Management Entity (LME). LME is not a statutory term, and it identifies the purpose of the public agency rather than describing its governance structure. While a county could be part of an Area Authority, a single County Program, or part of an interlocal agreement, the function of these organizations as LMEs would be the same.

Under the previous community system, area and county programs delivered a full range of services and also contracted for the delivery of services. Additionally, the area and county programs were responsible for coordinating and managing the quality and quantity of services in the community. As directed in HB 381, the State Plan set about removing these overlapping roles. LMEs were primarily intended to be management entities. Public services delivered directly by the area and county programs would be divested to private providers through the creation of qualified provider networks.

In managing services, the LMEs would be expected to perform a series of functions not previously expected of the Area and County Programs. These responsibilities include:

- Identifying the client base within each LME's catchment area;
- Understanding the need for community-based services and identifying service gaps;
- Developing a qualified provider network (now called a Provider Community);⁴
- Contracting with qualified providers;⁵ and
- Approving the service plans for individual clients.⁶

Establishing the LMEs - In order to achieve this transformation from service provider to LME, the State Plan established a process and schedule for certifying newly created LMEs. This process included the statutory requirement that counties develop business plans for implementing and operating the reformed community system.

⁴ In building a network, LMEs would qualify providers that meet the State's service standards and assist providers to meet service standards, especially for newly established services.

⁵ LMEs are expected to design performance contracts tied to service outcomes, and LMEs will monitor and enforce those contracts.

⁶ If a service plan is approved by an LME, the LME is responsible for monitoring the client's outcomes to see if the service plan is appropriate.

According to the State Plan, counties would work together to develop one business plan for each proposed LME. The local business plan would describe characteristics of the LME's catchment area, including the client base and service gaps. The local business plan would also address specifics regarding the LME's operation. Specifically, G.S. 122C-115.2 required that the local business plans include:

- Planning – Identifying service gaps and strategies for addressing those gaps, equitably delivering services in an efficient manner, and establishing a means for public input.
- Developing a Provider Network – Including service development, performance contracting, and provider monitoring.
- Service Management – Implementing a uniform portal for accessing services, monitoring the level and appropriateness of services, and monitoring the use of state institutions.
- Financial Management and Accountability – The operations of the LME itself, as well as, the operation of the provider network.
- Evaluation – Establishing capacity for self-evaluation to determine whether the LME is meeting state outcome standards.
- Collaboration – Identifying methods for collaborating with other service systems to enhance client care.
- Access – Guaranteeing the availability of core and targeted services for clients.

Once a local business plan is submitted, the Secretary is responsible for certifying the plan. Once certified, the LME is officially established and operational. The local business plan has a lifespan of three years, and then a new plan must be submitted. LMEs and the Department annually negotiate performance contracts addressing changes in the LME's service environment.

The State Plan contemplated full transformation to the LME system by July 1, 2003. As of this Final Report, the number of area and county authorities has been reduced from 39 to 33 programs. Of the 33 programs, 29 are certified LMEs. All but four area and county programs have completed the transformation to LME. The delay has several causes. Many counties required assistance and direction from the Department to complete their local business plans, which slowed the transformation process. Also, the State Plan and G.S. 122C-115.1 limit the size of an LME to a catchment area of at least 200,000 population or five counties and HB 381 directs the Secretary to develop a plan for the reduction of the number of area and county programs to 20 statewide by July 1, 2007. Many counties have been negotiating with the Department to meet these requirements. Of the four uncertified programs, two programs may join existing LME's, while the remaining two are working with the Department to determine their organizational structure.

Consumer and Family Advisory Committees – In order to address the consumer involvement requirements of HB 381, the State Plan directed the LMEs to create Consumer and Family Advisory Committees (CFAC). Each CFAC is composed of individuals who are consumers or family members of consumers in the LME for each of the major disability groups. The CFAC advises the LME on all aspects of LME operations as well as the development and operation of the local service system. The State Plan required that a CFAC be in place and approve the LME's local business plan as a condition of LME certification. The expectation is that the CFAC will meet regularly and play a prominent role in the LME's decision-making process. In addition to the local

CFACs, a State-level CFAC has been established to inform the Department regarding operations of the mental health, developmental disability, and substance abuse service system.

Target Populations – As a matter of policy, G.S. 122C-2 prioritizes the spending of State funds for targeted populations. The State Plan identifies and defines those targeted populations. While all citizens of North Carolina would have access to certain core services, more intensive services and supports would be made available to persons with significant and chronic needs.

Core services include screening, assessment, referral, crisis services, service coordination, consultation, prevention, and education. As implemented, these core services are also known as the Basic Benefits Package. The Enhanced Benefits Package is being developed and will move the system away from basic outpatient services to a system of intensive, home-based, cross-disciplinary, agency delivered services. The Enhanced Benefit Package will be available to those individuals who meet one or more of the target population criteria.

The use of State funds and non-Medicaid federal funds is restricted to deliver only the core/basic services to the general population and the enhanced services to the target populations. HB 381 authorizes the counties to use their funds to provide specialized services to persons who do not meet any of the target population definitions. Implementation of the target population definitions occurred July 1, 2004.

Divestiture of Services – G.S. 122C-141 no longer authorizes an area and county authority to continue as a service provider. Instead, area and county authorities are expected to contract with private and other public providers to deliver services (Qualified Provider Network). Services delivered under the new system should address the issues of access, availability of qualified private and public providers, consumer choice, and fair competition.

The State Plan directed the LMEs to include a divestiture plan in their local business plans, with the intention that divestiture of area and county authority services would occur over a number of years. While each LME is at a different stage in divestiture, the process of contracting out services is happening rapidly, and in many cases, well ahead of schedule. This rapid divestiture of services does raise the question of whether the necessary components are in place to address existing services gaps in the community. In particular, the Department is still working to implement the new array of services.

HB 381 does allow the Secretary to waive all or part of the divestiture requirements for an LME if the LME demonstrates that the divestiture of services would greatly harm access.

New Array of Services – The Department is in the process of implementing a new array of services that will comprise both the Basic Services Package and the Enhanced Services Package. The rationale behind the new service array is that the service definitions would be science-based (e.g. evidence based practices, best practices, and emerging best practices). Not only did the service need to be demonstrably effective, but effective for the defined populations that will be served in the reformed system. The process of establishing the new service array also identified and removed those services,

which have been shown to be ineffective or potentially harmful to consumers. The Department is also seeking to make greater use of the Medicaid program, within existing state law, to fund mental health, developmental disability, and substance abuse services.

Another purpose for creating the new service array is to create one seamless set of definitions for services that are reimbursed both by the Medicaid Program and through State funds.

This effort to establish a new array of services and a seamless set of service definitions requires that the Department submit an amendment to the Medicaid State Plan through the Center for Medicare/Medicaid Services in the United States Department of Health and Human Services (CMS). This submission is scheduled to occur in January 2005. The expectation is that the new services will be in place on July 1, 2005.⁷ Once the service array is in place, providers will be able to render services and be reimbursed for services that are not currently available in North Carolina.

Implementation of the new service array will be the first phase in establishing new services for North Carolina. The Department will make changes to the service array as it identifies service definitions and rates for new and existing services that are determined to be appropriate for persons in the target population. For instance, the Department is currently working on the implementation of the Child Mental Health Plan, which will likely result in service changes for that population.

Institution Downsizing and Replacement – In response to the Olmstead decision, investigations by the United States Department of Justice, and the State Auditors/MGT Studies, the General Assembly and the Department have recognized the State's past reliance on institutionalized care for consumers. In addition to work being performed to increase community service capacity, the State has taken steps to reduce the capacity of institutions to deliver services. These initiatives include:

- Olmstead planning for long-term residents of the State's psychiatric hospitals, MR Centers, and privately run Intermediate Care Facilities for the Mentally Retarded (ICF-MR).
- Downsizing the State's psychiatric hospitals from 1788 beds statewide to 934 beds by fiscal year 2006-07. While the targeted number of beds and the deadline for downsizing have not changed, progress towards those goals has slowed significantly, and in some cases come to a halt.
- Reduction in the number of State-operated psychiatric hospitals from four to three. In 2003, HB 684 (S.L. 2003-314) authorized the financing of the construction of a new psychiatric hospital in Granville County to replace both Dorothea Dix and Umstead Hospitals. In December 2003, the Department received bids for the construction of the new hospital. The hospital is expected to open in late 2007.
- In 2002, SB 1217 (S.L. 2002-159) directed the Department to plan for the replacement of Broughton and Cherry psychiatric hospitals. That initial planning is complete, but construction will not occur until the General

⁷ The Division of Mental Health, Developmental Disabilities, and Substance Abuse Services plans to provide training and education regarding the new services to LMEs, providers, and consumers during the period between the submission of the amendment and the anticipated date the new services will become effective.

Assembly authorizes the financing to build those two new hospitals. The principle on any indebtedness is estimated at \$166 million for both projects.

- In 2004, the General Assembly budgeted \$3.5 million of Mental Health Trust Fund monies to fund the expansion of the Alcohol and Drug Abuse Treatment Centers to provide more detoxification services.

Division Reorganization – In 2001, the General Assembly directed the Department to reorganize the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (SB 1005; S.L. 2001-424). The State Plan provided guidance for the reorganization, which was completed in July 2003. The reorganization eliminated disability silos and organized the Division around function (e.g. Community Policy, State Operated Facilities, and Administrative Support). Within each Section, personnel were arranged into cross-disability teams to address operations from a broad perspective. The reorganization also reduced the number of Division sections and layers of management.

The reorganization also established the Advocacy and Consumer Services Section. The purpose of the Section is to oversee State facility advocacy, customer service, rights, and empowerment, and to communicate with local CFACs. The Section Chief reports directly to the Secretary. While the Department has implemented the Advocacy and Consumer Services Section, it has not received funding for nor implemented the Consumer Advocacy Program created in HB 381.

VI. Unfinished Business

Implementing the Service Array – Service definitions and rates have been developed, but the Medicaid State Plan amendment has not been submitted to the CMS. Assuming prompt approval by CMS, the new services will become effective July 1, 2005. Even with new services in place, the Department may still need to develop specialized services for many target population clients.

With the new service array largely designed, the Department can resume the Service Cost Model project. This project could provide the service delivery system the information needed to estimate the types and costs of services for a particular community. LMEs can soon use the new service package and cost model to begin planning the composition of their provider communities. From this work, service gaps should emerge and highlight for State leaders future policy and resource priorities. This work of assessing accurate community capacity is just beginning.

In addition to the new service array, the Department is requesting two new waivers from CMS for the Community Alternatives Program for the Mentally Retarded and Developmentally Disabled (CAP-MR/DD). The first waiver is a complete rewrite of the existing CAP-MR/DD Waiver. Among the many changes is the removal of the per person cap on funded services. The intent is to provide greater flexibility in funding service plans for individuals in the program. The second waiver, also known as the Independence Waiver, will allow consumers to manage their own services. The first CAP MR/DD waiver will be submitted in January 2005 and the Independence Waiver will be submitted a year later.

Divestiture of Services – Divestiture is happening rapidly, and the LMEs are expected to manage the divestiture in conjunction with the other processes of reform. Until the new service array is in place, many providers may be reluctant to commit to

delivering the kinds of services that will be required in the future. The LMEs and the Department will need to be cognizant of the sequencing involved in divesting while implementing other aspects of reform.

LME Certification, Mergers, and Consolidations – All but four area and county authorities are certified LMEs. The Department continues to work with the respective counties to reach the point where every county belongs to a certified LME. For the LMEs that are certified, the process of organizing and transforming may not be done. There are currently 33 authorities, and there is a statutory requirement to reduce that number to 20 by 2007. The Secretary is scheduled to deliver to the LOC a plan for this consolidation by January 15, 2005, but at this time, it is not clear what the final arrangement will look like.

Allocation of State Funds to the LME's – There currently exists no transparent formula or methodology for allocating State funds to the LMEs. The Department allocates State funds to the LMEs based on historical expenditures by the LMEs and area and county programs that have created disparities in funding levels. The General Assembly directed the LOC (in HB 381) and the Department (in HB 381 and the 2004 Appropriations Act) to design a new allocation system. This new system should be transparent and based on service need. The Department is scheduled to report on a proposed system in February of 2005.

Downsizing and Replacing the Institutions – In managing the State institutions, the Department is faced with a series of tasks. In order to resume the downsizing plan for the psychiatric hospitals, the Department will need to work with the LMEs to develop sufficient community capacity to serve long-term residents of the hospitals. In addition to replacing Dix and Umstead Hospitals, the General Assembly will need to address whether to finance the replacement of Broughton and Cherry Hospitals. The Department has been directed by the General Assembly to reduce the state-operated MR Centers by 4% in each of the past four fiscal years. The Department has not complied with these legislative requirements, but is currently focused on transitioning residents to the community based on Olmstead plans. Reliance on residential services in the MR Centers remains an issue for the General Assembly and the Department to address. The Department will complete the current expansions of the Alcohol and Drug Abuse Treatment Centers (ADATCs), and must also assess future needs and potential additional expansions of the ADATCs.

VII. Conclusion

Reform of the State's public system for individuals in need of mental health, developmental disabilities, and substance abuse services has been a monumental undertaking. It has required enormous effort at the State and local levels with support and input by consumers, families, and providers. While reform will not be fully implemented by July 1, 2005, it appears that significant mechanisms of reform are in place and others are scheduled for implementation in the very near future. The LOC will continue to monitor reform implementation and will report its findings and recommendations periodically to the General Assembly.

PART III

DWI/ADETS ADVISORY COMMITTEE

The DWI/ADETS Advisory Committee was appointed by the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services (LOC) to prepare findings and recommendations pursuant to HB 1356. HB 1356 directed the LOC to undertake a study of Alcohol and Drug Education Traffic School (ADETS) program as follows:

“The Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Services shall study the programs offered by ADETS providers to clients who must complete ADET school to receive a certification of completion of a substance abuse program. The study should include information on the qualifications of ADETS instructors, class size, the average duration of a program, the average cost of ADETS, and the adequacy of the fee paid to the ADETS provider by a client for a required ADETS course. The Committee must report its findings and any recommended legislation to the 2005 Regular Session of the 2005 General Assembly.”

In September 2004, LOC Co-Chairs Senator Martin Nesbitt and Representative Verla Insko appointed Senator Charlie Dannelly and Representative Martha Alexander as Co-Chairs to the DWI/ADETS Advisory Committee. The LOC Co-Chairs also appointed Senator Austin Allran and Representative John Sauls as Committee members. Senator Nesbitt and Representative Insko appointed other committee members from a list of representative stakeholders.

The DWI/ADETS Advisory Committee convened its first meeting on October 19, 2004 and developed the scope of work and study method. With assistance of staff from the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMHDDSAS), a survey of ADETS, including a cost study, was completed in December. The DWI/ADETS Advisory Committee deliberated on the findings and made initial recommendations at its December 14, 2004 meeting, at which time the Committee also reviewed and approved the revised ADETS instructor curriculum. A draft bill was reviewed and approved on January 4, 2005 as recommendation to the LOC. A bill summary and fiscal impact analysis for the proposed legislation have been prepared and are included in this report. (See Appendix III)

METHOD OF STUDY

Currently there are 54 Alcohol and Drug Education Traffic Schools in North Carolina, serving the first offender of Driving While Impaired (DWI), with a blood alcohol content level of 0.14 or below, and substance abuse assessment not identifying a substance abuse disability.

Based on the FY 2003 data on the Certificate of Completion (DMH-508R), of a sample of 21,670 individuals who completed DWI services during 2002-2003, 23 percent of them completed the ADETS program. The program consists of a minimum of 10 hours of education, in a class no larger than 35 persons, over a 3-day period, at a fee of \$75 charged to the offenders. ADETS is an educational and intervention program, and the first program beyond assessment for first-time DWI offenders.

The study is intended to address the following:

- (a) ADETS instructor qualifications
- (b) Class size
- (c) Fee

To capture as much data as feasible within a short time frame for the study, a telephone survey was employed, using a standardized survey questionnaire. An important aspect of the study addresses the cost of services, using a cost-finding model to collect all costs associated with ADETS program. The cost findings are based on the survey model used in the 2003 study of DWI assessment fee, which included administration, personnel for conducting instructions, fixed maintenance costs, and other business-related expenses.

In addition, the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services has begun to revamp the ADETS curriculum, which was reviewed and endorsed by the DWI/ADETS Advisory Committee.

The Study was carried out during November 2004, and initial findings were reported to the DWI/ADETS Advisory Committee at the December meeting.

FINDINGS AND RECOMMENDATIONS

General Findings:

The telephone survey of 54 ADETS providers yielded a 93 percent response rate. Chief findings are described below:

1. Instructor qualifications:

Out of 57 ADETS instructors surveyed and interviewed, 47 percent are certified with the North Carolina Substance Abuse Professional Certification Board (NCSAPCB). Of the remaining 53 percent, 12 have a Master's degree, 3 a Bachelor's degree, 2 are Certified Substance Abuse Counselors (CSAC) interns, 1 is CSAC, 4 have associate degrees, and 9 have a high school degree. It should be noted that the high school-degree instructors have 10 years or more experience in the substance abuse field.

2. ADETS Class size:

There is a wide range of class sizes, from 3 to 35, with a mean at 14. Most class sizes fall in the range of 20 to 25.

3. Cost findings:

- Current fee is \$75, or \$7.5 per hour.
- Mean cost/10 hour ADETS class/15 students=\$84.12
- Median cost=\$75.30
- Range of cost from Eastern rural (\$35.19) to Western rural (\$126.69) showed the difference in infrastructure cost

Other neighboring states were surveyed for comparison purposes:

South Carolina=\$500 for 16 hours

Georgia=20 hours for \$195 plus a matriculation fee of \$15

Tennessee=12 hours for a range of \$75 to \$125

Florida=12 hours for \$195

West Virginia=18 hours for \$250

Virginia=20 hours for a range of \$300 to \$400

Recommendations:

- 1. Effective January 1, 2009, all ADETS instructors must obtain certification in Substance Abuse Counselor, or Clinical Addiction Specialist, or Substance Abuse Prevention Consultant from the North Carolina Substance Abuse Professional Certification Board in order to qualify.**

Currently, the administrative requirements for ADETS instructors contain the following:

- Student practicum
- Pre-certification training
- Training and experience: (1) Bachelor's degree in a human services field with substance abuse course work and a practice or internship in a substance abuse program; or (2) graduation from a four year college or university and one year experience in a substance abuse field; or (3) graduation from high school or equivalent and three years experience in a substance abuse field, two of which must be at the level of a substance abuse worker; or (4) an equivalent combination of training and experience.
- References (2)
- Registration with NCSAPCB

The change in increased qualification is appropriate for improved quality and changes in curriculum and teaching method.

- 2. The ADETS fee be changed from \$75 to \$160 while increasing the minimum hours from 10 to 16, and requiring class size to be no more than 20.**

The substance abuse professional field has long supported a more interactive teaching approach with a focus on personal, life goal development for the student, so that each first-time committed DWI offender may learn to avoid further problems with substance abuse. Such a systems approach teaching requires a smaller class size, and more intensive individual and small group interaction.

The question of efficacy of ADETS is of primary concern to the Advisory Committee. Currently there is no data bank tracking individuals who have completed the ADETS program. There is a need to incorporate outcome study of ADETS into the Division's overall quality assurance efforts.

To support these changes in participating in outcome study, class size, teaching approach, and curriculum hours, \$160 is an appropriate fee increase from \$75, a per hour rate of \$10, an increase of \$2.50 from the existing hourly rate of \$7.50.

- 3. DMHDDSAS be directed to perform outcome study.**

Currently there is no statewide data available that can track the movements of a DWI offender throughout contact with assessment, education and treatment.

The Division will be required to perform a biannual outcome study as part of its quality assurance program. There will be equivalent increase in state appropriation to accomplish this task.

DWI/ADETS ADVISORY COMMITTEE PROCEEDINGS

October 19, 2004

The first DWI/ADETS Advisory Committee meeting was convened by Co-Chairs, Representative Martha Alexander and Senator Charlie Dannelly. In attendance were: Senator Charlie Dannelly, Co-Chair; Representative Martha Alexander, Co-Chair; Senator Austin Allran, Representative John Sauls, Ann Christian, Dale Kirkley, Phillip Mooring and Sandy Pearce. Offering staff support were: Dr. Alice Lin, LOC Project Manager; Spencer Clark, Michael Eisen, Jennifer Resnick and Jason Reynolds from the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (MH/DD/SAS) and Shawn Parker, Kory Goldsmith and Jim Klinger, Legislative staff and Rennie Hobby, LOC staff.

Representative Alexander described the committee as advisory in nature, providing recommendations to the Joint Oversight Committee on MHDDSAS, which may propose changes to the General Assembly. The charge to this subcommittee is to make findings and recommendations to the LOC for appropriate actions.

Dr. Lin provided an overview of the DWI subcommittee work performed in 2003 that became the genesis for this committee work. HB 1356 and its charge to the LOC to review certification requirements and fees for ADETS providers were walked through, and a scope of work for the subcommittee suggested.

Representative Alexander challenged the committee to review improved responses from the surveyed ADETS. Given the number of ADETS (54 statewide), the study approach should ensure a high response rate.

Mr. Eisen provided a summary of ADETS programs, including the criteria for students of ADETS, and curriculum of the instruction, class size, and current provider network. He emphasized the program as an early intervention program, targeting first-time offender, and is different from a treatment program where the DWI offenders have already been diagnosed as having substance abuse disorder.

Senator Allran expressed an interest in outcome studies. Mr. Eisen replied that while the 2001 data did show that intervention reduced the number of re-arrests, but there is no longitudinal data to ascertain results overtime. Mr. Clark indicated that with the increased DWI assessment fees, it would become feasible to review minimally recidivism rate.

The committee adjourned following an establishment of a timetable for the study. Two more meetings will be convened, to review preliminary findings and recommendations, and to finalize recommendations to the LOC.

December 14, 2004

DWI/ADETS Advisory Committee Co-Chair Senator Charlie Dannelly convened the meeting. Representative Martha Alexander had a schedule conflict. In attendance were Senator Charlie Dannelly, Co-Chair; Senator Austin Allran, Representative John Sauls, Ann Christian, Dr. Robert Foss, Dale Kirkley, Phillip Mooring and Sandy Pearce.

Offering staff support were: Dr. Alice Lin, LOC Project Manager; Spencer Clark, Michael Eisen, Jennifer Resnick and Jason Reynolds from the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (MH/DD/SAS) and Shawn Parker, Kory Goldsmith, Legislative staff and Rennie Hobby, LOC staff.

Dr. Lin reported on the initial survey of ADETS providers and indicated that a response rate of 93 percent was reached using a telephone survey method. The same cost-finding model used in the 2003 DWI assessment study was used for this study as well.

Mr. Eisen provided the group with detailed survey findings and preliminary options for recommendations pursuant to HB 1356. Much discussion about the ADETS instructor qualifications ensued. The members of the committee deliberated at length the pros and cons of changing the qualifications, and the implications for quality of teaching. Academic credentials and work experiences were considered equally important in the instruction. In the end, there was consensus to support ADETS instruction qualifications closely linked to statewide certification through North Carolina Substance Abuse Professional Certification Board, while grandfathering in existing ADETS providers, given the positive findings of existing qualifications.

Mr. Eisen also described the proposed changes to the current ADETS curriculum. He underscored the systems approach and interactive teaching. The new curriculum is posted at website <http://www.nctasc.net/html/adets/index.htm>.

The committee supported a preliminary recommendation for a rate increase from \$75 to \$125 with an increase of class hours from 10 to 16, and a decrease of class size from up to 35 to no more than 20.

January 4, 2005

Representative Martha Alexander convened the meeting of the DWI/ADETS Advisory Committee. In attendance were Senator Charlie Dannelly, Phillip Mooring, Sandy Pearce, Dale Kirkley, Ann Christian, and Tammy Kernodle. Staff in attendance were Dr. Alice Lin, Shawn Parker, Tim Hover, and Ann Faust; Spencer Clark, Michael Eisen, and Jennifer Resnick from the DMHDDSAS.

Dr. Lin gave a summary of the discussion from December and preliminary recommendations from the DWI/ADETS Advisory Committee, noting that the group needed to finalize its recommendations at today's meeting.

Representative Alexander shared with the group some of the comments she has received from constituents about qualifications and wondered why Certified Substance Abuse Prevention Consultant is not considered a viable qualification. Spencer Clark replied that upon further discussion with the Certification Board, there was consensus that this title should be added to the qualification. Phillip Mooring confirmed that this discussion took place following the December 14 meeting.

Senator Dannelly suggested that the ADETS fee be raised from \$125 to \$200, as a deterrent to the first-time offenders. Alice Lin reminded the group that the \$125 fee did not represent any increase since it is based on prorated increase from 10 hours to 16 hours of instructor on an initial fee of \$75. However, there are sufficient reasons to raise the fee given the increased qualification, new teaching approach, and change in class size. Phillip Mooring also noted that with the outcome study, there would be cost implication for the

providers. Several individuals recommended a change of fee to either \$150 or \$160. The group settled on \$160 for a minimum of 16 hours, thus rounding off the hourly rate at \$10.

The effective date for new qualifications and the proposed grandfather clause were discussed. Representative Alexander referred to the DWI assessment bill as an example of dealing with the qualification issue, in that all providers are required to qualify under the new rules, but given sufficient time to come into compliance. The group adopted this approach and recommended an effective day of January 1, 2009 for compliance by all ADET providers. Spencer Clark indicated that the late effective date would not compromise the quality of the existing instruction, given the positive survey findings of instructor qualifications.

The inclusion of outcome study was discussed. Representative Alexander suggested using existing statute to incorporate the outcome study into existing quality assurance efforts by the Division.

As this is the last meeting of the Advisory Committee, the Co-Chairs thanked the members for their participation. A revised draft bill will be circulated among the members. The Co-Chairs will present the subcommittee's findings and recommendations to the Oversight Committee on January 4, 2005.

DWI /ADETS ADVISORY COMMITTEE MEMBERS

For HB 1356

Joint Legislative Oversight Committee on MH/DD/SAS
2004

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PART IV

CHILDREN'S SERVICES WORK GROUP

November 17, 2004

The Co-Chairs of the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services (LOC) convened an informal information session regarding collaboration of services to children with multiple service needs on November 17, 2004, in Room 421 of the Legislative Office Building.

LOC staff gave an overview of structures for collaboration at the State Level. The Co-Chairs then received brief presentations from the State Superintendent of Public Instruction (DPI), the Director of the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMH), the Director of the Division of Social Services (DSS), the State Health Director (DPH), the Secretary of the Department of Juvenile Justice and Delinquency Prevention (DJJDP), and a Court Management Specialist from the Administrative Office of the Courts (AOC) regarding existing collaborative programs and barriers to collaboration.

The Co-Chairs of the State Collaborative then explained the history, makeup, and accomplishments of the organization. The State Collaborative is based on the system of care principles and provides a neutral place where those who implement programs for children can share information, receive training, and evaluate progress.

LOC staff provided an overview of three different examples of local collaboration: the Comprehensive Treatment Services Program (CTSP), which is the successor to the Willie M. Program; the Comprehensive Community Mental Health Services Program for Children and Families (a federal grant program); and the Juvenile Crime Prevention Councils.

Staff then presented the results of a survey of the local collaboratives created under the CTSP and federal grant programs. He summarized the responses to a variety of questions regarding the organizations, their commonalities, differences, and needs. The survey responses identified both positive outcomes and continued barriers to collaboration.

Chairs representing three types of local community collaboratives then spoke. Durham County Local Collaborative offered the perspective of a CTSP-established collaborative. Chatham County provided information on the federal Comprehensive Community Mental Health Services Program for Children and Families. The Wayne County Juvenile Crime Prevention Council presented the perspective of a JCPC.

The group raised several items of concern including: low attendance at meetings and agency roles. The Co-Chairs asked the participants to return in December to continue the discussions.

December 7, 2004

The Co-Chairs of the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services (LOC) convened the second meeting of the Children's Services Work Group in Room 421 of the Legislative Office Building.

LOC Staff explained that after the last meeting, the participants had been asked to identify three barriers to collaboration and provide specific solutions. Staff then compiled those responses. The barriers included: 1) lack of leadership or clear policy directive; 2) multiple/conflicting legislative policy directives; 3) lack of accountability; 4) lack of database with cross-agency information about which children are being served by which agencies; 5) resources; 6) agencies can not share information about individual children receiving multiple services, 7) lack of or uneven distribution of appropriate treatment programs and residential placements; 8) children who are subject to both abuse/neglect and delinquency petitions may not receive appropriate services; 9) lack of training in how to collaborate; and 10) communication. A variety of solutions were then discussed including the establishment of a State-level Advisory Council with broad representation to oversee all agencies, shared funding and resources, and to make recommendations to the Legislature. Another suggestion was that legislative staff could meet and share information and encourage collaboration between Legislative committee chairs. Others suggested that incentives would help improve collaboration.

Other critical components included: the importance of having families represented at the table; prevention; a review of collaborative efforts in other states; reviewing structures that could be eliminated or consolidated; blended funding and training; using common outcomes with protocols in order to preserve confidentiality; and a study commission that could look at the issues over several months.

Senator Nesbitt asked the work group participants to get together again and develop a proposal.

December 16, 2004

The Co-Chairs of the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services (LOC) convened the third informal session of the Children's Services Work Group on December 16, 2004, in Room 605 of the Legislative Office Building.

LOC staff explained that the Co-Chairs' charge was for the Work Group to determine if there was consensus on whether to recommend the creation of a high level advisory group to provide guidance and direction on the issue of coordination and cross collaboration. The Work Group affirmed its consensus to recommend the creation of a high level group to provide leadership and direction for collaboration. Staff then reviewed information provided by Susan Robison, a consultant with the National Conference of State Legislators¹ regarding issues to consider when developing a state

¹ Draft of *Organizational Strategies for Improving Human Services: Moving From Restructuring to Reform*.

structure for increased collaboration. These issues included the purpose, composition, accountability, scope and scale of the structure.

Work Group members also reviewed conceptual information provided by the State Collaborative illustrating what a collaborative structure might look like including state, regional and local levels with possible functions and suggestions of what could be done at those different levels.

After a brief discussion, the consensus of the group was to recommend the creation of a Council made up of Department heads that would report to the Legislature, with subcommittees to study issues and report to the Council.

Issues suggested by the group for consideration included: legislative staff overseeing and communicating activities of various Legislative committees dealing with children's issues; annual progress report on interagency collaboration, housing the Council in the Department of Administration with staff; creation of Study Commission to look at what the Council will address; and solutions to funding.

Representative Insko ended the discussion by directing staff to prepare a bill draft and email it to the workgroup members.

January 4, 2005

The Co-Chairs of the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services convened the fourth meeting of the Children's Services Work Group on January 4, 2005, in Room 643 of the Legislative Office Building.

LOC staff reviewed draft legislation entitled *Council on Children, Youth and Families*. The bill draft included language stating the intent of the legislation was to improve the well being of children, youth and families, to support collaboration between State and local agencies, to make more effective use of resources and programs, and to streamline service delivery. The bill also recognized that services are most effective when outlined in a system of care and that even though agencies are making significant progress in collaboration and coordination of services, there is a need to focus State-level policy in order to provide support, remove barriers, and more fully implement these goals. The bill created a Council on Children, Youth and Families made of the Governor, the Chief Justice, agency heads and a parent of an at-risk child. The language does not allow for "designees" to attend Council meetings. The Council would meet on a quarterly basis to study and make recommendations on ways to improve services to children and would make annual reports to the General Assembly.

LOC staff also reviewed an alternative draft bill entitled *System of Care for Children and Families*. It would establish System of Care as State policy for the provision of services to at-risk children. The bill defined a system of care as child and family centered, strengths-based, community-based, and culturally competent. The bill provided for shared responsibilities among child-serving agencies and parameters of the creation of a system of care work group. The work group would compile information from State and local agencies and would report semi-annually to the Council on its findings and recommendations. The Council would then report to the General Assembly.

Members of the work group, attending legislators and the Co-Chairs identified a number of concerns including: the make-up of the Council; adding a division level group between the work group and the Council; consulting the Governor and Executive agency heads; addressing overlap and duplication of existing collaborative bodies; identifying issues that can be addressed immediately and issues needing more in-depth study; whether including a statutory statement regarding system of care would create an entitlement; measuring accountability; including prevention; whether issues could be addressed by bringing agency heads together informally for discussions; absence of private sector participation; balancing at-home care against removing children from their homes; and whether the terminology included abused, delinquent, and neglected children.

January 18, 2005

The Co-Chairs of the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services (LOC) convened the fifth meeting of the Children's Services Work Group on January 18, 2005, in Room 605 of the Legislative Office Building.

The Work Group discussed and approved draft legislation that included the following provisions: codified intent language using terms associated with system of care; creation of an agency-level work group to study administrative barriers to collaboration and make recommendations to an independent study commission; an independent study commission to look at issues related to collaborative bodies and whether to adopt system of care as a State policy; and a legislative staff work group. The Work Group asked the LOC Co-Chairs to carry the recommendations to the LOC.

PART V

ENDORSEMENT OF COALITION 2001 PROPOSALS

The Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services endorses the proposal offered by Coalition 2001 (See Appendix VI).

APPENDIX I

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1999

SESSION LAW 2000-83
HOUSE BILL 1519

AN ACT TO ESTABLISH THE JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES, AND TO DIRECT THE OVERSIGHT COMMITTEE TO DEVELOP A PLAN TO REFORM THE STATE SYSTEM FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES.

Whereas, in 1998 and 1999 the General Assembly directed the State Auditor to coordinate and contract for a study of the State Psychiatric Hospitals and Area Mental Health Programs; and

Whereas, the "Study of State Psychiatric Hospitals and Area Mental Health Programs" (Study), April 1, 2000, was conducted by the Public Consulting Group, Inc., under the coordination of the State Auditor, and with the cooperation and assistance of the Department of Health and Human Services and other organizations and individuals; and

Whereas, the findings and recommendations of the Study present a comprehensive blueprint for reform of the State's mental health system; and

Whereas, the General Assembly endorses the findings of the Study; and

Whereas, effective implementation of mental health reform requires continuous legislative oversight to review and consider the recommendations of the Study and other matters and to recommend the necessary changes to State law and policy; Now, therefore,

Section 1. Findings. – The General Assembly finds that:

- (1) The State and local government entities are not using effectively and efficiently available resources to administer and provide mental health, developmental disabilities, and substance abuse services uniformly across the State.
- (2) Effective implementation of State policy to assist individuals with mental illness, developmental disabilities, and substance abuse problems requires that a standard system of services, designed to identify, assess, and meet client needs within available resources, be available in all regions of the State.
- (3) The findings of recent comprehensive independent studies, and recent federal court decisions, compel the State to consider significant changes in the operation and utilization of State psychiatric hospital services.

- (4) State and local government funds for mental health, developmental disabilities, and substance abuse services must be committed on a continuing, stabilized basis and will need to be increased over time to ensure that the purposes of mental health system reform are achieved.
- (5) Reform of the State mental health, developmental disabilities, and substance abuse services system is necessary and should begin immediately. Reform efforts should focus on correcting system inefficiencies, inequities in service availability, and deficiencies in funding and accountability, and on improving and enhancing services to North Carolina's citizens.

Section 2. Oversight Committee Established. – Chapter 120 of the General Statutes is amended by adding the following new Article to read:

"Article 27.

"The Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services.

"§ 120-240. Creation and membership of Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services.

(a) Establishment; Definition. – There is established the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services.

(b) Membership. – The Committee shall consist of 16 members, as follows:

(1) Eight members of the Senate appointed by the President Pro Tempore of the Senate, as follows:

a. At least two members of the Senate Committee on Appropriations.

b. The chair of the Senate Appropriations Committee on Human Resources.

c. At least two members of the minority party.

(2) Eight members of the House of Representatives appointed by the Speaker of the House of Representatives, as follows:

a. At least two members of the House of Representatives Committee on Appropriations.

b. The cochairs of the House of Representatives Appropriations Subcommittee on Health and Human Services.

c. At least two members of the minority party.

(c) Terms. – Terms on the Committee are for two years and begin on the convening of the General Assembly in each odd-numbered year, except the terms of the initial members, which begin on appointment and end on the day of the convening of the 2001 General Assembly. Members may complete a term of service on the Committee even if they do not seek reelection or are not reelected to the General Assembly, but resignation or removal from service in the General Assembly constitutes resignation or removal from service on the Committee.

A member continues to serve until the member's successor is appointed. A vacancy shall be filled within 30 days by the officer who made the original appointment.

"§ 120-241. Purpose of Committee.

The Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services shall examine, on a continuing basis, systemwide issues affecting the development, financing, administration, and delivery of mental health, developmental disabilities, and substance abuse services, including issues relating to the governance, accountability, and quality of services delivered. The Committee shall make ongoing recommendations to the General Assembly on ways to improve the quality and delivery of services and to maintain a high level of effectiveness and efficiency in system administration at the State and local levels. In conducting its examination, the Committee shall study the budget, programs, administrative organization, and policies of the Department of Health and Human Services to determine ways in which the General Assembly may encourage improvement in mental health, developmental disabilities, and substance abuse services provided to North Carolinians.

"§ 120-242. Organization of Committee.

(a) The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each designate a cochair of the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services. The Committee shall meet at least once a quarter and may meet at other times upon the joint call of the cochairs.

(b) A quorum of the Committee is eight members. No action may be taken except by a majority vote at a meeting at which a quorum is present. While in the discharge of its official duties, the Committee has the powers of a joint committee under G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4.

(c) Members of the Committee receive subsistence and travel expenses as provided in G.S. 120-3.1. The Committee may contract for consultants or hire employees in accordance with G.S. 120-32.02. The Legislative Services Commission, through the Legislative Services Officer, shall assign professional staff to assist the Committee in its work. Upon the direction of the Legislative Services Commission, the Supervisors of Clerks of the Senate and of the House of Representatives shall assign clerical staff to the Committee. The expenses for clerical employees shall be borne by the Committee."

Section 3.(a) Plan for Mental Health System Reform. – Terms Defined.

– As used in this section, unless the context clearly provides otherwise:

- (1) "Committee" means the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services.
- (2) "Mental Health System Reform" includes the system of services for mental health, developmental disabilities, and substance abuse.
- (3) "Plan" means the Plan for Mental Health System Reform developed and recommended by the Joint Legislative Oversight

Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services.

- (4) "State Auditor/PCG, Inc., Study" means the "Study of State Psychiatric Hospitals and Area Mental Health Programs, April 1, 2000", conducted by the Public Consulting Group, Inc., under coordination by and contract with the State Auditor.

Section 3.(b) Development of Plan for Mental Health System Reform. – The Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services established under Article 27 of Chapter 120 of the General Statutes shall develop a Plan for Mental Health System Reform. It is the intent of the General Assembly that the Plan shall be fully implemented not later than July 1, 2005.

Section 3.(c) Purpose and Content of the Plan. – The Plan shall provide for systematic, phased-in implementation of changes to the State's mental health system. In developing the Plan, the Committee shall do the following:

- (1) Review and consider the findings and recommendations of the State Auditor/PCG, Inc., Study.
- (2) Report to the 2001 General Assembly upon its convening the changes that should be made to the governance, structure, and financing of the State's mental health system at the State and local levels. The report shall include:
 - a. An explanation of how and the extent to which the proposed changes are in accord with or differ from the recommendations of the State Auditor/PCG, Inc., Study.
 - b. Proposed time frames for implementing mental health system reform on a phased-in basis, and the recommended effective date for full implementation of all recommended changes.
 - c. An estimate of the amount of State and federal funds necessary to implement the changes. The estimate should indicate costs of each phase of implementation and the total cost of full implementation.
 - d. An estimate of the amount of savings in State funds expected to be realized from the changes. The estimate should show savings expected in each phase of implementation, and the total amount of savings expected to be realized from full implementation.
 - e. The potential financial, economic, and social impact of changes to the current governance, structure, and financing of the mental health system on providers, clients, communities, and institutions at the State and local levels.
 - f. Proposed legislation making the necessary amendments to the General Statutes to enact the recommended changes to the system of governance, structure, and financing.

- (3) Study the administration, financing, and delivery of developmental disabilities services. The study shall be in greater depth and detail than addressed in the State Auditor/PCG, Inc., Study. The Committee shall make a progress report on its study of developmental disabilities services to the 2001 General Assembly upon its convening.
- (4) Study the feasibility and impact of and best methods for downsizing of the State's four psychiatric hospitals. In conducting this study, the Committee shall:
 - a. Take into account the need to enhance and improve community services to meet increased demand resulting from downsizing, and
 - b. Consider the findings and recommendations of the MGT of America Report of 1998, as well as the State Auditor/PCG, Inc., Study.
- (5) Consider the impact of mental health system reform on quality of services and patient care and ensure that the Plan provides for ongoing review and improvements to quality of services and patient care.
- (6) Ensure that the Plan provides for the active involvement of consumers and families in mental health system reform and ongoing implementation.
- (7) Address the need to enhance and improve substance abuse services, including services for the prevention of substance abuse.
- (8) Recommend a mental health, developmental disabilities, and substance abuse services benefits package that will provide for basic benefits for these services as well as specific benefits for targeted populations.
- (9) Take into account the State's responsibility to enable institutionalized persons and persons at risk for institutionalization to receive services outside of the institution in community-based settings in accordance with the United States Supreme Court decision in Olmstead vs. L.C., (1999).
- (10) Identify and address issues pertaining to the administration and provision of mental health services to children.
- (11) Address issues, problems, strengths, and weaknesses in the current mental health system that are not addressed in the State Auditor/PCG, Inc., Study but that warrant consideration in the development of a reformed mental health system.
- (12) Consider whether the State shall implement a contested case hearings procedure for applicants and recipients of mental health, developmental disabilities, and substance abuse services.

Section 3.(d) Subcommittees. – The Committee shall establish one or more subcommittees to consider and develop specific focus areas of the Plan. Each subcommittee shall be the working group for the focus area assigned by the

Committee cochair. The Committee cochair shall appoint the cochair and members of each subcommittee from the Committee membership. The Committee cochair shall invite representatives from the following to participate as nonvoting members of each subcommittee:

- (1) Providers of mental health, developmental disabilities, substance abuse, long-term care, and other appropriate providers.
- (2) Consumers of mental health, developmental disabilities, and substance abuse services and family members of consumers of these services.
- (3) State and local government, including area mental health programs.
- (4) Business and industry.
- (5) Organizations that advocate for individuals in need of mental health, developmental disabilities, and substance abuse services.

Subcommittees shall meet at the call of the subcommittee cochair.

The Committee cochair shall assign the focus area for each subcommittee. Each subcommittee shall carry out its assignment as directed by the Committee cochair and shall provide its findings and recommendations to the Committee cochair for final decision by the Committee.

Section 3.(e) Reports. – In addition to the report required under subsection (b) of this section, the Committee shall submit the following reports:

- (1) To the 2001 General Assembly, upon its convening:
 - a. A progress report on the development of the Plan required by this section; and
 - b. An outline of an implementation process for downsizing the four State psychiatric hospitals.
- (2) To the Legislative Study Commission on Mental Health, Developmental Disabilities, and Substance Abuse Services and to the Joint Appropriations Committees on Health and Human Services, by October 1, 2001, and March 1, 2002, progress reports on the development and implementation of the Plan.
- (3) Interim reports on the development and implementation of the Plan to:
 - a. The 2001 General Assembly, by May 1, 2002. The report shall include legislative action necessary to continue the implementation of changes to the governance, structure, and financing of the State mental health system as recommended by the Committee in its January 2001 report to the General Assembly.
 - b. The 2003 General Assembly, upon its convening.
 - c. The 2003 General Assembly, by May 1, 2004. The report shall include legislative action necessary to continue phased-in implementation of the Plan.
- (4) To the 2005 General Assembly, upon its convening, a final report on the Plan for Mental Health System Reform.

Section 4. Oversight Committee Appointments. – The Speaker of the House of Representatives and the President Pro Tempore of the Senate shall make appointments to the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services established under this act not later than 30 days from the date of adjournment sine die of the 1999 General Assembly. The Committee shall convene its first meeting not later than 15 days after all members have been appointed.

Section 5. Department of Health and Human Services Reports. – On or before October 1, 2000, and on or before March 1, 2001, the Department of Health and Human Services shall report to the Legislative Study Commission on Mental Health, Developmental Disabilities, and Substance Abuse Services and to the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services, the status of the Department's reorganization efforts pertaining to the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services. The report shall also include efforts underway by the Department to better coordinate policy and administration of the Division of Medical Assistance with policy and administration of the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services.

Section 6. Effective Date. – This act becomes effective July 1, 2000.

In the General Assembly read three times and ratified this the 30th day of June, 2000.

s/ Marc Basnight
President Pro Tempore of the Senate

s/ James B. Black
Speaker of the House of Representatives

s/ James B. Hunt, Jr.
Governor

Approved 2:55 p.m. this 5th day of July, 2000

APPENDIX II

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

**SESSION LAW 2004-197
HOUSE BILL 1356**

AN ACT TO ENACT THE RECOMMENDATIONS OF THE JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES TO INCREASE THE QUALIFICATIONS OF PERSONS WHO WILL BE ELIGIBLE TO ADMINISTER SUBSTANCE ABUSE ASSESSMENTS, TO INCREASE THE FEE PAID BY DWI OFFENDERS FOR SUBSTANCE ABUSE ASSESSMENTS, TO STUDY THE MINIMUM QUALIFICATIONS OF INDIVIDUALS CONDUCTING ALCOHOL AND DRUG EDUCATION TRAFFIC SCHOOLS, AND TO STUDY THE FEE PAID BY DWI OFFENDERS FOR EDUCATION OR TREATMENT SERVICES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 122C-142.1 is amended by adding a new subsection to read:

"(b1) Persons Authorized to Conduct Assessments. – The following individuals are authorized to conduct a substance abuse assessment under subsection (b) of this section:

- (1) A Certified Substance Abuse Counselor (CSAC), as defined by the Commission.
- (2) A Certified Clinical Addiction Specialist (CCAS), as defined by the Commission.
- (3) A Substance Abuse Counselor Intern who is supervised by a Certified Clinical Supervisor (CCS), as defined by the Commission, and who meets the minimum qualifications established by the Commission for individuals performing substance abuse assessments.
- (4) A person licensed by the North Carolina Medical Board or the North Carolina Psychology Board.
- (5) A physician certified by the American Society of Addiction Medicine (ASAM)."

SECTION 2. G.S. 122C-142.1(b1), as enacted in Section 1 of this act, reads as rewritten:

"(b1) Persons Authorized to Conduct Assessments. – The following individuals are authorized to conduct a substance abuse assessment under subsection (b) of this section:

- (1) A Certified Substance Abuse Counselor (CSAC), as defined by the Commission.
- (2) A Certified Clinical Addiction Specialist (CCAS), as defined by the Commission.
- ~~(3) A Substance Abuse Counselor Intern who is supervised by a Certified Clinical Supervisor (CCS), as defined by the Commission, and who meets the minimum qualifications established by the Commission for individuals performing substance abuse assessments.~~
- (4) A person licensed by the North Carolina Medical Board or the North Carolina Psychology Board.
- (5) A physician certified by the American Society of Addiction Medicine (ASAM)."

SECTION 3. G.S. 122C-142.1(f) reads as rewritten:

"(f) Fees. – A person who has a substance abuse assessment conducted for the purpose of obtaining a certificate of completion shall pay to the assessing agency a fee of ~~fifty dollars (\$50.00)~~ one hundred dollars (\$100). A person shall pay to a treatment facility or school a fee of seventy-five dollars (\$75.00). If the defendant is treated by an area mental health facility, G.S. 122C-146 applies after receipt of the seventy-five dollar (\$75.00) fee.

A facility that provides to a person who is required to obtain a certificate of completion a substance abuse assessment, an ADET school, or a substance abuse treatment program may require the person to pay a fee required by this subsection before it issues a certificate of completion. As stated in G.S. 122C-146, however, an area facility may not deny a service to a person because the person is unable to pay.

An area facility shall remit to the Department five percent (5%) of each fee paid to the area facility under this subsection by a person who attends an ADET school conducted by the area facility. The Department may use amounts remitted to it under this subsection only to support, evaluate, and administer ADET schools."

SECTION 4. Section 2 of S.L. 2003-396 reads as rewritten:

"**SECTION 2.** The Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services shall study the programs offered by assessing agencies to clients who must obtain a substance abuse assessment and a certification of completion of a substance abuse program. The study should include information on the type of testing provided by an agency, the certification requirements for persons conducting alcohol and drug education traffic schools, the treatment offered by an agency, the average duration of a program, the average cost of treatment, the rates of recidivism, ~~and the adequacy of the fee paid to the assessing agency by a client for a required substance abuse assessment~~, assessment and the adequacy of the fee paid to the treatment facility or school by a client for receiving treatment or education. The Committee must report its findings and any recommended legislation to the ~~2004 Regular Session of the 2003-2005~~ General Assembly."

SECTION 5. Section 1 of this act becomes effective October 1, 2005, and applies to substance abuse assessments conducted on or after that date. Section 2 becomes effective October 1, 2008, and applies to substance abuse assessments conducted on or after that date. Section 3 becomes effective October 1, 2004, and applies to substance abuse assessments administered on or after that date. The remainder of this act is effective when it becomes law.

In the General Assembly read three times and ratified this the 9th day of July, 2004.

s/ Beverly E. Perdue
President of the Senate

s/ James B. Black
Speaker of the House of Representatives

s/ Michael F. Easley
Governor

Approved 12:33 p.m. this 17th day of August, 2004

APPENDIX III

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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BILL DRAFT 2005-RGfz-2 [v.15] (1/10)

-(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
1/20/2005 12:15:13 PM

Short Title: ADET School/Fee/Qualis. Increase.

(Public)

Sponsors:

Referred to:

A BILL TO BE ENTITLED

AN ACT TO INCREASE THE FEE PAID BY DWI OFFENDERS FOR ATTENDING AN ALCOHOL AND DRUG EDUCATION TRAFFIC SCHOOL, TO INCREASE THE AMOUNT REMITTED FROM THE FEE BY AN AREA FACILITY TO THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, TO INCREASE THE QUALIFICATIONS OF PERSONS WHO WILL BE ELIGIBLE TO PROVIDE ADET SCHOOL INSTRUCTION, TO DIRECT THE COMMISSION ON MENTAL HEALTH, DEVELOPMENTAL DISABILITIES AND SUBSTANCE ABUSE SERVICES TO MODIFY THE RULES REGARDING THE NUMBER OF INSTRUCTIONAL HOURS AND MAXIMUM ADET SCHOOL CLASS SIZE, AND TO REQUIRE THE DEPARTMENT TO ESTABLISH AN OUTCOMES EVALUATION STUDY ON THE EFFECTIVENESS OF SUBSTANCE ABUSE SERVICES AS RECOMMENDED BY THE JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 122C-142.1(f) reads as rewritten

"(f) Fees. – A person who has a substance abuse assessment conducted for the purpose of obtaining a certificate of completion shall pay to the assessing agency a fee of one hundred dollars (\$100). A person shall pay to a ~~treatment facility or~~ school a fee of ~~seventy-five dollars (\$75.00).~~ one hundred sixty dollars (\$160.00). A person shall pay to a treatment facility a fee of seventy-five dollars (\$75.00). If the defendant is treated by an area mental health facility, G.S. 122C 146 applies after receipt of the seventy five dollar (\$75.00) fee.

A facility that provides to a person who is required to obtain a certificate of completion a substance abuse assessment, an ADET school, or a substance abuse

1 treatment program may require the person to pay a fee required by this subsection
2 before it issues a certificate of completion. As stated in G.S. 122C 146, however, an
3 area facility may not deny a service to a person because the person is unable to pay.

4 An area facility shall remit to the Department ~~five percent (5%)~~ fifteen percent
5 (15%) of each fee paid to the area facility under this subsection by a person who attends
6 an ADET school conducted by the area facility. The Department may use amounts
7 remitted to it under this subsection only to support, evaluate, and administer ADET
8 schools."

9 **SECTION 2.** G.S. 122C-142.1 is amended by adding a new subsection to
10 read:

11 "(d1) Persons Authorized to Provide Instruction. – Beginning January 1, 2009,
12 individuals who provide ADET school instruction as a Department authorized ADETS
13 instructor must have at least one of the following qualifications:

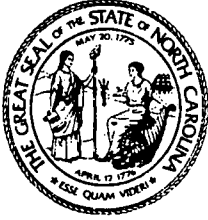
- 14 (1) Certified Substance Abuse Counselor (CSAC), as defined by the
15 Commission.
- 16 (2) Certified Clinical Addiction Specialist (CCAS), as defined by the
17 Commission.
- 18 (3) Certified Substance Abuse Prevention Consultant (CSAPC), as defined
19 by the Commission."

20 **SECTION 3.** The Commission on Mental Health, Developmental
21 Disabilities And Substance Abuse Services shall revise its rules regarding the number of
22 instructional program hours and the class size for ADET school. The minimum
23 program hours of instruction shall not be less than 16 hours. The maximum class size
24 shall not be more than 20 participants.

25 **SECTION 4.** G.S. 122C-142.1 is amended by adding a new subsection to
26 read:

27 "(j) The Department shall establish an outcomes evaluation study on the
28 effectiveness of substance abuse services provided to persons who obtain a certificate of
29 completion under G.S. 20-17.6 as a condition for restoration of a drivers license. The
30 findings of the study shall be reported every two years to the Joint Legislative
31 Commission on Governmental Operations. The Department shall submit an initial
32 report on the findings of the study to the Commission no later than December 31, 2007
33 and shall submit a report to the Commission every two years following that date."

34 **SECTION 5.** Section 1 becomes effective when the rules adopted under
35 Section 3 of this act become effective and shall apply to fees charged for ADET school
36 instruction that commences on or after that date. The remainder of this act is effective
37 when it becomes law.



BILL DRAFT: ADET School/Fee/Qualifs. Increase

BILL ANALYSIS

Committee: D.W.I./ADET Advisory Committee for
Legislative Oversight Committee-
MH/DD/SAS

Introduced by:

Summary by: Kory Goldsmith, Tim Hovis
Committee Counsels

Date: January 18, 2005

Version: 2005-RGfz-2[v.13]

SUMMARY: *The bill increases the fee charged for an alcohol and drug education traffic (ADET) school, increases the qualifications for certain persons providing ADET instruction, and increases the percentage of the fee remitted by an area facility to the Department to fund an ongoing outcomes evaluation study of substance abuse services. The bill also directs the Commission on Mental Health, Developmental Disabilities, and Substance Abuse Services (Commission) to revise its rules regarding the amount of ADET instructional time and maximum class size.*

CURRENT LAW: A person is guilty of impaired driving (DWI) if he or she drives a motor vehicle on any public vehicular area while under the influence of an impairing substance or with a blood alcohol concentration (BAC) of 0.08 or more. G.S. 20-138.1. Upon conviction of a DWI offense, the Department of Motor Vehicles (DMV) must immediately revoke the offender's drivers license. G.S. 20-17(a). DMV may not restore the license unless it receives a certificate of completion indicating that the offender has undergone a substance abuse assessment and either completed an ADET school or a substance abuse treatment program. G.S. 20-17.6.

An offender is eligible to attend an ADET school if the offender's substance abuse assessment does not identify a substance abuse disability, the offender has no prior DWI convictions and the offender had a BAC of 0.14 or less at the time of the offense. The fee for attending ADET school is \$75. (The fee for substance abuse treatment depends upon the level and extent of treatment provided, with the minimum fee being \$75.) G.S. 122C-142.1(f) and G.S. 122C-146.

The curriculum for ADET school is established by the Commission. It consists of not less than 10 hours of instruction to be delivered in class sessions that may not exceed 3 hours in length. The maximum class size is 35 persons. In order to be certified to provide ADET school instruction; a person must be a high school graduate (or equivalent); have a working knowledge of alcohol, other drugs and traffic safety issues; demonstrate skills by teaching all aspects of ADET classes; and apply to the Division of MH/DD/SAS – DWI Services for certification. 10A NCAC 27G.3801.

BILL DRAFT

Page 58

BILL ANALYSIS:

Section 1 amends G.S. 122C-142.1(f) to increase the ADET school fee from \$75 to \$160. This section also increases the percentage of this fee remitted by an area facility to the Department of Health and Human Services from 5% to 15%. This increased amount will be used to fund the outcomes evaluation study set forth in Section 4 of the bill.

Section 2 amends G.S. 122C-142.1 by creating a new subsection regarding the qualifications for persons providing ADET school instruction. Beginning January 1, 2009, persons who provide instruction as a Department authorized ADETS instructor must be either a Certified Substance Abuse Counselor (CSAC), a Certified Clinical Addiction Specialist (CCAS) or a Certified Substance Abuse Prevention Consultant (CSAPC).

Section 3 directs the Commission to revise its rules regarding ADET school instructional time and class size. The minimum program hours must not be less than 16 hours (an increase of at least 6 hours over the current minimum). The maximum class size shall not be more than 20 persons (a decrease of at least 15 students from the current maximum).

Section 4 of the bill requires the Department to establish an ongoing outcomes evaluation study on the effectiveness of substance abuse services. The findings of the study must be reported every three years to the Joint Legislative Commission on Governmental Operations. An initial report must be submitted to the Commission no later than December 31, 2007.

BACKGROUND: In 2003, the General Assembly directed the Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services (LOC) to study a number of issues related to the substance abuse assessments required under G.S. 122C-142.1. In 2004, the LOC recommended that the substance abuse assessment fee be increased from \$50 to \$100 and that certain qualifications be required of persons who conduct the assessments. The LOC also recommended that there should be further study regarding the certification requirements for persons conducting ADET schools and the adequacy of the fee paid to the school. The General Assembly adopted the assessment fee and assessor qualification changes and charged the LOC with the additional study. S.L. 2004-197. This bill draft reflects the recommendations of the LOC on these issues.

Effective Dates: The fee increase becomes effective when the revised rules become effective and applies to ADET courses commenced on or after that date. The ADET school instructor qualifications become effective January 1, 2009. The remainder of the act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2005

FISCAL ANALYSIS MEMORANDUM

[This confidential fiscal memorandum is a fiscal analysis of a draft bill, amendment, committee substitute, or conference committee report that has not been formally introduced or adopted on the chamber floor or in committee. This is not an official fiscal note. If upon introduction of the bill you determine that a formal fiscal note is needed, please make a fiscal note request to the Fiscal Research Division, and one will be provided under the rules of the House and the Senate.]

DATE: January 21, 2005

TO: Joint Legislative Oversight Committee for Mental Health, Developmental Disabilities, and Substance Abuse Services

FROM: Jim Klingler
Fiscal Research Division

RE: 2005-RGfz-2 ADET School /Fees / Qualifications Increase

FISCAL IMPACT

	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 2005-06</u>	<u>FY 2006-07</u>	<u>FY 2007-08</u>	<u>FY 2008-09</u>	<u>FY 2009-10</u>
REVENUES					
Local Mgt. Entities	\$50,720	\$50,720	\$50,720		
DMH/DD/SAS	\$57,661	\$57,661	\$57,661	\$57,661	\$57,661
EXPENDITURES					
Local Mgt. Entities	See Assumptions and Methodology: The additional cost associated with establishing the minimum number of class hours and maximum class size could not be estimated				
DMH/DD/SAS	\$57,661	\$57,661	\$57,661	\$57,661	\$57,661
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Department of Health and Human Services and Local Management Entities					

EFFECTIVE DATE: Sections 1, 3, & 4 – Effective once the bill is enacted; Section 2 – January 1, 2009

BILL SUMMARY: The following is a summary of bill draft 2005-RGfz-2 (13th Edition):

Section 1 – Amends G.S. 122C-142.1(f) to increase the fee a DWI offender pays for Alcohol and Drug Education Traffic Schools (ADET Schools). The current fee is set in statute at \$75.00, and this bill draft would increase the fee amount to \$160.00. Of the fee charged to the DWI Offender, 5% is currently remitted to the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMH/DD/SAS). The proposed bill changes the remittance from 5% to 10%. This section becomes effective once the bill becomes law and the Commission on Mental Health, Developmental Disabilities, and Substance Abuse Services (the Commission) adopts rules.

Section 2 – Establishes in the statute the qualifications necessary for a person to administer an ADET class. At a minimum, the instructor must be a Certified Substance Abuse Counselor, a Certified Clinical Addiction Specialist, or a Certified Substance Abuse Prevention Consultant. The Commission defines these certifications. This section becomes effective on January 1, 2009.

Section 3 – Directs the Commission to revise its rules regarding minimum hours of instruction and class size for the ADET schools. The new minimum will be 16 hours and no more than 20 participants per class. This section becomes effective when the bill becomes law.

Section 4 – Directs the Department of Health and Human Services (DHHS) to perform an ongoing outcomes study of the Certificates of Completion program. This study would include evaluating DWI assessments, ADET schools, and treatment services for DWI offenders as they seek Certificates of Completion. DHHS would deliver the first report by December 31, 2007 and report every two years afterward.

ASSUMPTIONS AND METHODOLOGY: The following assumptions were made in performing this fiscal analysis:

- 16 Area and County Authorities, referred to in the document as local management entities (LME's), currently provide ADET schools as a direct service.
- While all 16 LME's will divest their ADET schools as part of mental health reform, this divestiture will occur over the next three years.
- For the purpose of this analysis, the LME's are assumed to retain their ADET schools for the next three years.
- The Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMH/DD/SAS) will receive the full 10% remittance that the Division is authorized to take under statute. The increased remittance would be used to fund the outcomes study required in Section 4 of the proposed bill.
- The number of DWI offenders that enroll in ADET schools is assumed to remain constant at FY 2003-04 levels.

Impacts of the Fee Increase

By increasing the fee charged to DWI offenders from \$75.00 to \$160.00, ADET school providers will see an overall increase in revenues. These providers include 16 local management entities (LME's), which manage the delivery of community mental health, developmental disabilities, and substance abuse services. In order to determine the likely increase in revenue for the LME's, DHHS provided data on the number of persons served through LME ADET schools in FY 2003-04. Assuming that the number of ADET students remains relatively constant, the expected increase in revenue for the LME's should remain constant for the next two to three years.

This revenue increase for the LME's is affected by the current mental health system reform that DHHS is implementing.

the LME's must	Increased Revenues to LME's in FY 2005-06		As part of reform,
direct services	Persons Served by LME's FY 2003-04	663	divest of their
those services	Current Fee per Person	\$75	and contract for
other public	Proposed Fee per Person	\$160	with private and
result, within the	Fee Difference per Person	\$85	providers. As a
the 16 LME's	Less the 10% Charge by DMH/DD/SAS	\$76.50	next three years,
providing ADET	Estimated Revenue Increase for LME's	\$50,720	currently
to contract for			schools will need
			those services.

This analysis assumes that revenues for the LME's providing ADET schools will remain constant until FY 2008-09, and at that time, the LME's will no longer administer the ADET schools directly. The following chart shows the estimated revenue increase for the LME's in FY 2005-06:

In addition to the revenue impact to the LME's, DMH/DD/SAS would also experience an increase in revenues. According to G.S. 122C-142.1, the Division has the authority to receive up to 5% of each fee paid by the DWI offender for ADET services. The increase in the fee will result in an increased amount of dollars remitted to DMH/DD/SAS. In addition to the fee increase, the proposed bill increases the percentage that is remitted to DMH/DD/SAS from 5% to 10%. The following chart describes the anticipated impact of the remittance and fee changes for the Division:

Increased Revenues for DMH/DD/SAS

Persons Served in all ADETS FY 2003-04	4707
Current Fee per Person	\$75.00
Estimated Current Revenue for All Providers	\$353,025
Percentage Increase Remitted to DMH/DD/SAS	5%
Increased Revenue to DMH/DD/SAS for the current fee	\$17,651
Propose Fee per Person	\$160.00
Difference from Increased Fee	\$85
Estimated Revenue Increase for All Providers	\$400,095
Fee Percentage Remitted to DMH/DD/SAS	10%
Estimated Revenue Increase for DMH/DD/SAS from the Increased Fee	\$40,010
Total Revenue Increase for DMH/DD/SAS	\$57,661

Impacts to Expenditures

Sections 2 and 3 may impact the expenditures of any or all providers of ADET school services. Section 2 establishes in statute the instructor requirements for persons who administer the ADET classes. For any provider that hires instructors that do not meet this requirement, an additional expense would be incurred in hiring higher qualified instructors or purchasing training for existing instructors. Considering that the 16 LME's that current administer ADET schools will divest of those schools within the next three years, section 2 will not apply. The instructor standards will not go into effect until 2009, after the LME's will have divested of these services. No expenditure impact is expected for the LME from this section.

Section 3 requires the ADET school providers to deliver classes that are at least 16 hours long and have no more than 20 persons per class. For ADETS that are not in compliance, the minimum number of class hours could result in increased costs for additional instructor time. In addition, the maximum number of students could result in the need for more class space and/or additional classes. This provision would become effective in FY 2005-06, so an impact to LME expenditures is possible. This analysis does not estimate the expenditure impact to LME's. It is unclear whether any LME's are delivering ADET classes that are not in compliance with Section 3 of this draft bill.

Section 4 directs DHHS to perform an outcome study of the Certificate of Completion program. This study would be ongoing, and DHHS would be required to report to the Legislature every two years. According to DMH/DD/SAS, the cost of this study would be \$150,000 in the first year and \$125,000 in subsequent years. As conceived by DMH/DD/SAS, this study would involve creating web-based method for providers to enter records for DWI offenders. This web-based system would allow DMH/DD/SAS to track outcomes for DWI offenders in the Certificate of Completion program and track the performance of providers. Absent an appropriation for such a system, the Division might incur fewer expenses through a paper-based system. This fiscal analysis assumes that the Division will perform a study equal in cost to the revenues available for the study. These revenues are collected through the 10% remittance on each ADET school fee paid by DWI offenders. This analysis assumes annual expenditures totaling \$57,661 for the outcome study.

SOURCES OF DATA: Department of Health and Human Services

TECHNICAL CONSIDERATIONS: None

APPENDIX IV

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

**SESSION LAW 2004-161
SENATE BILL 1152**

AN ACT CONCERNING STUDIES AND OTHER PURPOSES.

The General Assembly of North Carolina enacts:

PART I. TITLE

SECTION 1. This act shall be known as "The Studies Act of 2004".

....

**PART XXIV. JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON
MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE
ABUSE SERVICES STUDIES**

SECTION 24.1. The Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services may study the topics listed in this part and report its findings, together with any recommended legislation, to the 2005 General Assembly upon its convening.

SECTION 24.2. Integration of care for children with multiple system service needs (S.B. 262 – Foxx, Allran, Dannelly, Lucas, Purcell; H.B. 169 – Insko) – The Committee shall conduct a comprehensive review of the State's system of care for children with multiple system service needs. The purpose of the comprehensive review is to determine the extent to which children who need services from multiple State and local agencies in this system are or are not receiving those services in a timely manner, the effectiveness of the services provided, the potential long-term impact on the children, their families, and State and local resources of not providing all services in a timely and cost-effective manner, and to make detailed recommendations on the system changes necessary to address the problems identified as quickly as possible. Recommendations on system changes shall include programmatic and funding changes, and an analysis and estimate of implementation costs and projected cost-savings to the State in future years. In order to ensure a dedicated focus and appropriate expertise for the comprehensive review, the Committee shall convene a task force to conduct the review. The task force shall be comprised of the cochairs of the Oversight Committee, the Joint Legislative Education Oversight Committee, the Joint Legislative Corrections, Crime Control, and Juvenile Justice Oversight Committee, the Joint Legislative Health Care Oversight Committee, and other individuals appointed by the cochairs of the Oversight Committee upon recommendation of the other members of the task force.

In conducting its review, the task force shall consider thoroughly all of the following:

- (1) State-of-the-art approaches to services to children with multiple system service needs as the basis of reform in North Carolina.
- (2) Evidence-based best practices in North Carolina and elsewhere for potential systemwide adoption.

- (3) Barriers to access for developing a uniform access process to implement a "no wrong door" policy such that children and families may enter any service access point but will be afforded seamless access to all necessary services.
- (4) Initiatives taken or under consideration in other states to ensure a unified approach to system services, including the feasibility of establishing a funding consortium for pooling resources of all involved agencies in order to streamline access to the system by children and involvement in the system by service providers.
- (5) Ways to improve the multidisciplinary identification and evaluation of children's multiple service needs and the communication of those needs to all appropriate service providers.
- (6) The extent to which children currently in the juvenile justice system have not received adequate and appropriate educational, mental health, or other health services, and the reasons why the children have not been adequately served.
- (7) Information from the Department of Public Instruction and other organizations showing the number of children who have been suspended or expelled from public school, the reasons for the suspension or expulsion, the number of these children who have received alternative placements to ensure that they are being adequately and appropriately served by State and local service systems.
- (8) Necessary changes to North Carolina service systems involving mental health, developmental disabilities, and substance abuse services, social services, education services, juvenile justice, and other related service systems that will enable these systems to work together to ensure effective and timely access to services for children and their families.

The Oversight Committee, subject to the provisions of G.S. 120-32.02, may hire a consultant to assist the task force in its comprehensive review. The Oversight Committee shall establish interim and final reporting time lines for the consultant's findings and recommendations, and, subject to the requirements of this section, for meetings and reports of the task force.

APPENDIX V

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

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BILL DRAFT 2005-RCz-9 [v.7] (1/14)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)

1/24/2005 9:58:15 AM

Short Title: Coordination of Children's Services/Study.

(Public)

Sponsors:

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO IMPROVE THE COORDINATION OF SERVICES TO CHILDREN,
3 YOUTH AND FAMILIES BY CREATING CHILDREN'S SERVICES WORK
4 GROUPS, BY ESTABLISHING AN INDEPENDENT STUDY COMMISSION TO
5 MAKE RECOMMENDATIONS ON HOW TO ELIMINATE BARRIERS TO
6 COLLABORATION BETWEEN AND AMONG CHILD-SERVING AGENCIES,
7 AND TO MAKE AN APPROPRIATION AS RECOMMENDED BY THE JOINT
8 LEGISLATIVE OVERSIGHT COMMITTEE ON MENTAL HEALTH,
9 DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES.

10 The General Assembly of North Carolina enacts:

11 SECTION 1. The General States are amended by adding a new Chapter to
12 read:

13 "Chapter 143C

14 "Coordination of Children's Services.

15 "§ 143C-1. Intent; purpose.

16 It is the intent of the General Assembly to (i) improve the safety and well-being of
17 North Carolina's children, youth and families, (ii) support collaboration between State,
18 regional and local agencies that deliver services to children, youth and families (iii)
19 make more effective use of existing federal, State, and local resources and programs for
20 children, youth, and families, and (iv) streamline service delivery, fill service gaps, and
21 eliminate duplication of services for children, youth, and families.

22 The Department of Health and Human Services, the Department of Juvenile Justice
23 and Delinquency Prevention, the Department of Public Instruction, the Administrative
24 Office of the Courts and other affected State agencies share responsibility and
25 accountability to assure effective collaboration among State and local agencies to
26 improve outcomes for children and their families leading to full participation in their
27 communities and schools."

1 **SECTION 2.** (a) The General Assembly recognizes that services to children,
2 youth and families are most effective when they are child and family centered, strengths
3 based, community based, use multidisciplinary approaches, use evidence based
4 practices when appropriate, and recognize and respect cultural differences. These
5 practices can be successfully implemented only where there is significant and ongoing
6 collaboration and coordination between multiple public agencies. The General
7 Assembly also recognizes that while agencies are making significant progress towards
8 implementing these practices, there is also a need to focus State level policy in order to
9 provide support, remove barriers, and more fully implement these goals.

10 (b) There is established a children's services work group. It shall be located in
11 the Department of Administration for budgetary and staffing purposes only. The
12 Secretary of the Department of Health and Human Services, the Secretary of the
13 Department of Juvenile Justice and Delinquency Prevention, the Chair of the State
14 Board of Education, the Superintendent of Public Instruction, and the Chief Justice of
15 the Supreme Court shall each designate at least one representative to serve on the work
16 group from among the programs, divisions or departments under that administrator's
17 control that provide services to children and youths. Each administrator named in the
18 preceding sentence shall also appoint to serve on the work group at least one parent of a
19 child or youth who has or is at risk for behavioral, social, health, or safety problems or
20 academic failure, at least one member of a local collaborative body, and at least one
21 private sector service provider. The Chair of the State Board of Education and the
22 Superintendent of Public Instruction may make joint appointments.

23 (c) The work group shall meet at least monthly. The first meeting of the work group
24 shall occur not less than 30 days after the effective date of this Section. The
25 Department of Health and Human Services, the Department of Juvenile Justice and
26 Delinquency Prevention, the Department of Public Instruction and the Administrative
27 Office of the Courts shall, in this order and on a rotating basis, host the monthly
28 meetings of the work group. The Department of Administration shall provide staff and
29 clerical support to the work group.

30 (d) The work group shall:

31 (1) Identify common outcome measures for child-serving agencies that can be
32 used for monitoring the safety, health, and well-being of North Carolina's children,
33 youth and families, including preventative measures.

34 (2) Identify strategies for funding flexibility between State and local agencies,
35 including shared funding streams and the removal of financial and bureaucratic
36 barriers.

37 (3) Develop a common service terminology to be used across child-serving
38 agencies that is appropriate and assists collaboration and coordination.

39 (4) Make recommendations regarding the creation of a shared database to
40 track population and program outcomes information while protecting individual
41 confidentiality.

42 (5) Develop mechanisms that would allow agencies to share information
43 about individual children receiving multiple services. Any recommendations must
44 take into account confidentiality requirements and be voluntary on the part of the

1 party receiving services and time-limited. The mechanisms may address intake,
2 assessment and release procedures.

3 (6) Examine State and local training needs for implementing increased
4 coordination and collaboration.

5 (7) Study other issues the work group determines would improve
6 coordination and collaboration between child-serving agencies.

7 (e) A majority of the work group shall constitute a quorum for the transaction of
8 business.

9 (f) Any member of the Council who is not an officer or employee of the State
10 shall receive per diem and necessary travel and subsistence in accordance with the
11 provisions of G.S. 138-5.

12 (g) Upon the approval of the Secretary of the Department of Health and Human
13 Services, the Secretary of the Department of Juvenile Justice and Delinquency
14 Prevention, the Chair of the State Board of Education, the Superintendent of Public
15 Instruction, and the Chief Justice of the Supreme Court, the work group shall submit its
16 findings and recommendations to the Coordination of Children's Services Study
17 Commission created under Section 4 of this act. The work group shall submit an interim
18 report no later than December 15, 2005, and a final report no later than April 15, 2006.
19 The reports shall specify those recommendations that may be implemented without
20 statutory changes and those that would require statutory authorization.

21 If the General Assembly has not adjourned by those dates, or if the membership of
22 the Study Commission has not been appointed, the work group shall submit its reports
23 to the Joint Legislative Education Oversight Committee, the Joint Legislative
24 Corrections, Crime Control, and Juvenile Justice Oversight Committee, the Joint
25 Legislative Health Care Oversight Committee, and the Joint Legislative Oversight
26 Committee on Mental Health, Developmental Disabilities, and Substance Abuse
27 Services.

28 The work group shall expire upon the filing of the final report.

29 **SECTION 3.** The Directors of the Bill Drafting, Research, and Fiscal
30 Research Divisions of the General Assembly shall establish a children's services work
31 group comprised of the legislative staff assigned to subject areas or agencies involving
32 the child-serving programs administered by the Department of Health and Human
33 Services, the Department of Juvenile Justice and Delinquency Prevention, the
34 Administrative Office of the Courts and the Department of Public Instruction.

35 The work group shall: (i) monitor the proceedings of the children's service work
36 group created under Section 2 of this act; (ii) provide information to legislators and
37 legislative bodies regarding the recommendations of the work group and methods by
38 which the General Assembly may implement those recommendations; and (iii) provide
39 a mechanism to improve coordination, collaboration and education regarding children's
40 services across State and local agencies among legislative staff.

41 This Section shall expire upon the convening of the 2009 General Assembly.
42 However, this shall in no way limit the Division Directors' authority to direct legislative
43 staff to continue to implement the purposes of this Section.

1 **SECTION 4.** (a) There is created the Coordination of Children's Services
2 Study Commission ("Commission"). The Commission shall consist of 18 members
3 appointed as follows:

4 (1) Nine members appointed by the Speaker of the House of
5 Representatives as follows:

6 a. Five members of the House of Representatives, of whom at
7 least one shall also serve on the House Health and Human Services
8 Appropriations subcommittee, at least one shall also serve on the
9 House Education Committee, at least one shall also serve on the
10 House Health Committee, and at least one shall also serve on a
11 House Judiciary Committee; and

12 b. Four members of the public including a district court judge,
13 a member of a local collaborative body, a private sector service
14 provider, and a parent of a child who has or is at risk for
15 behavioral, social, health, or safety problems or academic failure.

16 (2) Nine members appointed by the President Pro Tempore of the Senate
17 as follows:

18 a. Five members of the Senate of whom at least one shall also
19 serve on the Senate Health and Human Services appropriations
20 Subcommittee, at least one shall also serve on the Senate Education
21 Committee, at least one shall also serve on the Senate Health
22 Committee, and at least one shall also serve on a Senate Judiciary
23 Committee; and

24 b. Four members of the public including a parent of a child
25 who has or is at risk for behavioral, social, health, or safety
26 problems or academic failure, a child who has or is at risk for
27 behavioral, social, health, or safety problems or academic failure, a
28 member of a local board of education, and a member of a board of
29 county commissioners.

30 The Speaker of the House of Representatives shall appoint a cochair and the
31 President Pro Tempore of the Senate shall appoint a cochair for the Commission. The
32 Commission may meet at any time upon the joint call of the cochairs. Vacancies on the
33 Commission shall be filled by the same appointing authority as made the initial
34 appointment.

35 (b) The purpose of the Commission is to study and recommend changes to
36 improve collaboration and coordination between agencies that provide services to
37 children, youth and families with multiple service needs. The Commission's
38 recommendations shall include mechanisms for establishing clear State leadership,
39 consistent policy direction, and increased accountability at the State and local level. As
40 part of its work, the Commission shall:

41 (1) Identify existing State, regional and local collaborative bodies (including
42 their charges, scopes of authority and accountability requirements) that have been
43 created by legislation, administrative rule or agency policy and that are charged with
44 serving, protecting, or improving the well-being of North Carolina's children, youth

1 and families. Once it has identified the collaborative bodies, the Commission shall
2 consider how they could be consolidated, reorganized or eliminated in order to
3 improve their effectiveness and accountability, increase the likelihood that key
4 players will actively participate, and reduce unnecessary duplication of effort. The
5 Commission shall also consider the creation of a mechanism for coordination and
6 communication between the State and local collaborative bodies, incentives for
7 collaboration, clarification of roles among agencies, and ways to monitor the extent
8 to which groups are collaborating.

9 (2) Study the practices of agencies currently implementing a system of care
10 platform of practices and make recommendations regarding whether to adopt those
11 practices State-wide and across child-serving agencies as the preferred mechanism
12 for providing services to children, youth and families. In examining this issue, the
13 Commission shall identify those State and local agencies that are currently
14 implementing practices that are consistent with a system of care, those States that
15 have implemented system of care as a state-wide policy initiative, and the extent to
16 which system of care is cost effective.

17 The Commission shall also examine the following principles that are associated
18 with a system of care and determine whether to recommend the adoption of a State
19 policy that reflects these principles:

- 20 a. Services for children should promote success, safety and
21 permanence.
- 22 b. Services should be child- and family-centered giving priority to
23 keeping children with their families, in their home school and community.
- 24 c. Services should actively promote early identification and
25 intervention.
- 26 d. Services should be designed to protect the rights of children.
- 27 e. Services shall be integrated and comprehensive, addressing the
28 child's physical, educational, social, and emotional needs through a single
29 Child and Family Team.
- 30 f. Services shall be outcomes-accountable and tied to a unified Child
31 and Family Plan.
- 32 g. Agency resources and services shall be shared and coordinated.
- 33 h. Services shall be provided as close to home as appropriate in the
34 least restrictive setting consistent with what is known to be effective.
- 35 i. Services shall be culturally competent.
- 36 j. Services shall address the unique strengths, needs and potential of
37 each child and family, and shall be sufficiently flexible to meet highly
38 individualized child and family needs.
- 39 k. Management of the child serving system is a responsibility shared
40 among all public and private child-serving agencies that should be held
41 collectively accountable for outcomes.

42 In reviewing these or any other principles, the Commission shall determine
43 whether they articulate goals that are measurable and if not, determine whether they
44 could be modified to reflect measurable goals.

1 (3) Receive and study the recommendations contained in the reports
2 submitted by the work group created in Section 2 of this act and determine whether
3 to recommend any of the statutory proposals.

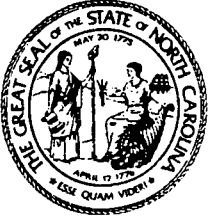
4 (4) Study any other issues the Commission determines would improve
5 coordination and collaboration between child-serving agencies.

6 (c) Upon approval of the Legislative Services Commission, the Legislative
7 Services Officer shall assign professional and clerical staff to assist in the work of the
8 Commission. Clerical staff shall be furnished to the Commission through the offices of
9 the House of Representatives and Senate Supervisors of Clerks. The Commission may
10 meet in the Legislative Building or the Legislative Office Building upon the approval of
11 the Legislative Services Commission. The members of the Commission, while in the
12 discharge of official duties, may exercise all the powers provided under the provisions
13 of G.S. 120-19 through G.S. 120-19.4, including the power to request all officers,
14 agents, agencies, and departments of the State to provide any information, data, or
15 documents within their possession, ascertainable from their records, or otherwise
16 available to them, and the power to subpoena witnesses. Members of the Commission
17 shall receive per diem, subsistence, and travel allowances at the rate established in
18 G.S. 120-3.1, 138 5, or 138-6 as appropriate.

19 (d) The Commission shall submit an interim report to the 2006 Regular Session
20 of the 2005 General Assembly that contains its recommendations, and legislative
21 proposals. It shall submit a final report to the 2007 Regular Session of the 2007 General
22 Assembly. Upon the earlier of the filing of its final report or the convening of the 2007
23 General Assembly, the Commission shall terminate.

24 **SECTION 5.** There is appropriated from the General Fund to the
25 Department of Administration the sum of one hundred ten thousand dollars
26 (\$110,000.00) for the 2005-2006 fiscal year to carry out the provisions of this act.

27 **SECTION 6.** Section 5 of this act becomes effective July 1, 2005. The
28 remainder of the act is effective when it becomes law.



BILL DRAFT:

Coordination of Children's Services/Study

BILL ANALYSIS

Committee: Joint Legislative Oversight Committee on
MH/DD/SAS

Date: January 26, 2005

Version: 2005-RCz-9[v.7]

Introduced by:

Summary by: Kory Goldsmith
Committee Counsel

SUMMARY: *The bill creates Chapter 143C entitled "Coordination of Children's Services". It states that the intent of the General Assembly is to improve services to children, support collaboration between agencies, make more effective use of resources, and streamline service delivery. It also states that child-serving agencies share responsibility and accountability for improving outcomes for children and families. In addition, the bill also creates a children's services work group housed in the Department of Administration, a work group for legislative staff assigned to child servicing agencies and subject areas, and study commission on the coordination of children's services.*

CURRENT LAW: There are a number of entities created at the State level that are charged with overseeing services to children, youth and families. However, these groups tend to be charged with issues related to specific populations or services, such as prevention of juvenile delinquency (the Governor's Advisory Council on Juvenile Justice and Delinquency Prevention), early childhood development (Partnership for Children), or education (the Education Cabinet). There are also numerous local collaborative entities that reflect their State-level counterparts, such as the Juvenile Crime Prevention Councils. However, there is no governmental entity charged with the over-arching responsibility of coordinating children's services across age, agencies and disciplines.

The need for coordination and collaboration is recognized and is being implemented by many agencies under Memorandums of Agreement or Memorandums of Understanding (MOAs or MOUs). For example, the Department of Health and Human Services (DHHS), the Department of Public Instruction (DPI), the Department of Juvenile Justice and Delinquency Prevention (DJJDP), and the Administrative Office of the Courts (AOC) have entered into a MOA regarding the Comprehensive Treatment Services Program (CTSP) for children at-risk for institutionalization or other out of home placement. The MOA is required by law and must exist before CTSP funds can be made available (S.L. 2001-424, Sec. 21.60.(d)). Similarly, DHHS may not allocate CTSP funds at the local level until an MOA between the local counterparts of these agencies is in place. MOAs and MOUs also exist between DPI and DHHS regarding the provision of services to exceptional children, between DJJDP and local mental health programs regarding residential services to at-risk children in need of mental health and substance abuse treatment, and between local local mental health programs and

county departments of social services regarding their roles in providing for the safety, permanency and well-being of children.

BILL ANALYSIS:

Section 1 adds a new Chapter 143C entitled "Coordination of Children's Services". It states that it is the intent of the General Assembly to improve the well-being of North Carolina's families and children, support collaboration between agencies, make more effective use of existing resources and streamline service delivery. It also states that DHHS, DJJDP, DPI, AOC and other affected State agencies share responsibility and accountability to assure effective collaboration among State and local agencies to improve outcomes for children and their families leading to full participation in their schools and communities.

Section 2 begins by stating that the General Assembly recognizes that services to children, youth and families are most effective when they are child and family-centered, strengths-based, community-based, use multidisciplinary approaches, use evidence-based practices when appropriate, and recognize cultural differences. It also recognizes that agencies have made significant progress with collaboration, but there is also a need for State-level leadership to provide support, remove barriers and more fully implement the goals.

The legislation goes on to create a children's services work group. The work group is made up of appointees designated by the Secretaries of DHHS and DJJDP, the Superintendent of Public Instruction and the Chair of the State Board of Education, and the Chief Justice of the Supreme Court. The appointees consist of agency employees, parents of at-risk children, members of local collaborative bodies, and private providers.

The work group will be housed in the Department of Administration for budgetary and administrative purposes only. The DOA shall provide administrative and clerical support. The work group shall meet at least monthly, with each of the named agencies hosting the meetings on a rotating basis. The work group is charged with studying and making recommendations on specific issues that have been identified as barriers to interagency collaboration. These include:

- Identifying common outcome measures to monitor child health, safety and well-being;
- Identifying flexible funding strategies;
- Developing a common service terminology;
- Making recommendations regarding the creation of a shared database to track outcomes;
- Making recommendations regarding a mechanism for sharing individual information among agencies while protecting confidentiality; and
- Examining State and local training needs.

Subject to the approval of the various agency heads, the work group will make a interim report no later than December 15, 2005, and a final report no later than April 15, 2006. The reports will come to the Coordination of Children's Services Study Commission (if it is constituted), or the Oversight Committees for Education, Mental Health, Health, and Juvenile Justice and Delinquency Prevention. The work group will terminate upon the submission of its final report.

Section 3 directs the Directors of the Bill Drafting, Research, and Fiscal Research Divisions of the General Assembly to create a children's services work group comprised of the legislative staff who are assigned to subject areas or agencies involving child-serving programs administered by DHHS, DJJDP, DPI, and AOC. The work group shall monitor the work of the agency work group created under Section 2 of the bill, provide information to legislators regarding the recommendations of that work group, and create a mechanism for better coordination and information regarding children's services among legislative staff. The legislative staff children's services work group will expire upon the convening of the 2009 General Assembly.

Section 4 creates the Coordination of Children's Services Study Commission (Commission). The Commission shall consist of 18 members, 9 appointed by the President Pro Tempore of the Senate and 9 appointed by the Speaker of the House of Representatives.

The President Pro Tempore's appointees will include five legislators, at least one of whom also serves on the Senate Health and Human Services Appropriations Subcommittee, at least one of whom also serves on the Senate Education Committee, at least one of whom also serves on the Senate Health Committee, and at least one of whom also serves on a Senate Judiciary Committee. The four public members appointed by the President Pro Tempore will include a parent of a child who has or is at risk for behavioral, social, health, or safety problems or academic failure, a child who has or is at risk for behavioral, social, health, or safety problems or academic failure, a member of a local board of education, and a member of a board of county commissioners.

The Speaker's appointees will include five legislators, at least one of whom also serves on the House Health and Human Services Appropriations Subcommittee, at least one of whom also serves on the House Education Committee, at least one of whom also serves on the House Health Committee, and at least one of whom also serves on a House Judiciary Committee. The four public members appointed by the Speaker include a district court judge, a member of a local collaborative body, a private sector service provider, and a parent of a child who has or is at risk for behavioral, social, health, or safety problems or academic failure.

The purpose of the Commission is to study and recommend changes to improve collaboration and coordination between agencies that provide services to children, youth and families with multiple service needs, including mechanisms for establishing clear State leadership, consistent policy direction, and increased accountability at the State and local level. The Commission shall:

- look at conflicting and overlapping collaborative entities and make recommendations regarding their consolidation, reorganization or elimination;

- examine agencies that are implementing a system of care as the model for delivering services and determine whether to adopt a system of care across agencies as the preferred method of service delivery in the State; and
- review the recommendations of the children's services work group.

The Commission shall submit an interim report to the 2006 Regular Session of the 2005 General Assembly, and a final report upon the convening of the 2007 General Assembly. The Commission shall terminate upon the filing of its final report.

Section 5 appropriates \$110,000 from the General Fund to DOA for the 2005-2006 fiscal year to carry out the provisions of the act.

Section 5 becomes effective July 1, 2005. The remainder of the act becomes effective when the act becomes law.

BACKGROUND: The Studies Act of 2004 directed the co-chairs of the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services (LOC) to study the integration of care for children with multiple service needs. S.L. 2004-161, Sec. 24.2. After numerous meetings with agency heads, the co-chairs of the State Collaborative, and representatives from several local collaboratives (work group), LOC co-chairs brought the work group's recommendations to the LOC for review. The LOC included the substance of those recommendations in this bill draft.

APPENDIX VI



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COALITION 2001 FUNDING REQUEST

2005 SESSION OF THE N.C. GENERAL ASSEMBLY

January 2005

I. TRUST FUND REQUEST		\$20,000,000
a.	Crisis Services	
b.	Children's Services	
c.	Bridge/Start-up Funding to Develop Community Capacity to Those in the target Population.	
II. RECURRING APPROPRIATION REQUEST		\$134, 000,000
a.	Supported Employment/Long-term Vocational Support Services	\$6,000,000
b.	Crisis Services	\$5,000,000
c.	Children's Services	\$8,500,000
d.	Community Capacity Development for Those in the Target Population Who are Waiting for Services	\$90,000,000
e.	Residential Services	\$19,000,000
f.	Specialty Appropriation Requests (Deaf MI, DDTI, Family Support)	\$5,500,000
III. MEDICAID MATCH STATEMENT		
IV. INFLATIONARY ADJUSTMENT STATEMENT		

COALITION 2001

2005 FUNDING REQUEST TO THE NC GENERAL ASSEMBLY

Coalition 2001 is composed of 48 statewide, not-for-profit organizations representing families, consumers, advocates and providers that work in the areas of mental health, developmental disabilities, and substance abuse services. This Coalition has been in existence since 1991 and has helped bring awareness of and funding to the community MH/DD/SA system in North Carolina. The 2005 budget request continues the Coalition's appropriations advocacy to assure provision of services to the hundreds of thousands of North Carolinians affected by these disabilities.

Coalition 2001 is seeking to address funding needs that are both one-time and recurring in nature and that deal with the impact of the Olmstead decision, Medicaid, and inflationary issues. Additionally, Coalition 2001 has researched the number of individuals affected by these requests, their service needs and their accompanying economic impact, and has developed this funding request based on this research. Coalition 2001 has also taken into account the issue of MH/DD/SAS reform as a major component of its funding priorities.

Coalition 2001, whose motto is "It's just good business", seeks to fulfill the promise that the state of North Carolina has made to its citizens that experience mental illness, developmental disabilities, and substance abuse problems by addressing the major areas of need across a broad spectrum of services at a time of great change.

I. APPROPRIATION REQUEST FOR TRUST FUND/NON-RECURRING ITEMS \$20,000,000

The following are three umbrella areas that are critical to the success of reform, and the success of individuals affected by mental illness, developmental disabilities, and substance abuse problems.

- A. Crisis Services** - including those that are mobile and community based along a continuum that serves both children and adults affected by these disabilities in order to prevent institutionalization.
- B. Children's Services** - These vital services are needed throughout a system of care approach for children that face these three disability areas. These are services that are preventative, provide for early intervention, and are community focused.
- C. Bridge/Start-Up Funding for Community-based Services to Those in the Target Population Who are Unserved or Underserved** - These crucial programs and services are essential for moving individuals into the community in accordance with the Olmstead decision and for the success of MH/DD/SAS reform and for the well being of adults and children that experience mental illness, developmental disabilities, and substance abuse problems throughout the state. This also includes essential training for providers, LMEs, family members, and consumers.

II. Recurring Appropriation

\$134,000,000

A. Supported Employment: Long Term Vocational \$6,000,000

Support Services

Coalition 2001 is seeking funding in the amount of \$6,000,000 to be used for long-term vocational support services for individuals with mental illness, developmental disability, and substance abuse problems. Supported employment is nationally recognized as an evidence-based practice with significantly positive results that helps turn individuals into productive, tax paying members of society thus moving them off of disability roles and, most importantly, allowing them to live the lives they desire for themselves and their families. This initiative would provide assistance to more than 10,000 individuals across the state on a regular basis.

B. Crisis Services \$5,000,000 **(\$2.500,000 DD, \$2.500,000 mental health)**

As the MH/DD/SA system in N.C. continues to focus on supporting people with disabilities to live in their home communities, the availability of adequate crisis services is essential. Whether living in their own home or in a supported living environment in the community, some individuals with severe disabilities will need crisis support. This type of support may be delivered in a variety of ways, including mobile response (support coming to the individual), and/or community based services which are delivered out of the home. The purpose is to prevent unnecessary institutionalization, which will help the state adhere to the requirements of MH/DD/SA reform as well as the Olmstead Decision. For DD services, it is envisioned that these crisis services would be provided through four strategically located crisis centers across the state that would provide professionally delivered crisis services to children and adults experiencing developmental disabilities. For mental health, the funds would be used to enhance existing services and expand services in conjunction with existing response centers, such as local crisis units and inpatient centers as well as emergency rooms and others.

C. Children Services \$8,500,000

Coalition 2001 is seeking funding for comprehensive kids MH/DD/SA services at the community level. These funds would be designed around developmental disability early intervention services (\$1,000,000), expansion of the Mental Health System of Care Initiative (\$2,500,000), as well as multi-systemic therapy and intensive in-home services in the area of substance abuse (\$5,000,000). Each of these would be community-based with the intent of preserving in-home residential placement avoiding institutionalizations.

D. Community Capacity Development for Those in the \$90,000,000 **Target Population Who are Waiting for Services**

Coalition 2001 is deeply concerned about the lack of available community services for those within the target population. Currently, there are tens of thousands of

citizens who are waiting for initial services to begin, as well as thousands of others that are waiting for additional services. Funds would go to services such as intensive outpatient and comprehensive outpatient treatment programs for those in the area of substance abuse, ACT, community support and interdisciplinary dual diagnosis teams for mental health. Also, CAP/ DD Medicaid funds are needed to allow North Carolina to draw down additional funds to reduce the DD waiting lists. Additionally, DD waiting list funds are needed for those that are not waiver program eligible.

E. Residential Services

\$19,000,000

This key area is designed to provide support and programming to allow individuals to stay in their own home within their own community, and to keep them from ending up in a more costly, long-term care or state facility which is often a great distance away from their home.

1. Housing Support - This crucial funding is to provide needed operational dollars to support a range of group and supportive living programming at the community level for persons affected by mental illness, developmental disabilities and/or substance abuse problems. An example of where this support would be utilized is DDA group homes. DDA group homes provide a stable living environment for individuals with developmental disabilities in communities throughout North Carolina. Most of these homes were originally built utilizing HUD funds with a legislative appropriation for services. The service funds have been eroding, compromising the ability for people to successfully live in communities. This funding will allow for people to continue to live successfully in these homes. (\$15,000,000)

2. Special Assistance/Rental Assistance - This appropriation request is to expand the innovative pilot program for special assistance and to add additional rental assistance funding on top of that for others who would not be eligible to receive special assistance. (\$4,000,000)

F. Specialty Appropriation Requests

\$5,500,000

1. Deaf/MI funds: This \$2,500,000 will allow the state to continue to be in compliance with its 504 B Settlement Agreement with the NC Association for the Deaf. It also would continue to provide crucial community based services to the resident of N.C. who experience mental illness and are also deaf by providing a full range of services including out-patient, psychosocial rehabilitation, ACTT, case management, and more with the proper use of interpreting/translating services.

2. DDTI Funds: This \$1,000,000 would allow the Developmental Disabilities Training Institute to continue to provide core training for staff on DD Best Practice. It would also allow DDTI to provide stipends to allow staff to attend the training more easily.

3. First in Families/Family Support: This \$2,000,000 request would assist First in Families, which is North Carolina's family support program for families with people with developmental disabilities. These programs, which are now in many of the LMEs, are for relatively small, one time grants to support families to keep their

children at home. It also provides LMEs the ability to leverage other funding sources for needed services.

III. STATEMENT ON MEDICAID MATCH

Services funded by Medicaid are a critical part of our MH/DD/SAS system. North Carolina's favorable federal/state match ration makes it good business for our state to utilize, indeed optimize, Medicaid to provide services that are appropriate for people in the target population.

Though North Carolina utilizes Medicaid funding extensively, we should continue to look for ways to enhance services funded by the Medicaid program. With increasing pressure at the federal level to control the growth of Medicaid, now is the time for North Carolina to take full advantage of this program for our citizens.

IV. STATEMENT ON INFLATIONARY INCREASES

Coalition 2001 supports the Division of Medical Assistance and the DMH/DD/SAS in establishment of a standardized rate methodology for determination of reasonable costs for reimbursement to providers for Medicaid and state funded services. The determination should include a historical inflation factor as a part of the calculation for determining new rates for services and for annual adjustment for inflation. All providers should be required to file annual cost reports to the Division of Medical Assistance or DMH/DD/SAS for all services they provide.

COALITION 2001 MEMBER ORGANIZATIONS

January 2005


The Arc of North Carolina
Addiction Professionals of North Carolina
Alcohol/Drug Council of North Carolina
Autism Society of NC
Brain Injury Association of NC
Carolina Legal Assistance
Coalition for Persons Disabled by Mental Illness
Developmental Disabilities Consortium
Durham Council on Alcohol and Drug Abuse
Easter Seals UCP North Carolina
Epilepsy Foundation of NC
Family Alternatives, Inc.
Governor's Advocacy Council for Persons with Disabilities
Governor's Institute on Alcohol & Substance Abuse
Mental Health Association – NC
Mental Retardation Association of NC
NAMI – NC
National Association of Social Workers – NC Chapter
NC Assistive Technology Project
North Carolina Association for Addiction Residential Facilities
North Carolina Association for Behavioral Analysis
North Carolina Association for Behavioral Health Care
North Carolina Association for Marriage & Family Therapy
North Carolina Association Rehabilitation Facilities
North Carolina Association of the Deaf
North Carolina Child Advocacy Institute
North Carolina Community Sentencing Association
North Carolina Community Support Providers Council
North Carolina Council for Community Programs
North Carolina Council on Developmental Disabilities
North Carolina Deaf-Blind Associates
North Carolina Depression and Bi-Polar Support Alliance
North Carolina Employee Assistance Professionals Association
North Carolina Guardianship Association
NC Interagency Coordinating Council
North Carolina International Association of Psychosocial Rehabilitation Services
North Carolina Mental Health Consumers' Organization
North Carolina Nurses Association
North Carolina Psychiatric Association
North Carolina Psychological Association
NC Psychological Foundation
North Carolina Recreation Therapy Association
NC TASH
Partnerships in Assistive Technology
Self Advocates of NC
Substance Abuse Federation
VOICES for Addiction Recovery

Thank you Senator Kinnaird for inviting me to present today. I am sorry that bad weather in Washington kept me from attending last week's meeting to hear the presentations by Secretaries Hooker-Odom and Sweat, and my colleague John Tote.

I think I speak for the entire mental health advocacy community in applauding the formation of this committee. And also the efforts of Senator Nesbitt and his co-chair of the LOC, Rep. Verla Insko, for the work they have done to pull together the various partners and players in the provision of services to children with mental illness and/or substance abuse issues. There is wide-spread support for the collaboration legislation introduced as part of the Legislative Oversight Committee's report to the General Assembly.

Today I want to focus on work that has been done at a national level by the American Psychological Association which supports the effort around collaboration across all systems to the benefit of children with mental illness or emotional disorders.


I am distributing a summary report titled "Crisis in Children's Mental Health Care: A Well-Kept Secret". This is the product of a Task Force of the American Psychological Association composed of some of the foremost experts in child mental health care in the country. The Task Force was developed in response to some of the findings of the Surgeon General's Conference on Children's Mental



Health in 2000 and more recently President Bush's New Freedom Commission on Mental Health. Children's mental health is not a partisan issue.

This report points out that:

- 10% of children or adolescents have a serious mental health problem and another 10% have a mild to moderate problem. Yet, less than half of children with mental health problems actually receive treatment or services.
- There are grave disparities in identification and prevention of mental health problems as well as access to services.
- The cost to our country is staggering. As I am sure you heard from both Secretaries Sweat and Hooker-Odom, this can lead to tragic consequences – Suicide, substance abuse, inability to live independently, incarceration, lack of vocational success, and physical health problems.
- This impacts not just families, but communities, schools, employers and the nation as a whole.



North Carolina has begun to take steps through the System of Care projects that is on-going in the Division of MH/DD/SAS – more

commonly known as the State Collaborative. I ^{know}~~hope~~ that you will have the opportunity to hear a presentation about the positive things that are happening for children.

The paper I have distributed notes components of a comprehensive, sustainable, collaborative system:

- Promotion of health social and emotional development for all children
- Prevention of mental health disorders in children
- Early screening and identification of indicators of mental health problems – a collaborative effort in schools, daycare, health clinics, emergency rooms, and high risk settings such as juvenile justice
- Early childhood intervention
- Access for all children to a comprehensive range of treatment and services for children and families with identified mental health problems – coordinated across agencies and services systems

- Sufficient funding and realignment of funding streams to support a comprehensive array of services.

Senator Nesbitt and Rep. Insko are introducing Coalition 2001's legislative request which includes additional funds for children's services. We hope this will have your support.

If there was ever an issue where the old saying "an ounce of prevention is worth a pound of cure", it is in the provision of services to children and adolescents – at a time in their life when future problems can be prevented. It makes good public policy sense and it makes good business sense.

The APA Task Force has created a series of Talking Points to advocate for the needs of children and adolescents with mental illness. I will get the entire set to Senator Kinnaird and the Committee, but wanted to close with just one that I believe speaks to your purpose as a Committee:

- **Mental health problems must be considered to be just as important as physical health problems by health care providers, and as significant as learning problems by educators. Mental health assessment and care needs to be integrated into children's overall healthcare and education.**

Thank you for your time today.

To paraphrase Coalition 2001's theme – it is the right thing to do and it is just good business.

Crisis in Children's Mental Health Care: A Well-Kept Secret

A Call to Action From the American Psychological Association's Interdivisional Task Force on Children's Mental Health Care

By Karen Saywitz, Ph.D. and Laura Nabors, Ph.D.

"Growing numbers of children are suffering needlessly because their emotional, behavioral, and developmental needs are not being met by those very institutions which were explicitly created to take care of them." (Report of the Surgeon General's Conference on Children's Mental Health, 2000.)

These are the words of former U.S. Surgeon General David Satcher, who concluded that our system of delivering children's mental health care was in crisis and that a nationwide overhaul was necessary. Recently, President Bush appointed the New Freedom Commission on Mental Health to re-examine the issue. Preliminary reports referred to the situation as a public health crisis. In response, APA passed a resolution on children's mental health and funded two task forces to outline the role psychology should play as a leader in a national reform effort. Both task forces concluded that the public, the policy-makers, and many professionals remain unaware of the problem, recommending that increased awareness both inside and outside of psychology be a top priority.

In short, 10% children or adolescents have a serious mental health problem, and another 10% have mild to moderate problems. However, less than half of children with mental health problems actually receive treatment or services. Even then, only 20% receive treatment from a professional specifically trained to work with children or teens. Moreover, there are grave disparities in identification and prevention of mental health problems as well as in access to services for families of color, those in poverty, or those with children with special needs. Reform is even more urgent now that research indicates many mental health disorders in children and adolescents are treatable and even preventable.

The costs to our country are staggering. Untreated mental health problems in children can lead to tragic consequences, including suicide, substance abuse, inability to live independently, incarceration, lack of vocational success, and health problems. Not only are families affected but also communities, schools, employers, and the nation as a whole.

What Is APA Doing?

Eight APA Divisions have joined efforts in an Interdivisional Task Force on Children's Mental Health Care to promote the conceptualization and realization of a new national model for promoting, preserving and restoring our children's mental health. This model calls for a comprehensive, sustainable, collaborative system. Components include:

Inter-divisional Task Force on Children's Mental Health

Participating Divisions:

- ◆ Developmental Psychology
- ◆ Clinical Psychology
- ◆ School Psychology
- ◆ Child, Youth & Family Services
- ◆ Family Psychology
- ◆ Society for Community Research & Action
- ◆ Society for Pediatric Psychology
- ◆ Society of Clinical Child and Adolescent Psychology

- ◆ Promotion of healthy social and emotional development for all children

- ◆ *Prevention* of mental health disorders in children
- ◆ *Early screening and identification of indicators of mental health problems* in schools, daycare, health clinics, emergency rooms, and especially high risk settings such as juvenile justice and child welfare programs
- ◆ *Early childhood intervention* grounded in emerging research highlighting the role of environmental factors in brain development
- ◆ *Universal access to a comprehensive range of treatments and services* for children and families identified with mental health problems, coordinated across agencies and service systems that are culturally, linguistically, and developmentally sensitive, individualized, family centered, home-school- and community-based, and evidence-based
- ◆ *Sufficient funding and realignment of funding streams* to create an infrastructure that supports a comprehensive array of services

What Can You Do?

Spread the Word... The system is broken and needs repair.

- ◆ *Educate* others about the seriousness of mental health problems for children and the stigma that prevents families from seeking treatment.
- ◆ *Inform* others that children's mental health and social, emotional, and behavioral well-being are critical for "healthy" development.
- ◆ *Improve awareness* of the early signals of mental health problems and the fact that there are effective treatments available.
- ◆ *Inform* others about the shortage of mental health professionals trained to work with children, adolescents, and their families using evidence-based treatments.

How? Here Are Resources to Help

The Interdivisional Task Force on Children's Mental Health Care is developing materials to provide members with the background information necessary to spread the word. We are creating a website to centralize information on children's mental health to be accessed by both the lay public and professionals. We have completed a set of *Talking Points* you can use to advocate for reform found at <http://apa.org/ppo/issues/tftalkingpoints.html>.

To learn more

See the report of the *APA Working Group on Children's Mental Health*, 2001, at <http://www.apa.org/pi/cyf/dpnacmh.pdf>

See the report of the *Task Force on Psychology's Agenda for Child and Adolescent Mental Health*, 2004, http://www.apa.org/pi/cyf/child_adoles_mentalhealth_report

See the *Report of the U.S. Surgeon General's Conference on Children's Mental Health*, 2000, at <http://www.surgeongeneral.gov/topics/cmh/childreport.htm>.

See *Talking Points on Child and Adolescent Mental Health* <http://mirror.apa.org/ppo/issues/tftalkingpoints.html>

Inquiries about the Interdivisional Task Force on Child and Adolescent Mental Health can be directed to Karen Saywitz, Chair, at ksaywitz@ucla.edu.

We created a *Fact Sheet on Early Signals of Possible Infant, Child, and Adolescent Mental Health Problems* to help educate colleagues in other disciplines. We are organizing congressional briefings by experts and a national multidisciplinary summit to address child mental health policy.

Visit the website, peruse the links, download fact sheets and talking points. Then....

- ◆ *Educate* colleagues, patients, parents, coaches, church, community and PTA members, school administrators, and school boards about this crisis in children's mental health services.
- ◆ *Talk* to a department head at a psychology program near you. Let the chair know how important it is to train graduate students to work with children and families.
- ◆ *Educate* colleagues in other disciplines. Increase awareness of early warning signs, guideposts for referral, and effective treatments. Volunteer to train new providers; supervise someone who wants to learn. Give an inservice presentation.
- ◆ *Donate time* to help a child in a high-risk group who lacks access to quality mental health services.
- ◆ *Write and visit* your local congressperson. Contact state psychological associations or departments of mental health, or write them a letter delineating these needs. Contact local mental health boards and advocate on behalf of children or families.
- ◆ *Encourage* pediatricians and nurses you know to take time for a "mental health check up" with the children and families they serve.
- ◆ *Lobby* managed care providers so that they will cover mental health services for all youth, and especially for children and adolescents who are likely to be underserved.
- ◆ *Advocate* for comprehensive mental health care plans for children, with supporting infrastructures.

Bringing these issues to the public will take effort, perseverance, and vigorous lobbying, but the crisis in children's mental health care cannot remain a well-kept secret. With two presidential commissions recommending historic reforms and the science of psychology at critical mass, psychologists are poised to make a meaningful difference in the lives of children and families nationwide. There is broad consensus that this is an ideal moment to for us to intensify our effort.

Drs. Saywitz and Nabors are associated with APA's Interdivisional Task Force on Children's Mental Health Care.

VISITOR REGISTRATION SHEET

Mental Health and Youth Services

March 16, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE

CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Sonya Brown	DMHDD SAS
Nichal Lancaster	DMHDD SAS
HAROLD CARMEL, MD	NC Psychiatric Assn
KEB LAMONT	NC DHHS
CARL BRITTON-WATKINS	Coalition 2001
Kent Eannhardt	Coalition 2001
Mark Lawrence	YASO
Robin Hoffman	NC Psychiatric Assoc - C2001
R. Paul Wilms	NCHBA
LARRY PITTMAN	Coalition 2001/ Addiction Professionals of NC

VISITOR REGISTRATION SHEET

Mental Health and Youth Services

March 16, 2005

Name of Committee

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NAME

FIRM OR AGENCY AND ADDRESS

John Bowditch	AstraZeneca
Jim Iltis	MHA/NC
Sally Cameron	NC Psychological Assoc
Jennifer Sullivan	NASW, NC/C2001
Anthony S. Uhl	Anthony S. Uhl + associates
Wayne Williams	State Budget Office
Michael Haley	Dept. of Juvenile Justice & Del. Prev.
Donn HARGROVE	DDJDP
BRIAN LEWIS	Covenant w/ NC's Children
Brad Cocke	BCBS NC
Antonio Caser	DDH/DDISA-S

Senate Mental Health & Youth Services Committee
Wednesday, March 23, 2005, 12:00 Noon
414 LOB

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Presentations

Rob Robinson: System of Care Administrator, The Durham Center

Ellen Holliman: Director, The Durham Center

William Hussey: Durham Public Schools Systems of Care Coordinator

Other Business

Adjournment

MENTAL HEALTH & YOUTH SERVICES COMMITTEE
WEDNESDAY, MARCH 23, 2005

MINUTES

Mental Health & Youth Services committee met March 23, 2005 at 12:00 noon in Room 414 of the Legislative Office Building. Thirteen members were present, including Senator Ellie Kinnaird, who presided.

Senator Kinnaird called the meeting to order introduced the sergeant at arms and pages.

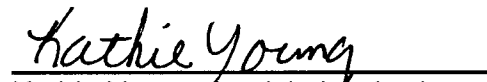
Sen. Kinnaird introduced Ellen Holliman, Director for The Durham Center. Ellen Holliman explained the system of care for children in Durham.
See remarks attachment 1

William Hussey, Durham Public School Systems of Care Coordinator, explained the public school place with the system of care.

Rob Robinson, System of Care Administrator for The Durham Center.
See Attachment 2

Senator Kinnaird thanked the presenters and adjourned the meeting at 1:00 p. m.



Senator Ellie Kinnaird, Chair

Kathie Young, Legislative Assist.

Mike Mosley
Mike
Hon. Steve
Thank you for having us here today. While we are here to specifically discuss system of care for children in Durham, I would like to take just a moment to make a few remarks about mental health reform – The Durham Area Authority and the Durham Board of Commissioners have fully supported mental health reform. I must admit it has been an extremely challenging process and continues to be, but we are moving in the right direction. Is it a perfect system? Of course not but we believe it will be a better system for the people of our community as evidenced by many of the things we are doing.

*will feel
you
honestly*

System of care has been an integral part of our mental health reform.

What is system of care? It is a philosophy in the way we provide services to children. We know that one agency cannot meet all the needs of children at risk and their families. In our community this is not a mental health program, a school program, DSS or court program – this is a Durham County effort. The awards we've won this past year is shared with all of us. One of the hardest parts is no one agency is really in charge – we hold each other accountable to the values and principles of system of care. One of the major elements of SOC is the coordinated services among all agencies to serve children and families. It sounds so simple to say – one child, one family, one team and one plan. But it is hard –

Strong leadership is the real key to success.

In our community it really started under the leadership of the former chair of our county commissioners, MaryAnn Black. Through her leadership, we formed a directors group made of the directors of DSS, Public Health, Mental Health, a District court judge, the chief court councilor, superintendent of Durham Public Schools and one of our deputy county managers. We decided early on that we would develop an MOA but it would be more than a document that we all would sign and file away, we made it a living document. We spent months going over it line by line – point by point talking about what we were really saying how it would be implemented. We have now been meeting for 3 years – the current Chair of the Board of Commissioners and the School Superintendent co-chair the meeting.

On the funding front – we are using the funds available to our different systems. However, because of our success, last year our county commissioners allocated 225,000 to this effort – they saw we had reduced court ordered placements from a cost of several million 3-4 yrs ago to 7,000 last year and 0 thus far this year. To further demonstrate how we are working together, the money was allocated to our mental health budget and we contract with the public schools for the positions and services. Bill Hussey will speak more about that in a minute.

Durham County System of Care Fact Sheet

Durham's System of Care (SOC) is an integrated network of community services and resources supported by collaboration among families, professionals, and the community. The local SOC integrates the work of education, juvenile justice, health, mental health, child welfare, family court, and other community organizations with families through team decision-making structures that require shared responsibility and accountability to assure that children and families have access to the services and supports they need.

Brief History:

- In August 2002, key leaders in Durham County's human service delivery system, including the Directors of Public Health, Department of Social Services, The Durham Center, Department of Juvenile Justice and Delinquency Prevention, Durham Public Schools, as well as the Chair of the County Commissioners, the Assistant County Manager and a District Court Judge, made a commitment to work together to develop a community-wide SOC.
- This group signed a Memorandum of Agreement that serves as a guide to the implementation of SOC in Durham County for all children and families.
- This led to the creation of a System of Care Infrastructure.

SOC Principles:

- Interagency Collaboration
- Individualized Strengths-Based Care
- Cultural Competence
- Child and Family Involvement
- Community-Based Services
- Accountability

Key Elements for Durham's SOC:

- A Broad and Flexible Array of Services and Supports
- Child and Family Teams through Wraparound Approaches
- Collaborative Management, Support and Accountability

Target Populations: Durham agreed to systematically implement SOC through a roll out of certain target populations.

- Beginning in 2002, SOC implementation was established for children that qualify for the Comprehensive Treatment Service Program (CTSP).
- In 2005, three additional target populations will be part of the SOC implementation:
 - Children who are at high risk of academic failure;
 - Parents who are receiving mental health and/or substance abuse services and whose children are not receiving such services;
 - Parents who have been found by DSS to be "in-need of services" and are assessed to be "high-risk" (Multiple Response System).

Results:

- Access to services improves. The number of children and their families accessing services has more than tripled since SOC was implemented.
- Community saves dollars through more effective care and reinvests in SOC infrastructure to build sustainable SOC.
- Cross-agency leadership and collaboration is active and results-based.
- Decrease in out of home placements:
 - Out of home placements dropped from 50% to 25%;
 - Of those placed out of home, only 23% were placed within 60 miles of home in 2003; of those placed out of home in December 2004, 89% were placed within 60 miles of home;
 - Substantial drop in court ordered/county-pay placements (from \$700 K in 2003 to \$7 K in 2004, to zero as of February 2005).
- Development of community-based, best practice community services & improved continuity of care:
 - Over 600 children/families served through integrated Child and Family Teams;
 - More than tripled Level 2 (Family-based/treatment parent) Homes;
 - Emerging Community-Based Crisis Continuum;
 - Intensive/comprehensive in-home assessments and treatment;
 - Cross-agency Request for Proposals process continues developing new services.

What is a "System of Care"?

Beginning in 1982, national studies found that two-thirds of all children with serious emotional disturbances were not receiving appropriate services. These children were "unclaimed" by the public agencies responsible to serve them, and there was little coordination among the various child-serving systems. In response to the many calls for action, Congress appropriated funds for new children's mental health initiatives in 1984 to begin actively transforming the way that children's mental health services are delivered. By 1992, Congress began appropriating funds for System of Care grants to States and communities across the country, along with a mandated National Evaluation. System of Care is a specific model used to organize public and private services within the community into a comprehensive and interconnected network in order to accomplish better outcomes for children and their families. A System of Care recognizes that children with complex emotional, safety, educational and/or behavioral problems often face challenges in many aspects of their daily lives—at home, in school, in social situations, and in the community. Given this, they and their families need coordinated services and supports from a variety of child-serving agencies located in the child's home community. They also need a delivery system that supports the family's efforts to help their child be successful at home, in school and the community.

System of Care is nationally recognized as the best practice model for service organization and delivery for these children and their families, and offers the best possible programmatic, fiscal, and organizational context for implementing and sustaining evidenced-based interventions¹. According to National Evaluation reports to Congress, with data collected across the country, children served within a System of Care have improved outcomes in their homes, schools and communities.

The goal of System of Care is to provide families with services that are both affordable and available, when, and where they are necessary. This includes a broad array of community services designed to meet the multiple and changing needs of children and their families, such as therapeutic case management, intensive family-based services, respite care, day treatment, clinic- and school-based services, crisis outreach services, therapeutic foster care, and diagnostic and evaluation services. The System of Care is then coordinated by partnerships among mental health, social services, education, juvenile justice, and other local, public and private agencies.

Key Ingredients for a System of Care include: 1) Service planning and delivery through one unified Child and Family Team for each child and family. The team shares responsibility, expertise, and mutual support to deliver services that address the child and family's strengths and needs across home, school and community; 2) Support for Child and Family Teams and the local System of Care through a Community Collaborative. Community leaders and local organization decision-makers must work together as a team to promote accountable collaboration and change at the practice,

¹ Center for Mental Health Services, HHS, 2005; Surgeon General Report, 1999; President's New Freedom Commission; 2002, Burns & Hoagwood, 2002; American Academy for Child and Adolescent Psychiatry, 2005.

program and policy levels necessary to improve child and family outcomes ; 3)
Development of services, programs and policies that promote the following System of Care principles:

- ◆ **Child-centered:** Services are planned to meet the individual needs of the child, rather than to fit the child into an existing service. Services consider the child's family and community contexts, are developmentally appropriate and child-specific, and build on the strengths of the child and family to meet the mental health, social and physical needs of the child.
- ◆ **Family-focused:** The family is the primary support system for the child and it is important to help empower the family to advocate for themselves. The family participates as a full partner in all stages of the decision-making and service planning process including implementation, monitoring and evaluation. A family may include biological, adoptive and foster parents, siblings, grandparents, other relatives, and other adults who are committed to the child. The development of policy at state and local levels includes family representation.
- ◆ **Community-based:** Whenever possible, services are delivered in the child's home community, drawing on formal and informal resources to promote the child's successful participation in the community. Community resources include not only human service professionals and provider agencies, but also social, religious, cultural organizations and other natural community support networks.
- ◆ **Multi-system:** Services are planned in collaboration with all the child-serving systems involved in the child's life. Representatives from all these systems and the family collaborate to define the goals for the child, develop a service plan, develop the necessary resources to implement the plan, provide appropriate support to the child and family, and evaluate progress.
- ◆ **Culturally competent:** Culture determines our worldview and provides a general design for living and patterns for interpreting reality that are reflected in our behavior. Therefore, services that are culturally competent are provided by individuals who have the skills to recognize and respect the behavior, ideas, attitudes, values, beliefs, customs, language, rituals, ceremonies and practices characteristic of a particular group of people.
- ◆ **Least restrictive/least intrusive:** Services take place in settings that are the most appropriate and natural for the child and family and are the least restrictive and intrusive available to meet the needs of the child and family.

DURHAM'S SOC INFRASTRUCTURE

Child & Family Teams

Infrastructure Supports:

Family Support
(Strong Families
Durham, Family
Liaison);
SOC Community
Support Staff, CFT
Mediators, W/A
Coaches

Care Reviews

- Technical assistance
- Support
- Problem Solving

Community Collaborative

- Training
- Resource Assmt/development
- Shared funding
- Outcomes Tracking

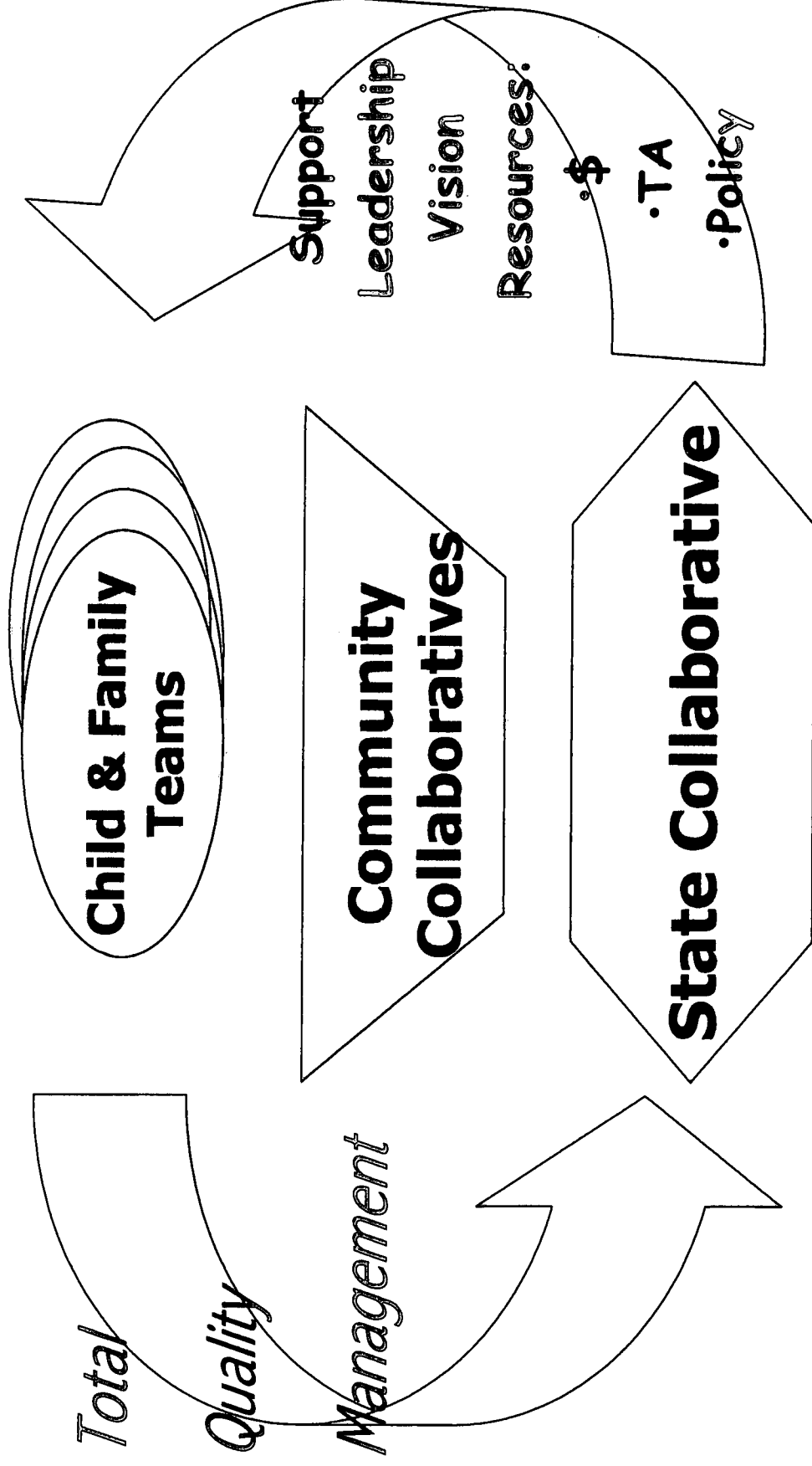
Durham Directors

Policy support for local
System of Care

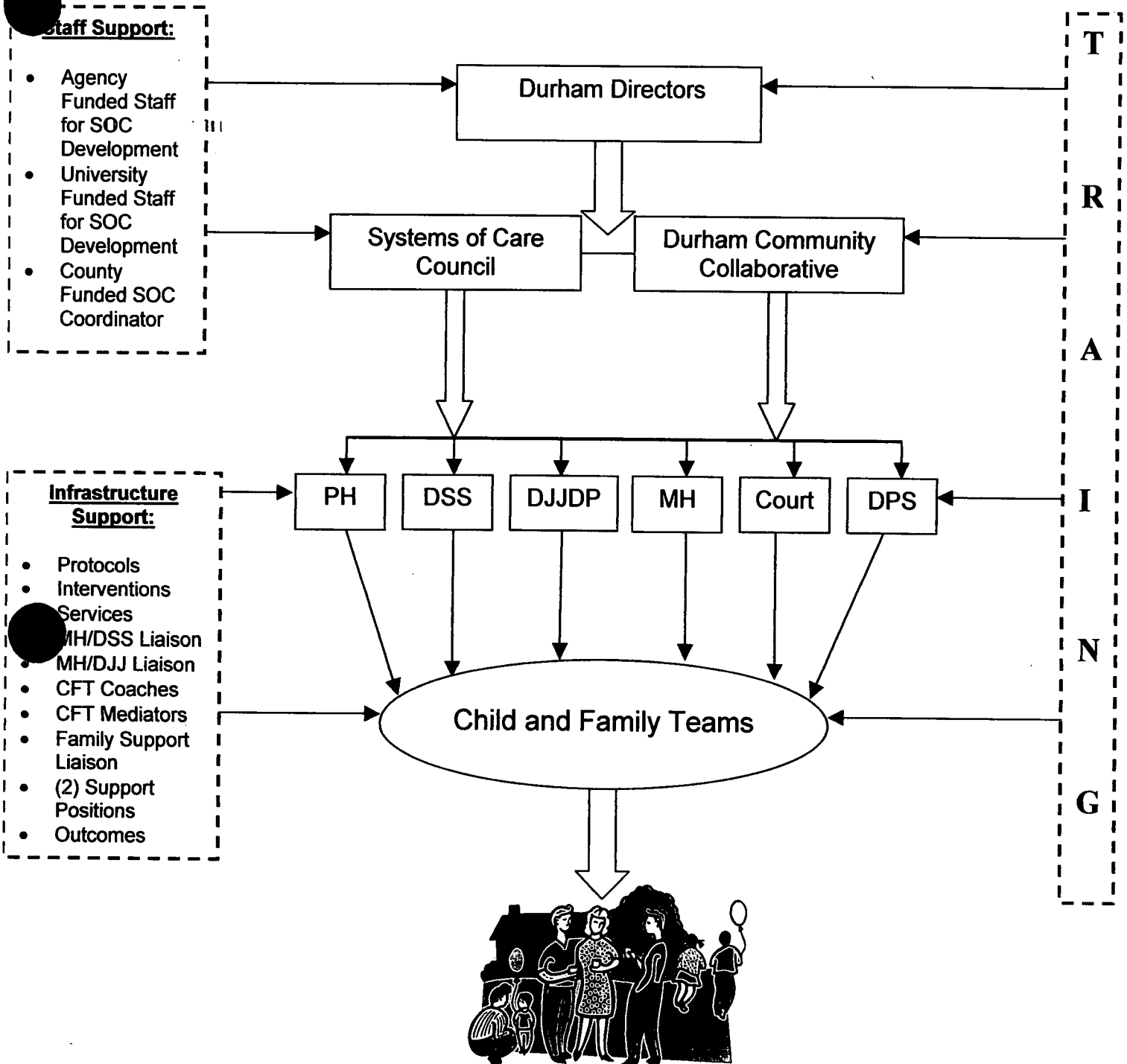
SOC Council

Policy to Practice
Tools, Procedures Across
Systems

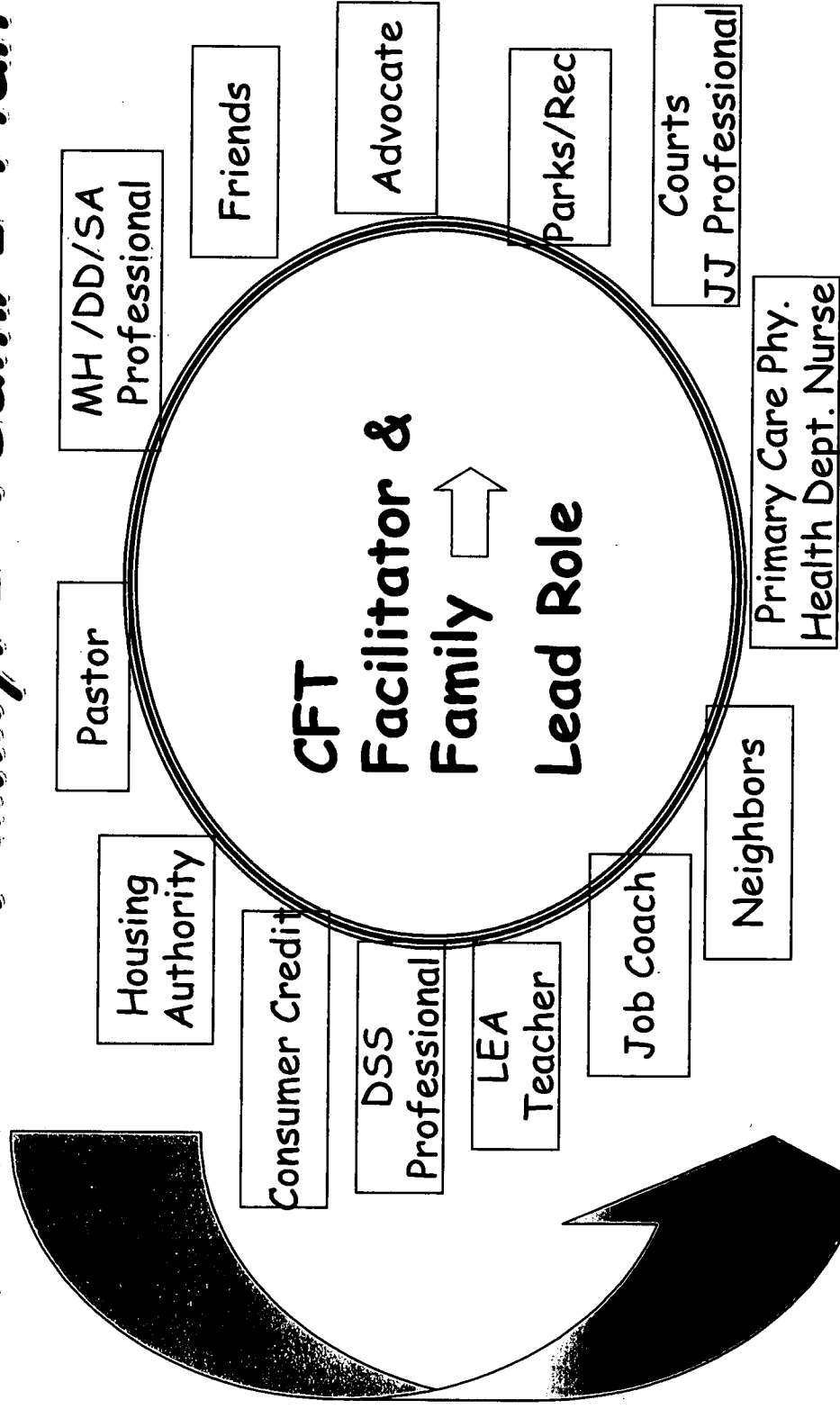
GENERAL STRUCTURE OF NC SYSTEM OF CARE



Durham County System of Care



Child & Family Teams @ the Point of Service: 1 Family/1 Team/1 Plan



Wraparound Approach across Life Domains

VISITOR REGISTRATION SHEET

Mental Health and Youth Services

March 23, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Donn HARGROVE	DJJD P
Richard Lancaster	DMH/SA/DD
Will Mosley	DMH/DD/SA S
Lafonda Jones	NC-FADMM
Leo Puroso	CJPC
Brian Parkes	Dr. of Law
ED, LL, CCR, FOST, BSN, MBA, MA	
Sandra Tucker - Thinks	name of the day
Diana Irwin	EC Division, DTI
Mary H. Watson	NCDPI
Johna Hughes	UNC School of Social Work
Cynthia Wiford	SSW - UNC-CH

VISITOR REGISTRATION SHEET

Mental Health and Youth Services

March 23, 2005

Name of Committee

Date

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NAME	FIRM OR AGENCY AND ADDRESS
Betsy R. Cranford	Delta Kappa Gamma Society
Barbara Perry-Sheldon	Delta Kappa Gamma Society
Patricia H. Clark	Delta Kappa Gamma Society
Michelle K. Brown	YAD
Wayne Wilkerson	State Budget Office
Antonio Caser	DMH/DO/SAS
Carol Clayton	NC Council of Community Programs
Dave Richmond	The ABC
Jim Tolt	MHA/NC
Kevin Mills	Senator Purcell's Office
Michael Haley	NC Dept. of Juvenile Justice & Del. Prevention

VISITOR REGISTRATION SHEET

Mental Health and Youth Services

Name of Committee

March 23, 2005

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE
CLERK

NAME**FIRM OR AGENCY AND ADDRESS**

HAROLD CARMEL

NC Psychiatric Assn

Tammy Beumer

winning strategies

F/0 Stein

DMTH/DD/SAS

James F. Sullivan

VASW / (20-20)

Page 5 of 11

Charles E. Chas & Assoc.

Renee Porter

Research Asst. - Sen. Larry Shaw

**Senate Mental Health & Youth Services Committee
Wednesday, March 30, 2005, 12:00 Noon
414 LOB**

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Presentations:

Ron Robinson	System of Care Administrator, Durham NC
Steve Shaber	Eckerd Youth Alternatives, Inc.
Karen Waddell	CEO, Eckerd Youth Alternatives, Inc
Ken O'Herron	Board Member, Eckerd Youth Alternatives, Inc
Harold Carmel	NC Psychiatric Association

Other Business

Adjournment

MENTAL HEALTH & YOUTH SERVICES COMMITTEE
WEDNESDAY, MARCH 30, 2005

MINUTES

Mental Health & Youth Services committee met March 30, 2005 at 12:00 noon in Room 414 of the Legislative Office Building. Eleven members were present, including Senator Ellie Kinnaird, who presided.

Senator Kinnaird called the meeting to order introduced the page, Joanna Carmel from Chapel Hill.

Sen. Kinnaird introduced Rob Robinson, System of Care Administrator for The Durham Center. Rob Robinson was invited back to further explain the system of care and to walk through a day with a client. See attached

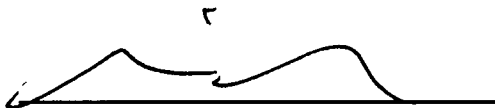
Senator Kinnaird introduced Steve Shaber from the Eckerd Youth Alternatives, Inc. See PowerPoint presentation.

Steve Shaber introduced Karen Waddell, CEO for Eckerd Youth Alternatives, Inc. See attached.

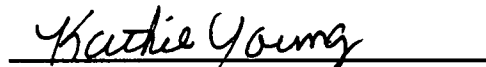
Karen Waddell introduced Ken O'Herron a board member for Eckerd Youth Alternatives, Inc. See attached information

Due to time Harold Carmel will speak at the April 6, 2005 meeting

Senator Kinnaird thanked the presenters and adjourned the meeting at 1:00 p. m.



Senator Ellie Kinnaird, Chair



Kathie Young, Legislative Assist.

Infrastructure Needed to Develop a System of Care

Key Local Ingredients

- Local Commitment
- Local Leadership
- Local Ownership

This will be evidenced by:

- Local Memorandum of Agreement that stipulates SOC as how children and families are served and includes common outcomes;
- Commitment of staff leadership and time across agencies, @ multiple levels:

- Child and Family Teams
- Care Review Teams
- Community Collaborative
- SOC Council
- Directors & County Commissioners/City Council

- In-kind resources, such as meeting space, administrative support, information technology



Additional Resources Needed

Staff

- SOC Development Coordinator
- Family Support Development Coordinator
- Administrative Staff

Training (Across systems) @ multiple levels:

- Government officials, policy leaders, agency directors:
- Mid-level managers
- Supervisors
- Front-line staff
- Families

Flexible Funds to fill service/support gaps for children and families

Technical Assistance & Consultation

Better Outcomes for Children, Families, & Communities

Children are served in their communities / Out of home & out of county placements decrease

More children and families receive services and supports they need

Children's school attendance & performance improves / Truancy, suspensions, drop-out rates decrease

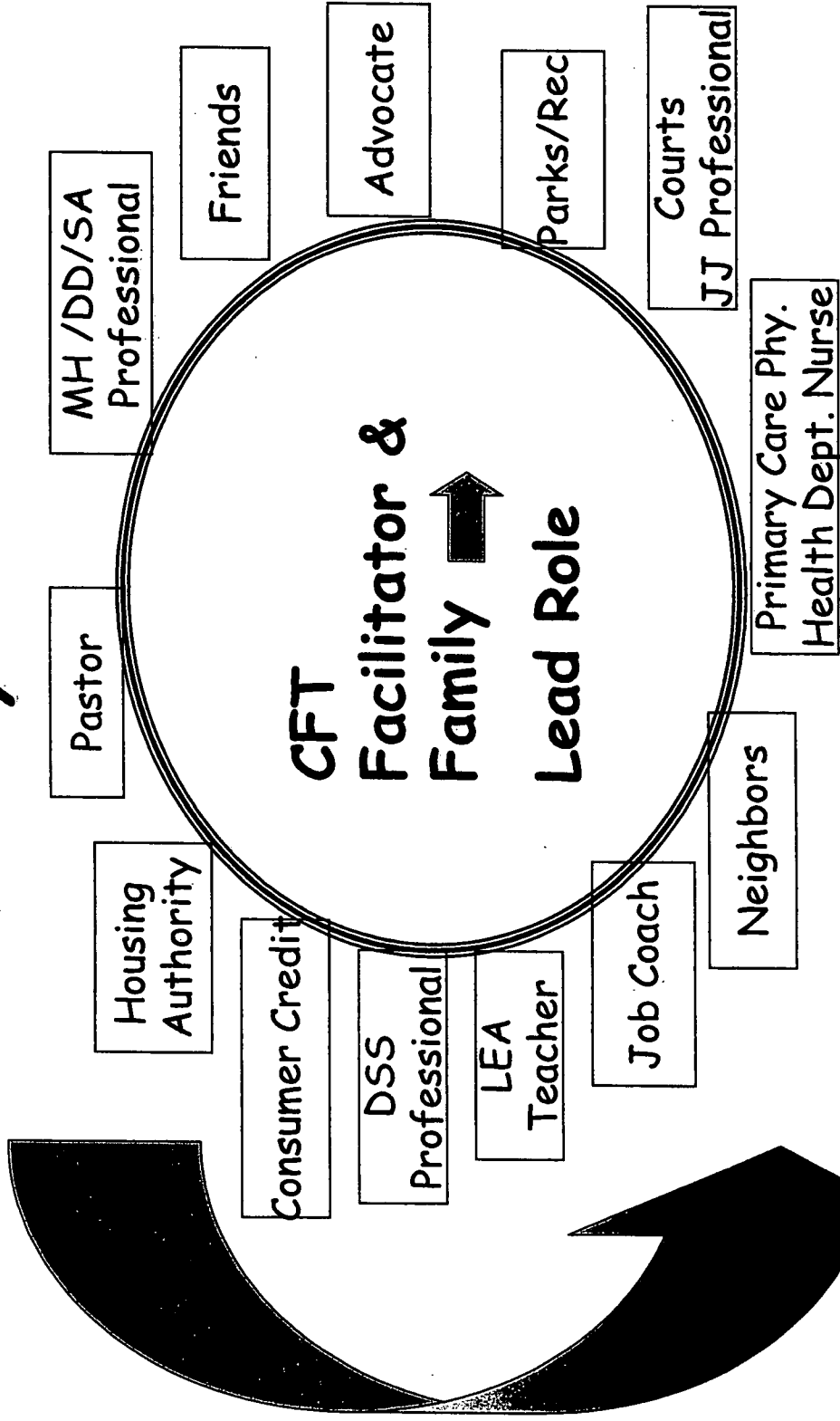
Children remain with their families / Voluntary custody relinquishment & foster care placements decrease

Children's involvement with juvenile justice & law enforcement decreases

Services are more integrated / Resources are used more effectively



Child & Family Teams @ the Point of Service: 1 Family/1 Team/1 Plan



Wraparound Approach across Life Domains

System of Care Development Budget Requirements (per County)

Staff

(Best estimates, will vary by location, market rates, etc.)

- ◆ System of Care Development Coordinator – 1 FTE - \$62,000 (including benefits)
- ◆ Family Support Development Coordinator – 1 FTE - \$40,000 (including benefits)
- ◆ Administrative Staff – 1 FTE - \$28,000 (including benefits)

Training

(Cross-agency, @ multiple levels)

- ◆ Government officials, policy leaders, agency directors;
- ◆ Mid-level managers
- ◆ Supervisors
- ◆ Front-line staff
- ◆ Families

(Estimated cost is \$45,000 and includes trainers, materials, and other training supplies)

Flexible Funds

To fill service/support gaps for children and their families

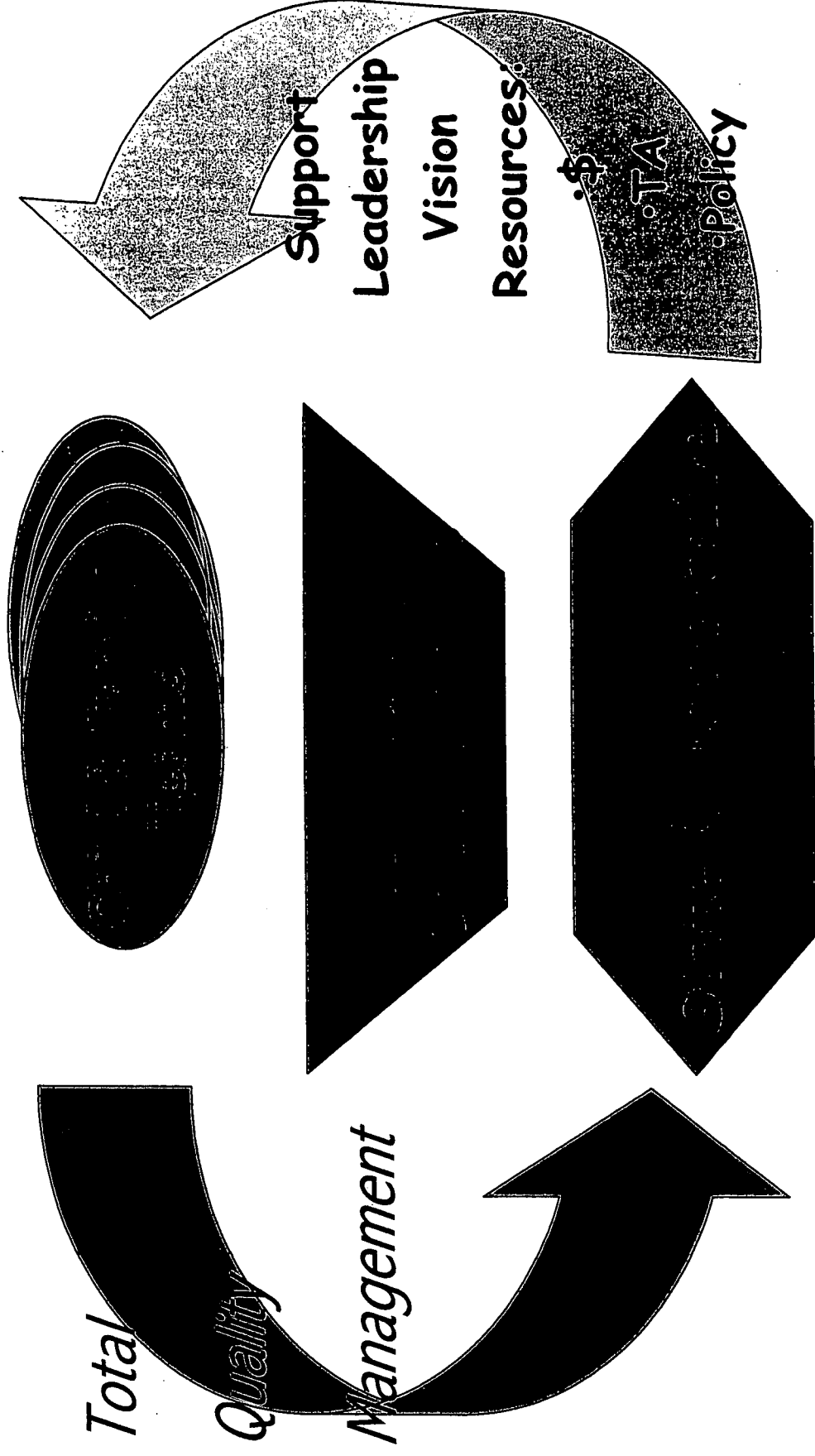
\$5,000 - \$10,000, best estimate and will vary by location & number of children/families served

Technical Assistance and Consultation

Utilize staff and/or consultants that have achieved outcomes desired through implementation of a local comprehensive System of Care

Total estimated cost = \$185,000 per County

GENERAL STRUCTURE OF NC SYSTEM OF CARE



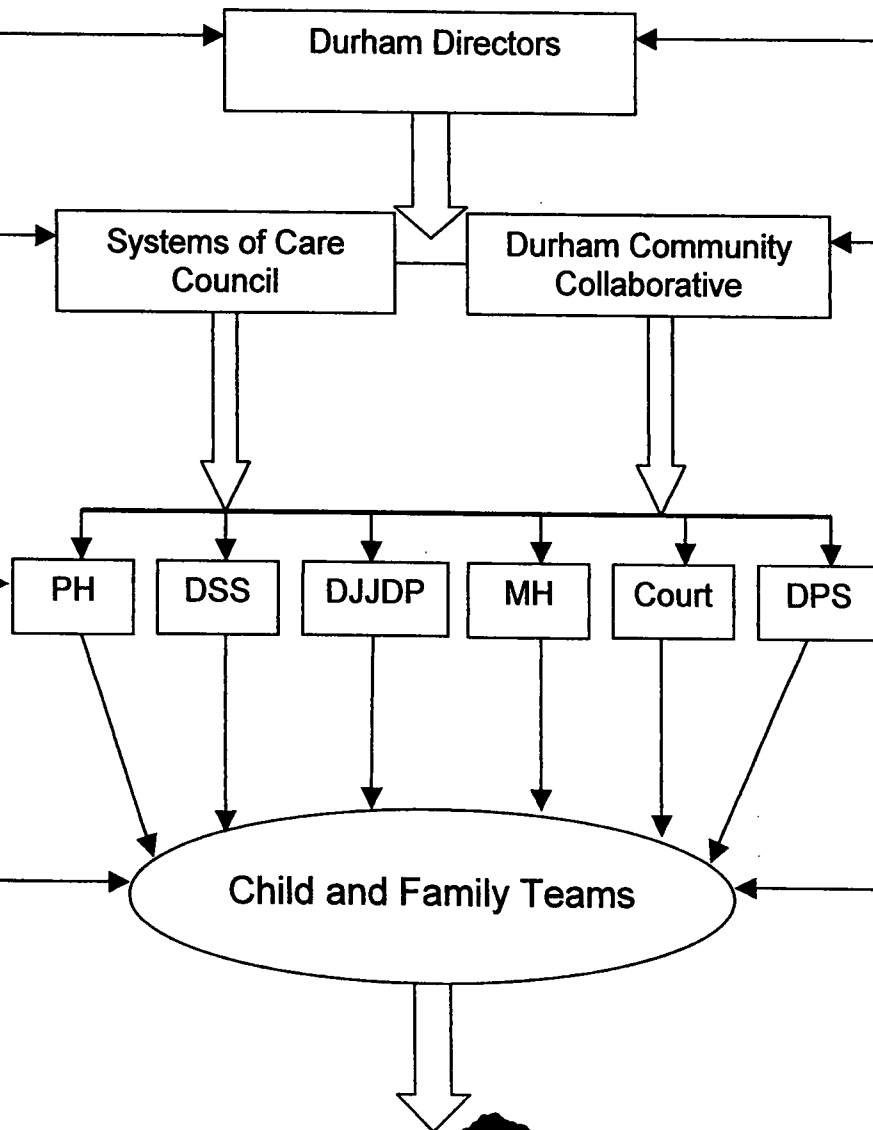
Durham County System of Care

Staff Support:

- Agency Funded Staff for SOC Development
- University Funded Staff for SOC Development
- County Funded SOC Coordinator

Infrastructure Support:

- Protocols
- Interventions
- Services
- MH/DSS Liaison
- MH/DJJ Liaison
- CFT Coaches
- CFT Mediators
- Family Support Liaison
- (2) Support Positions
- Outcomes



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Positive Outcomes for Children and Families in Home, School and Community!

Mental Health and Juvenile Services Senate Committee Meeting

Eckerd Youth Alternatives, Inc.

Ken O'Herron, Member, EYA Board of
Directors

Karen V. Waddell, President and CEO

Henry Gunn, EYA, NC Operations

March 28, 2005



Who is Eckerd Youth Alternatives, Inc.?

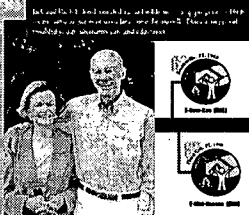
- Founded by Jack Eckerd - 1968
- 60,000 youth served; 9,300 annually
- 8 states, 4 program models, 1,400 employees
- Programs:
 - ♦ Therapeutic Wilderness Education Programs
 - ♦ Residential and Day Treatment Centers
 - ♦ Aftercare/Re-entry Programs
 - ♦ Early Intervention and Prevention Programs



Eckerd Youth Alternatives, Inc. March 2005. All contents confidential.

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The Beginning:

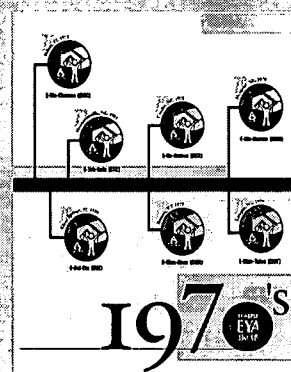


The Eckerd Story

Jack and Ruth Eckerd
founded Eckerd Youth
Alternatives in 1968
opening one camp for boys

In 1969, the first girls' camp
opened.

1960's

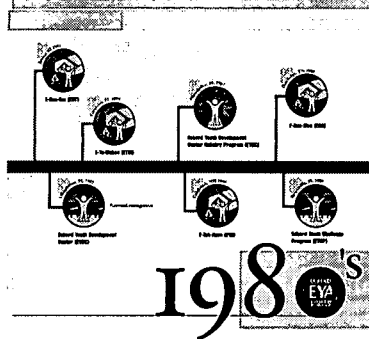


7 camps opened
during this time-
totaling 9 camps in 3
states including:

1977: Camp ETK in
Hendersonville

1978: Camp EKS in
Candor

1979: Camp EMH in
Newport & Camp EMT
in Lowgap

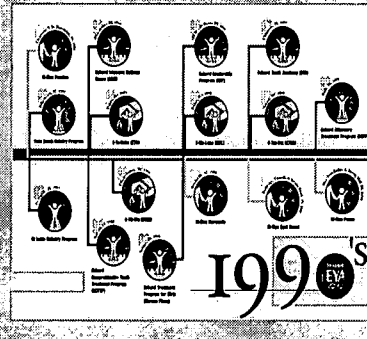


4 wilderness
camps opened
in the 1980's -

In FL, NH,
TN, GA, & RI

plus 3 juvenile
justice
residential
programs.

1980's



More growth in the
1990's expanded
the continuum of
care to early
intervention in
elementary schools
plus..

1995: Camp ETKE in
Elizabethtown

1997: Camp ETNE
in Manson

1990's



The Challenge of The Future

VISION
 1. Lead the nation in providing high-quality care for the vulnerable, in need of help.

MISSION
 2. To help and develop the life skills of young people who are at risk of becoming involved in the criminal justice system.

VALUES
 1. We are committed to providing high-quality care for the vulnerable, in need of help.
 2. We are committed to providing high-quality care for the vulnerable, in need of help.
 3. We are committed to providing high-quality care for the vulnerable, in need of help.
 4. We are committed to providing high-quality care for the vulnerable, in need of help.

2000's

More growth in 2000:
 Camp EME-Boomer

2001-04:
 ReEntry/Aftercare programs,
 2004: Foster Care Programs,

2005 the Ohio Challenge Program for Girls.

ECKERD EYA YOUTH ALTERNATIVES

EYA in North Carolina

- EYA has operated in NC since 1977 and has helped 7,636 youth return to their communities.
- Operates 7 Therapeutic Wilderness Education Programs
- Serves boys and girls ages 10-16 with behavioral, emotional and delinquency problems- 396 youth served in 2004
- Camps are COA and SACS accredited as experiential learning centers

ECKERD EYA YOUTH ALTERNATIVES

Eckerd Youth Alternatives, Inc. March 2005. All contents confidential.

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Profile of NC Youth served by EYA

- 43% come from single family homes, 10% no parent homes
- 25% have substance abuse issues, 22% have parents who do
- 12% have one parent in jail
- 40% are minority youth- an increase from 27% just 5 years ago
- 60% have offenses at intake

ECKERD EYA YOUTH ALTERNATIVES

Eckerd Youth Alternatives, Inc. March 2005. All contents confidential.

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NC Outcome Data

- 76% of youth exiting programs complete their treatment plans
- Pre/Post tests show a average increase of 15% in self esteem
- Academic Growth- average increase of 1.4 years in reading, .9 increase in math
- Recidivism- 15.2%- has remained stable since 2000
- Working and/or attending school 6 months post release - 92.7%

ECKERD EYA YOUTH ALTERNATIVES

Eckerd Youth Alternatives, Inc. March 2005. All contents confidential.

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Eckerd Wilderness Education Program Camps and Regions in North Carolina

North Central Region
 Camp 6-400-6711
 4144 High Park Road
 Boone, NC 28608
 252-421-4200

South Central Region
 Camp 6-400-6711
 4144 High Park Road
 Boone, NC 28608
 252-421-4200

Eastern Region
 Camp 6-400-6711
 4144 High Park Road
 Boone, NC 28608
 252-421-4200

Western Region
 Camp 6-400-6711
 4144 High Park Road
 Boone, NC 28608
 252-421-4200

ECKERD EYA YOUTH ALTERNATIVES

Eckerd Youth Alternatives, Inc. March 2005. All contents confidential.

ECKERD EYA YOUTH ALTERNATIVES

VISION
 To provide the best possible care for the vulnerable, in need of help.

VALUES
 Value Diversity, Work as a Proactive Team, Embrace Continuous Improvement, Thrive in a Culture of Learning, Hold Ourselves Accountable for Superior Outcomes

STRATEGIES
 Strategically Expand the Continuum of Services, Build Organizational Capacity, Implement Marketing & Image Program, Diversify Funding, Implement System To Measure Outcomes



"It's the kids."

--Jack Eckerd



Eckerd Youth Alternatives, Inc. March 2005. All contents confidential.

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ECKERD YOUTH ALTERNATIVES, INC.

100 NORTH STARCREST DRIVE

P.O. Box 7450

CLEARWATER, FLORIDA 33758-7450

PHONE: (727) 461-2990 (800) 554-4357 FAX: (727) 442-5911

<http://www.eckerd.org>

April 1, 2005

Ms. Kathie Young
Committee Assistant
Senate Committee on Mental Health and
Juvenile Services
North Carolina General Assembly
Raleigh, North Carolina 27601

Dear Ms. Young:

Thank you so much for allowing me to share with you and the members of the Senate Committee on Mental Health and Juvenile Services the work of Eckerd Youth Alternatives, Inc., within the great State of North Carolina. It is an honor to have addressed the Committee and to have spoken about the 28-year partnership between North Carolina and Eckerd Youth Alternatives, Inc.

Enclosed is a summary document of our work in North Carolina, highlighting the work of 2004.

If I may be of help to you in any way, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Karen V. Waddell", is written over a horizontal line.

Karen V. Waddell
President and CEO

enc.

c: Secretary George Sweat
Mr. Steve Shaber
Mr. David Hardesty



Annual
Report
2004



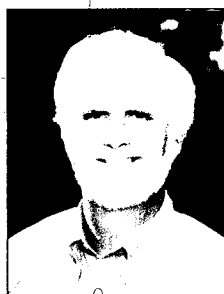
ECKERD YOUTH

ALTERNATIVES

Fulfilling

2002-2003

How Can We Help More Fulfill Their Dreams?



James T. Swann III



Karen V. Waddell

Dear Friends,

The snapshot taken outside a family home in New Hampshire tells the story—a smiling, proud husband and father, posing with his wife and one-year-old daughter.

Derick Spath shared it with us, to share his Eckerd success story. He arrived at our program as an angry, rebellious teen on the wrong path. He found hope for a future at Camp E-Toh-Anee.

“Eckerd Youth gave me a second chance, and now I want to help other kids have the same opportunity I had to turn myself around. I’ll do anything to help Eckerd help other kids,” he says today.

Thank you, Derick. We know that Eckerd youth programs help kids achieve successful, hopeful adult lives. But exactly how does it work? How do we measure your success, and ours?

These are not rhetorical questions for Eckerd Youth Alternatives. Only by identifying key success factors and measuring youth success will we be able to demonstrate what works best—and be able to improve our efforts for tomorrow’s youth. That’s why we track kids’ progress in our program and after graduation. Having defined key elements of the Eckerd Model in 2004, we are now implementing new measures to help us answer those questions.

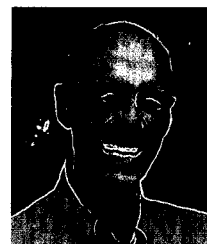
Yesterday’s graduates provide our inspiration. Tomorrow’s youth will be the beneficiaries. And every day, we will continue improving the future, one child at a time.

James T. Swann III
Chairman of the Board

Karen V. Waddell
President and CEO

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Deeply saddened by the death of our founder Jack Eckerd on May 19, 2004, the entire Eckerd Youth Alternatives' family recommitted in 2004 to honor and continue the legacy he created for us: helping kids.



Jack Eckerd. 1913-2004.

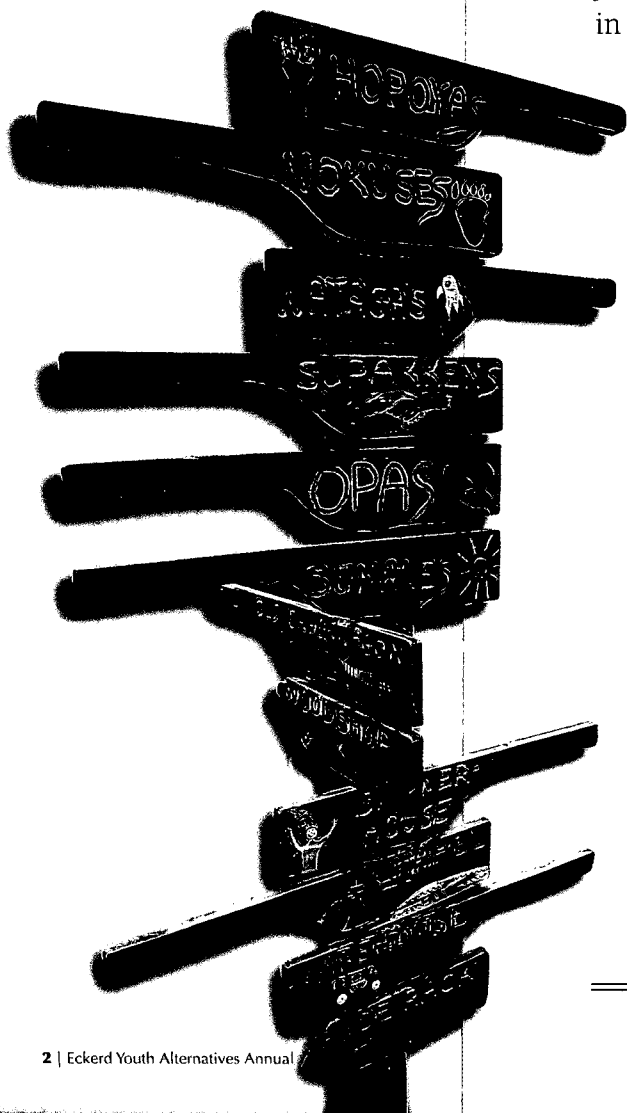
At 91, Jack Eckerd lived a life of tremendous vision and accomplishment, but his true passion and legacy will be the 60,000 kids helped by Eckerd Youth Alternatives in his lifetime, and the countless more we will continue to serve in his name.

Jack Eckerd's lifetime of accomplishment included service in the Army Air Corps in World War II, a national chain of drug stores bearing his name, and a public service career highlighted by presidential appointment by three U.S. Presidents. He was known for his philanthropic support for various causes, including the Ruth Eckerd Hall for the performing arts in Clearwater, Fla. and Eckerd College in St. Petersburg, Fla.

However, when asked what was most important, he invariably responded “the kids.”

Jack Eckerd founded Eckerd Youth Alternatives to make a difference in the lives of youth, in the belief that every child deserved the opportunity to succeed. Through his active leadership, commitment and vision, Eckerd Youth Alternatives became a national leader in helping youth.

We are most appreciative of the continued support of the Eckerd family, whose members serve on our Board, and for the growing numbers of others who share our belief that America's children are treasures worthy of our investment of our money and ourselves.



Eckerd Youth Alternatives Board of Directors 2004

Our Mission:

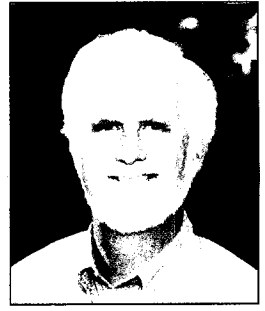
Develop and share programs that promote the well being of children and families, and serve at-risk youth. We base our concepts on a belief in God and the uniqueness and inherent worth of each individual.

Our Vision:

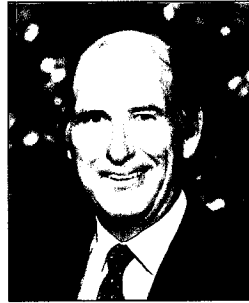
To lead the nation in ensuring each child has the opportunity to succeed.



Ruth B. Eckerd



James T. Swann III



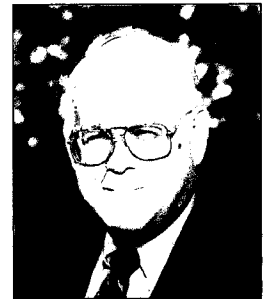
Joseph Clark



Nancy Eckerd Hart



Ken O'Herron



Les Smout



Karen V. Waddell



Pinellas Hi-Five Super Kids enjoy enriching field trips and mentoring by adult volunteers.

Fulfilling Dreams



Camp E-Nini-Hassee sings in celebration of its 35th anniversary.

At 15, Christy was an alienated, angry adolescent who trusted no one and imagined no future for herself. Fortunately for her, someone else did. Christy was sent to an Eckerd Youth Alternatives wilderness camp in southern Florida to find help and hope.

Today, Christy at 33 is living the future she couldn't dream at 15. Happily married 14 years, she is the mother of a vivacious two-year-old son. Christy and her husband run a successful

business, and in 2004 she achieved her goal of a college degree to launch a career in the medical field.

"In this Annual Report, we are pleased to feature the stories of several graduates who today are fulfilling their dreams."

"I never could have done any of this if it wasn't for Eckerd," she says. "At camp, I was taught I could do anything and accomplish anything, that I was capable of whatever I could imagine... for the first time in my life, I was treated like a person, not a problem."

Jack Eckerd founded Eckerd Youth Alternatives in 1968 to provide hope, help and opportunity for a successful future to troubled teenagers like Christy. Starting with one therapeutic wilderness camp in Brooksville, Fla., he launched a mission to give at-risk and troubled youth the extra nurturing, therapeutic treatment and guidance to achieve happy, productive adulthood.

Some 36 years later, Eckerd Youth Alternatives has helped more than 60,000 children and youth through a range of community-based and residential programs in eight states.

In FY 2004, Eckerd Youth Alternatives helped some 9,925 youth, 4.3 percent more than in the previous year. Growth came through expanding current programs into new geographical areas, and launching new programs to meet special needs of youth in regions already served. While some of today's youth present deeper troubles and behavioral problems than ever before, Eckerd Youth Alternatives' non-punitive therapeutic approach and focus on each child's needs

"Eckerd gave me a second chance"

Police detectives in Derick Spath's hometown of Salem, N.H. knew the troublesome teenager well, and tried to help him stay out of jail even after an arrest for petty theft. When he was arrested for bringing a gun to school, there was little hope Derick would avoid jail time, until the detectives asked the judge to consider sending Derick to Eckerd Youth Alternatives Camp E-Toh-Anee in Colebrook, N.H.

Derick arrived angry, rebellious and cocky. "I refused to cooperate and went out of my way to cause problems, but my 'Chiefs' [counselors]—funny, after all these years, I still call my Eckerd counselors, Chiefs—just kept talking to me and trying to help me face my real issues," Derick shared.

Derick expected punishment, but none

came. "There was only encouragement and guidance, and I wasn't used to that," he said.

"At camp, I learned teamwork, conflict resolution, respect for authority and for each other, and that finding a solution was more important than the issue. There was never punishment or retribution, instead we were taught to understand the consequences of our actions," Derick said.

After camp, Derick was able to graduate with his high school class. His first career goal was a degree in criminal justice, "So I could help other kids the way the Salem police helped me," he said.

But when Derick met Liz and they decided to marry, he felt a law enforcement career would be tough on a wife and family.

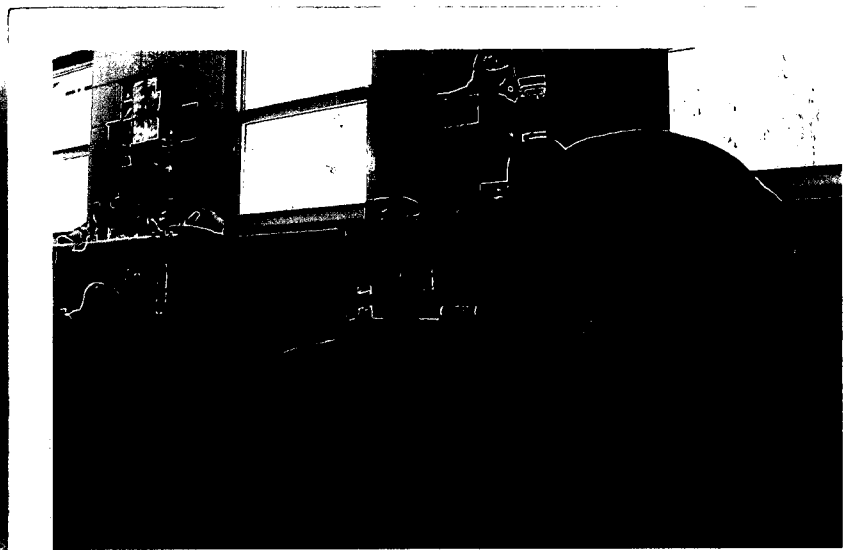


Liz and Derick Spath, with one-year-old Katie.

He changed his major to business and graduated Summa cum laude from Southern New Hampshire University. Derick and Liz now have a one-year-old daughter, Katie, and both work in the insurance business.

still provide a safe, positive environment for emotional growth.

Eckerd Youth Alternatives graduates who have achieved successful and productive lives as young adults shared their stories with the public through the media and our own Web site. In this Annual Report, we are pleased to feature the stories of several graduates who today are fulfilling their dreams.



Youths take pride in their modern dorm at Eckerd Youth Challenge Program.

Alongside our graduates as living proof that Eckerd programs work, we understand the need for quantitative measures as well. In FY 2004, we completed development of the definitive Eckerd Model, a document that articulates the elements of Eckerd residential programs that are essential to ensuring the success of youth. With the baseline model defined, we are now developing systems to assure each Eckerd program's fidelity to this model, and to measure its effectiveness for youth success.

Program Growth

ReEntry programs, through which youth receive counseling and support in transition from residential program to community, continued to serve more youth in Florida and Georgia in FY 2004. New contracts expanded services in Brevard and Alachua counties in Florida, and more than 3,569 youth were served by ReEntry in FY 2004, a growth of 13.8 percent over FY 2003. Eckerd Youth Alternatives now offers ReEntry services across most of the peninsula of Florida and portions of northern Georgia.

ReEntry programs now serve youth across Florida and portions of northern Georgia.

Through a new wilderness commitment program in North Carolina, Eckerd Youth Alternatives expanded its partnership with the North Carolina Department of Juvenile Justice and Delinquency Prevention in FY 2004, to serve a new group of youths who would previously have been court-committed to state-run youth development centers. Camp E-Toh-Anee in far northern New Hampshire piloted a short-term summer camp for behaviorally troubled youth in addition to its year-round residential program.



A Hi-Five ropes course activity provides confidence-building fun.

"I want to do something big with my life"

With a 3.75 overall grade point average working toward an associate's degree in business at Miami-Dade Community College, 20-year-old Joseph Encinosa is aiming for a B.A. from the University of Florida, followed by law school or MBA program.

"I want to do something big with my life," he says.

But it wasn't always so. Just days before his 18th birthday, Joseph was arrested for trafficking a controlled substance and was sent to Eckerd Youth Development Center (EYDC) in Okeechobee, Fla.

"My life was derailed, in shambles, and was headed nowhere. I dropped out of high school in Miami, and got involved with the wrong people. Then I was arrested... Lucky for me, I got sent to EYDC," Joseph says.

"During my commitment, my life did an about face. My teachers and counselors at EYDC made me realize I had the gift of intelligence, but that I should use it in the right ways. They worked out an independent study program that enabled me to complete high school and receive my diploma. Then Eckerd Youth Alternatives awarded me a scholarship to attend college. I graduated from EYDC on a Sunday and started classes at Miami-Dade the next day."

At EYDC, Joseph learned to deal with problems in life constructively.

"I was shown that I cannot succumb to setbacks, but must be resilient and keep moving forward. That life is about mutual respect and responsibility. EYDC has opened up many doors in my life and has shown me that I can be successful. I am



Joseph Encinosa returned to Eckerd Youth Development Center to thank the staff, Board of Directors, and EYA co-founder Ruth Eckerd (right) for his new beginning.

extremely thankful to the program and to all the staff that helped guide me and show me how to start a new life. My experience at EYDC was a positive one and will last me a lifetime. It was my new beginning."

"We live camp every day"

Sisters Brandy Waugh Watson, 31, and Amy Waugh Cory, 27, attended Camp E-Nini-Hassee from 1988 to 1990.

"We were at the point that anything was better than home, so we ran away, missed school, got into trouble and were sent to camp together," says Amy. "Camp saved our lives."

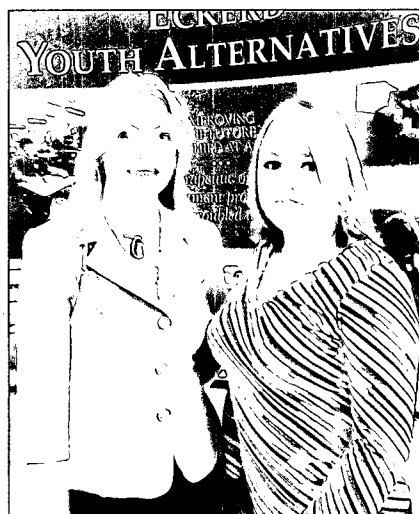
"We live camp every day," says Brandy. "If it hadn't been for the guidance we received and the lessons we learned here, especially how to communicate openly and believe in ourselves, I know Amy and I would not be where we are today—happily married, parents of four children and working toward our college degrees."

Since 1969, Camp E-Nini-Hassee has

helped more than 1,500 girls heal the hurts, develop positive relationships, and learn the skills that will guide them throughout their lives.

The Waugh sisters are living proof. Brandy is married, the mother of three, and works fulltime helping patients learn to use sophisticated orthopedic devices. Amy, also married with one son, is a partner in her husband's landscaping business. Both are working toward college degrees.

"Camp completely changed our outlook on life," Brandy says. "We learned it was okay to be optimistic, and to express ourselves openly and honestly. I know I use the communications skills and values I was taught there everyday with my own children."



Sisters and EYA graduates Brandy Waugh Watson and Amy Waugh Cory have become EYA advocates.

At Camp E-Toh-Kalu, near Hendersonville, N.C., we introduced specialized services to treat sexually aggressive males (SAMS). In this group, boys receive special counseling and treatment within the context of the therapeutic camping program. The North Carolina program is modeled on Eckerd Youth Alternatives' similar successful program offered at Camp E-Wen-Akee in Vermont. In both camps, the specialized SAMS groups live separately from youth with other behavioral issues.

Through a four-week summer collaboration among Hi-Five Hernando and the Hernando County Sheriff's Office, 240 Brooksville, Fla. youth were provided low ropes and new games activities to learn empathy, problem solving and anger management skills. Hi-Five also conducted a four-week pilot after-school project in Pinellas County, Fla. with the YMCA of the Suncoast, providing Hi-Five concepts and activities to youth in low-income housing areas.

Developing Broader Support

Eckerd Youth Alternatives in 2004 reached out to communities as never before, both to share the news of help and hope for troubled youth, and to seek support in our continuing effort.

In spring 2004, Eckerd Youth Alternatives programs launched our first Annual Giving Campaign in local communities near our programs. Through events, direct mail appeals and individual outreach, we shared the needs of Eckerd kids, and welcomed the generous response.



Eckerd Teacher Named Florida's Best

Mark Greenberg, teacher at Eckerd Intensive Halfway House (EIHH), was named Florida's Juvenile Justice Teacher of the Year for the 2003-04 school year. "My first role is to convince each student that the sky's the limit," he says. Pictured with Mark at the awards ceremony are his wife Lauren Greenberg, left, and Ellen Sieracki, EIHH education coordinator.



Contributions supported program operations, capital needs and activities. Eckerd programs also benefited greatly from the active support of Advisory Boards, whose members provided vital advocacy for the program and leadership for community support and volunteerism. Program Advisory Board members spearhead fundraisers, educational programs, and volunteer and advocacy efforts for programs.

Youth access computers and online education, even at outdoor programs.

In January 2004, we launched a completely

*A new expanded
Web site helps
parents and
professionals learn
more about
therapeutic
programs, 24
hours a day.*

redesigned and expanded Web site to offer more and better information for parents and professionals seeking help for a troubled child. On the new site, parents and professionals can now learn more about our therapeutic programs and locations, and admissions criteria 24 hours a day. Both admissions application and financial information are now downloadable, 24 hours a day.

Within weeks, three children whose parents found Eckerd via the Internet already had been accepted into one of our outdoor therapeutic programs. We also increased our Internet visibility with listings on numerous directory and resource Web sites, and included the Web address in all brochures and ads. Today, the Internet is the leading source of inquiries to our Admissions Call Center.

Eckerd programs primary sources of revenue are contracts with state agencies—child welfare and juvenile justice—that place children in our care, contracts that have not kept pace with rising costs of the past decade. That's why we seek the financial support of foundations, businesses, public and private organizations and individuals in our communities to help provide for youth's needs.

Improving for the future

Expansion into new states, development of new programs to address emerging special needs among youth, effective measurement and evaluation systems, community outreach and new partnerships—all of these initiatives seek to prepare the organization for a future serving more youth in better ways.

In Fall 2004, Eckerd Youth Alternatives will enter its eighth state with the opening of the new Eckerd Girls' Challenge Program in McArthur, Ohio. The new

campus-style facility will provide education and treatment to up to 52 dependent and delinquent girls in the beautiful natural setting of Zaleski State Forest in southern Ohio.

Responding to the special needs of foster teens nearing adulthood, Eckerd Youth Alternatives in FY 2004 sought and received approval of its first federal grant to develop additional services for this group. The \$1.4 million grant will help foster teens successfully transition from an Eckerd program to school and/or jobs, and independent adult living. Approved in FY 2004, the program will launch in FY 2005 in Florida.

As an organization, Eckerd Youth Alternatives must develop greater strength and capacity to meet the growing needs of youth. Organizational initiatives and systems in 2004 and 2005 will focus on business development, board and volunteer development, fund development, community and national awareness, leadership development, and continuous quality improvement.

Our vision is clear: To lead the nation in ensuring each child has the opportunity to succeed. ♦



Adventure activities help children achieve.

“God bless Jack Eckerd for everything he did”

At 12 years old, Ted Ricca was angry, belligerent, couldn't get along at home, was constantly fighting, running away and quickly heading down the road to juvenile delinquency. After many visits to his home by Sheriff's deputies, he was eventually sent to Eckerd Youth Alternatives' Camp E-How-Kee.

“God bless Jack Eckerd for everything he did,” says Ted today at 21. “Because of the camps he started for kids like me, I was able to turn my life around. Now I help manage one of the drugstores Mr. Eckerd started. I like to think I'm giving back a little, by making sure every visitor to my store gets treated with care.”

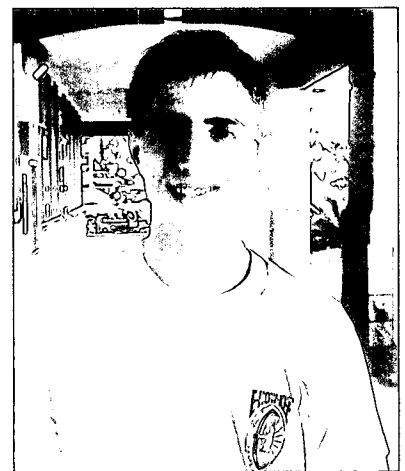
Ted's turning point came at the E-How-Kee Ropes Course: an exercise that instills trust, teaches teamwork and support for

one another, encourages kids to face and overcome challenges and helps build self-confidence.

“The Ropes' Course taught me to trust my peers, overcome my fear of heights and most importantly, to believe in myself,” he recalls. “After the Ropes' Course, I felt like I could accomplish anything! I still do.”

After E-How-Kee, Ted graduated fourth in his high school class with a 3.92 grade point average, and enrolled at St. Petersburg College, majoring in criminal justice with a minor in education.

“I want to be in the position to help other kids in trouble,” Ted says. “I've had the chance to talk with some of the same deputies who used to come to my house



Years later, graduate Ted Ricca wears his E-How-Kee tee-shirt proudly.

when I was 12. They cared enough about me then to help get me into camp. If I hadn't gone to camp, I might still be in the system; another statistic.”

Programs & Youth Data

July 1, 2003 through June 30, 2004

Since 1968, Eckerd Youth Alternatives has served more than 60,000 youths

Eckerd Youth Alternatives System Wide

- Total served 9,925
- 30.4% were female
- 44.0% were minorities



Outdoor Therapeutic Education Programs (Wilderness Education System)

Therapeutic behavioral treatment and education in a structured, caring outdoor residential setting.

- Total served 1,955
- 16.4% were female
- 33.7% were minorities
- Average age at intake 14.7, average grade level 8.1 (1+ year behind chronologically)
- Average length of stay of successful completers 11 months
- Average Reading gains of 1.4 grade levels
- Average Math gains of 1.1 grade levels



Juvenile Justice (Residential and Day Treatment)

Structured, caring environments that emphasize positive change for youth whose behaviors have led them into the Juvenile Justice system.

- Total served 738
- 16.0% were female
- 60.2% were minorities
- Average age at intake 15.8, average grade level 8.78 (two years behind chronologically)
- Average length of stay of successful completers 11.4 months
- Average Reading gains of 1.3 grade levels
- Average Math gains of 2.0 grade levels



ReEntry

Trained counselors help young people make a successful transition from a residential treatment program back to community, work and school.

- Total served 3,569
- 21% were female
- 49.7% were minorities
- Average age at intake 16.6, average grade level 9.28 (two years behind chronologically)
- Average length of participation for successful completers 7.3 months



Hi-Five (Early Intervention and Prevention)

Hi-Five early intervention and prevention programs in elementary schools throughout Florida teach children and their families how to deal with anger and make correct choices.


- Total served 3,663
- 49.8% were females
- 39.5% were minorities
- 89.7% showed increase in knowledge of Second Step Curricula

Wilderness Educational System Camps

- | | | |
|-------------------------------------|--------------------------------------|---------------------------------|
| 1 E-How-Kee,
Brooksville, FL | 7 E-Ma-Laku,
Suches, GA | 13 E-Ma-Henwu,
Newport, NC |
| 2 E-Nini-Hassee,
Floral City, FL | 8 E-Ku-Sumee,
Candor, NC | 14 E-Toh-Anee,
Colebrook, NH |
| 3 E-Tu-Makee,
Clewiston, FL | 9 E-Tik-Etu,
Elizabethtown, NC | 15 E-Hun-Tee,
Exeter, RI |
| 4 E-Ma-Chamee,
Milton, FL | 10 E-Ten-Etu,
Manson, NC | 16 E-Sun-Alee,
Deerlodge, TN |
| 5 E-Kel-Etu,
Silver Springs, FL | 11 E-Toh-Kalu,
Hendersonville, NC | 17 E-Wen-Akee,
Benson, VT |
| 6 E-Tu-Nake,
Blakely, GA | 12 E-Mun-Talee,
Lowgap, NC | 18 E-Ma-Etu,
Boomer, NC |

Residential and Day Treatment Programs

- Eckerd Youth Challenge Program,
Brooksville, FL
- Eckerd Youth Academy,
Christmas, FL
- Eckerd Leadership Program,
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- Eckerd Intensive Halfway House,
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- Eckerd Treatment Program, for Girls
(Vernon Place),
Vernon, FL
- Eckerd Girls' Challenge Program,
McArthur, OH

 Areas Served by
ReEntry Programs

EYDC ReEntry Program,
Central and South Florida

Polk/Pasco ReEntry Program,
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Hernando Counties

Circuit 8 ReEntry Program,
Alachua, Bradford, Union, Baker,
Levy and Gilchrist Counties

 Early Intervention &
Prevention Services

1 Hi-Five Brevard: Three schools

2 Hi-Five Hernando: Two schools

3 Hi-Five Marion: Two schools

4 Hi-Five Pasco: Two schools

5 Hi-Five Pinellas: Six schools

Program Locations

Financial Statement *July 1, 2003 through June 30, 2004*

STATEMENT OF FINANCIAL POSITION – UNRESTRICTED

Assets:	2004
Current assets	\$19,878,880
Property and equipment	18,888,057
Other assets	17,129
Total assets	\$38,784,066
Liabilities and net assets:	
Current liabilities	\$12,593,912
Long-term debt	1,273,232
Unrestricted net assets	24,916,922
Total liabilities and net assets	\$38,784,066

STATEMENT OF REVENUES AND EXPENSES – UNRESTRICTED

Revenue by program:	2004
Wilderness Camping	\$44,566,360
Juvenile Justice	24,997,730
Early Intervention	1,108,911
Total revenue	70,673,001
Operating expenses:	
Salaries, wages & benefits	\$51,348,300
Food	3,296,288
Repairs/maintenance	1,331,542
Utilities/phone	2,388,055
Depreciation	2,444,226
Client medical	1,238,490
Travel/transportation	2,001,362
Other operating expenses	9,040,697
Total operating expenses	73,088,960
Net loss from program operations	(2,415,959)
Nonoperating revenue (expense)	
Contributions	\$2,691,051
Satisfaction of donor restrictions on contributions	192,701
Investment income	150,566
Other	(958,993)
Total nonoperating revenue	2,075,325
Decrease in unrestricted net assets	(\$340,634)

Financial Information

Eckerd Youth Alternatives had a net loss from program operations of \$2,415,959 which was offset by contribution and investment income and satisfaction of donor restrictions on contributions. The net loss from program operations is primarily due to increased salaries and benefits expenses needed to adequately staff the programs and compensate our employees.

Eckerd Youth Alternatives, Inc. financial statements are audited by Cherry, Bekaert & Holland, L.L.P. The data presented here is for the unrestricted net assets only and is a condensed financial statement that has been derived from the audited financial statements. A copy of the audited financial statements is available upon request to Eckerd Youth Alternatives, Inc.

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Group therapy and daily activities all center around the small group.



Professional driver John Smith displayed his real racing car at Camp E-Mun-Talee's Pinewood Derby competition in Lowgap, NC, while youth counselor Maquia Johnson proudly holds her entry.

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Republican Party of Florida
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Ms. Carole Comfort Rice
Ms. Rebecca F. Ricker
Ridgill & Son Inc.

Scholarship Initiative Helps
Graduates Succeed

Thanks to the generosity and foresight of the Eckerd Family Foundation (EFF), more than 70 Eckerd Youth Alternatives graduates ages 12 to 21 were granted a total of more than \$100,000 in grants and scholarships in FY 2004—to ensure each opportunity to succeed.

EFF launched the scholarship initiative in 2002 to help youth succeed after graduation. It pays for needs such as tuition, computers, school supplies, clothing for school or work, continued therapy, or transportation. Eckerd Youth Alternatives administers the fund. Youth graduating from Eckerd programs are re-entering school or applying for jobs, and their most frequent request is the most basic: socially presentable clothes.

"School is much easier now. I can concentrate and stay focused on the class subject because I'm not worried about what other people think. ..." wrote one recipient. "I'm not being judged anymore. Thank you so much."



Campers share their successes and challenges around the "pow-wow" campfire.

Charles D. Riggs III
Robby's Sales, Inc.
Robert Russell &
Associates, Inc.
Ms. Ellen E. Robinson
Rose Oil Company
Mr. Gianiranco Rossi-Espagnet
The Rotary Club of Clearwater
Florida
Rotary Club of Henderson,
N.C.
The Honorable A. Richard
Royal
Dr. Larry J. Russell
Mr. and Mrs. Arthur Rutenberg
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Ski Boat Solutions, Inc.
Mr. Gary L. Smith
Ms. Sandra Smith
Smith Auto Parts & Supply
Mr. and Mrs. Jack Sparks
Spurlin Signs and Awnings
St. Andrew United Methodist
Church
Mr. and Mrs. Val M. Steele
Stempka Manufacturing
Sterling Casino Lines
Mr. and Mrs. Scott D. Stone
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Subway 12614, Mount Airy
Suches General Store
Mrs. Brenda Summers

Suncruz Casino
Surfside Resort & Suites
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Mr. and Mrs. Gregory R. Tait
Mr. Jason Tallent
Mr. and Mrs. Jimmy Taylor
Therapy Results P.A.
Mr. Jeffrey G. Thompson, P.A.
Mr. and Mrs. Wray Thompson
Thorn
Mr. Jeff Thummel
Traffic Team Network, Inc.
Triage Salon
Tricor Southwest Corporation
Tri-Tech Communications, Inc.
United Way of Palm Beach
County, Inc.
United Way of Rhode Island
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United Way of Tri-State
Mrs. Mary Van Grinsven
Dr. John Van Summern and
Mrs. Maggie Smith
Ms. Lynda L. Vincent
Volunteer Broward
Water's Edge Dermatology
Mr. Chuck Waters
Wedgeworth Farms, Inc.
Mr. Rodney C. Wesson, M.Ed.
Whichard & Woolard, LLC
Mr. and Mrs. Patrick Wiley
Ms. Velvet Williamson
Willie Gary Foundation
Mr. and Mrs. Geoffrey B.
Wilson
Mr. and Mrs. Vernon Witzke
Women's Aux to Lake and
Forest Club
Mr. and Mrs. James J. Yandle
Yoco, Inc.
Mr. and Mrs. Lewis A. Young

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This report was produced by EYA Marketing Communications, with design and production by McShane Communications.

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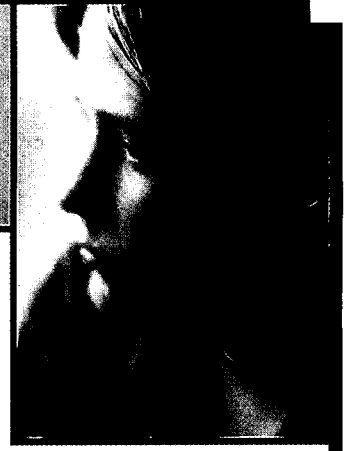
Visit us at
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Learning to skin the bark
off a tree trunk is part of
building a pole-framed
sleeping tent.



Eckerd Youth Alternatives, Inc.
BECAUSE EVERY CHILD DESERVES
THE OPPORTUNITY TO SUCCEED



THE ECKERD MODEL FOR RESIDENTIAL TREATMENT

... providing help and hope for at-risk youth

Jack and Ruth Eckerd, searching for a different approach to help troubled kids turn their lives around, decided in 1968 to found the first Eckerd Youth Alternatives (EYA) camp near Brooksville, Florida. Almost forty years later, the organization has helped tens of thousands of children become productive and successful members of society.

More than 63,000 children have experienced the EYA program, which accents building self-confidence, accepting responsibility for personal choices and redirecting behavior. The results prove what the Eckers believed all those years ago: Given the proper encouragement and a caring approach, people can and will change. From its humble beginning, the program now works through 40 residential and community-based programs in eight states. In 2004, EYA served more than 9,925 children.

What makes the difference? In 2003, EYA embarked on a unique undertaking. It defined its residential treatment model, a model to follow and measure against. The Eckerd Model is more than a treatment model and more than a business model. It's the way to help youth be successful in life.

There are three essential elements to the Eckerd Model for residential treatment. These three elements are dependent upon each other and are equally vital to the program's success:

1. Guiding Philosophy: Is it Good for Kids?
2. Eight Essentials of the Therapeutic Program
3. Organizational Assets Integral to the Eckerd Model

1. GUIDING PHILOSOPHY: IS IT GOOD FOR KIDS?

Everything Eckerd Youth Alternatives does, whether in a program or at the corporate office, has one purpose: to help children. The people of EYA are committed to the principles that guide how we work with youth:



- ❶ Youth come first. The first question is always, "Is it Good for Kids?"
- ❷ We treat youth with unconditional positive regard.
- ❸ We believe in and are committed to each youth's ability to change.
- ❹ We believe in treating the whole youth: mind, body and spirit.
- ❺ We believe youth are partners in program and treatment.
- ❻ We believe in partnering with the youth's family or guardians and the community to ensure the youth's success.
- ❼ EYA programs are non-punitive.
- ❽ EYA staff members are genuine, straightforward and consistent.

2. EIGHT ESSENTIALS OF THE THERAPEUTIC PROGRAM

EYA maximizes the therapeutic potential of all activities for learning and personal growth. Every experience, discussion, meal and routine helps youth develop personal responsibility and self-accountability, acquire new skills and experiences, and improve their mental health and emotional well-being.

The eight essential elements of EYA's Therapeutic Program are: Safety, Therapeutic Environment, Strength-Based Focus, Therapeutic Alliances, Therapeutic Group Living, Individual Treatment, Education & Instructional Approaches and Family Services.

Safety

Physical and emotional safety considerations prevail in all aspects of EYA's therapeutic program. Safety measures are in place for all physical activities. The program offers a safe environment to address problems as opportunities for growth, not as weaknesses or personal faults.

Therapeutic Environment

EYA residential treatment programs offer a therapeutic environment based on a helping relationship between youth and staff. They also offer a stimulating, activity-rich environment, a strong positive group culture, a focus on the natural and logical consequences of behaviors, and an emphasis on youth taking responsibility for their own behavior. It is a natural success and solution-focused process without artificial interventions like point systems or artificial consequences for poor choices.

Strength-Based Focus

EYA programs work to empower at-risk youth to focus on their strengths and their ability to overcome rather than on pathology or what is wrong. Emphasis is placed on youth uncovering past methods that have been successful and build upon these successful strategies.

Therapeutic Alliances

At EYA, youth are treated with dignity, respect and fairness. This unconditional positive regard by appropriate adult role models improves self-worth, fosters personal growth and helps develop a therapeutic alliance between youth and adults.

Therapeutic Group Living

EYA believes youth in our care can achieve therapeutic benefits by living in small, family-like groups who eat, live, play, learn and solve problems together. Youth learn from fellow group members who may share similar challenges. As members of a team, they develop a sense of personal responsibility for their contribution to the success of the group. This experience extends to their family and community.

Individual Treatment

EYA treatment is based upon an understanding of the youth and his or her family situation. After assessing a youth's needs and strengths, a plan is derived that guides the ongoing treatment process and focuses on attainable goals. It is reviewed and modified throughout treatment based on feedback by youth, family and EYA staff.

Education & Instructional Approaches

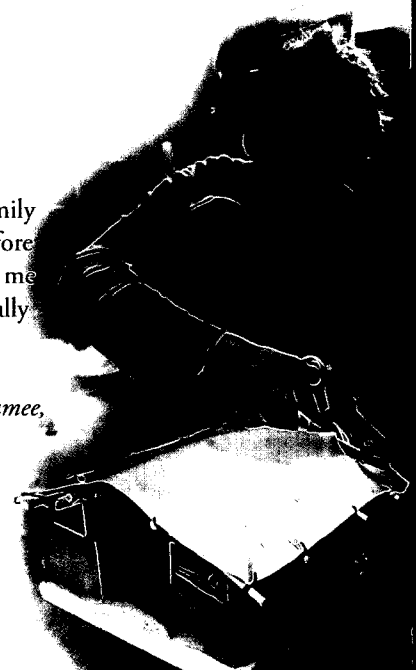
Each EYA residential treatment program provides an on-campus school, fully licensed and accredited by the appropriate state education authorities. Teachers are state certified and trained to meet the needs of youth with academic and behavioral challenges. Education programs focus on each child's individual needs and incorporate the treatment process into the instructional process. While enrolled in the EYA program, youth can earn transferable educational credits. EYA youth have documented individualized academic goals that address their learning needs. Individualized academic goals are intended to move youth toward successful transition to school, graduation, GED preparation, employability exploration, or career placement, as appropriate.

Family Services

EYA involves families in treatment to help improve family relationships and to improve the likelihood of long-term success. EYA staff members invite each family to partner in the youth's treatment, support family members during the youth's residential stay, offer education about effective parenting, and if needed, provide access to family-system interventions. When possible, home visits provide opportunities to practice transferring the skills learned in the program into the youth's family and community situations.

"The relationship with my family is much better than it was before I came to camp. It has helped me figure out how much they really mean to me."

*Youth attending Camp E-Ku-Sumee,
Candor, North Carolina*



3. ORGANIZATIONAL ASSETS INTEGRAL TO THE ECKERD MODEL

EYA's success is due in part to the synergy of the organization's people and distinctive culture. These assets are as essential to the Eckerd Model as are our philosophy and our therapeutic program.

EYA believes that services for youth are best provided by competent, caring trained staff. Significant energy and resources are devoted to attracting, selecting, developing and retaining people who hold EYA's values, are committed to the mission, have genuine concern for the welfare of youth and are qualified for their work.

Everyone in the organization creates the EYA culture of participatory leadership, where the responsibility to think and behave as a leader is not limited to people in leadership or supervisory positions.

Other key organizational assets include

- A staff dedicated to EYA's mission
- A corporate-wide commitment to continuous improvement
- An infrastructure that sustains excellent programming and supports growth
- Relationships with individuals and organizations committed to improving the lives of America's youth

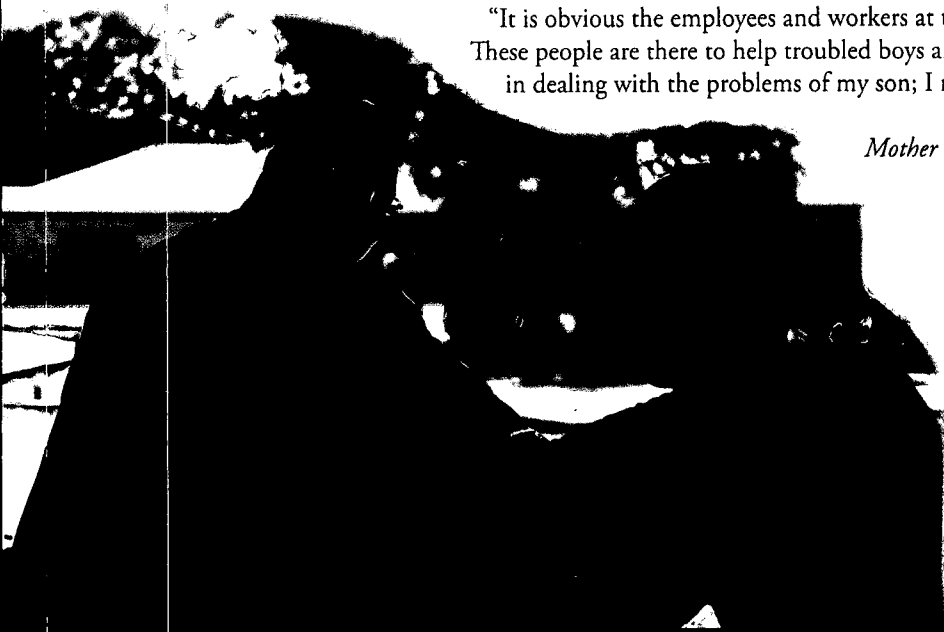
Measurement Helps Improve Performance

EYA believes strongly in measurement and evaluation. The organization as a whole embraces a performance improvement approach that includes establishing plans, and measuring and evaluating performance against those plans. This is true both at the organizational level and at the therapeutic level.

Measurement and evaluation supports decision making, facilitates organizational improvement, and substantiates effectiveness and efficiency to stakeholders.

At the therapeutic level, specific outcomes of individual elements of the therapeutic program can be identified, observed, measured and evaluated. An agency, parent or guardian sending a youth to EYA can confidently expect an EYA program to actively seek these outcomes:

- Mental health
- Personal growth and development
- Self-worth
- Responsibility
- Interpersonal relationships
- Educational achievement
- Life skills
- Productive activity – Participation in meaningful, appropriate activities upon successful program completion
- Community responsibility



"It is obvious the employees and workers at the program are not there for the money. These people are there to help troubled boys and literally save lives. I am no longer alone in dealing with the problems of my son; I now have an entire team behind me...."

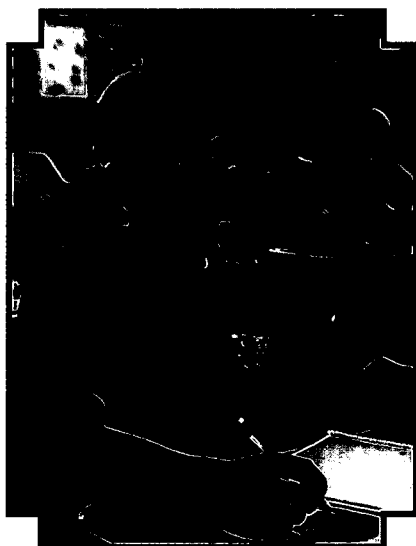
*Mother of graduate of Camp E-How-Kee,
Brooksville, Florida*

For more information,
call 727-461-2990 or
visit our Web site at
www.eckerd.org

ECKERD YOUTH ALTERNATIVES HELPS THOUSANDS TO SUCCEED

Since 1968, Eckerd Youth Alternatives has given more than 63,000 at-risk youth an opportunity to succeed. Some 40 residential and community-based programs in eight states are widely recognized among the most effective in the nation at changing the lives of youth and their families.

All EYA programs – outdoor therapeutic treatment, juvenile justice, reentry, and early intervention and prevention services – champion the good in every child, rebuild self-esteem and emphasize the value of personal relationships. Our results show that with the proper encouragement and a caring approach young people can, and will, change.



"Prior to Eckerd I was failing school. I used to fight all of the time. I was consistently in detention or being suspended...I would recommend Eckerd to anybody having trouble like I did. I think if you allow Eckerd to help you, and you take advantage of the good things Eckerd has to offer, you can really change your life around like I did."

*Graduate, Camp E-Tik-Etu,
Elizabethtown, North Carolina*



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Improving the future, one child at a time

"During my commitment, my life did an about face. My teachers and counselors at EYDC [Eckerd Youth Development Center] made me realize I had the gift of intelligence, but that I should use it in the right ways...I was shown that I cannot succumb to setbacks, but must be resilient and keep moving forward. That life is about mutual respect and responsibility. EYDC has opened up many doors in my life and has shown me that I can be successful. I am extremely thankful to the program and to all the staff that helped guide me and show me how to start a new life. My experience at EYDC was a positive one and will last me a lifetime. It was my new beginning."

2004 graduate, Eckerd Youth Development Center

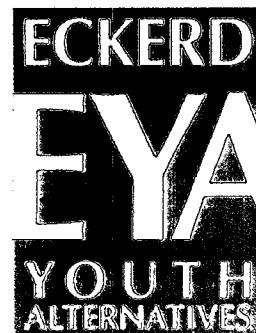
"After trying for years to get help for my daughter, she finally ended up at your camp in Floral City. It was the best thing that ever happened to her. I saw such a change in her. She was actually human again...My daughter is now 23 years old and I can finally say that she has life figured out and seems to have it all together. I know her stay at the camp helped her a great deal. I don't think she would have ever come around if we hadn't had your help. Thank you...."

*Mother of graduate of Camp E-Nini-Hassee,
Floral City, Florida*



Eckerd Youth Alternatives, Inc. strictly adheres to a policy of nondiscrimination in the admission of youths without regard to race, religion, color, sex, handicap, age or national origin. Eckerd Youth Alternatives, Inc. is an equal opportunity employer.

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Eckerd Wilderness Educational System

Evaluation Report - Fiscal Year 2004
NORTH CAROLINA

Improving The Future, One Child At A Time

Eckerd Wilderness Educational System Evaluation Report (FY 2004)

Introduction

As a condition of program expansion in the 1998 Juvenile Reform Act, the North Carolina General Assembly requires annual evaluations of many of the programs that are approved for funding.

This report will examine the North Carolina Eckerd Wilderness Educational System by looking at:

- Services provided to the clients
- Demographics of those served
- Behavioral changes and academic growth of youth while in the programs
- Follow-up evaluation of the programs' long-range impact
- Cost benefits to the state

Services Provided

The North Carolina Eckerd programs serve boys and girls, ages 10 through 16, with behavioral, emotional and delinquency problems. The Eckerd Wilderness Educational System offers year-round, staff-secure, residential therapeutic programs, providing an alternative to more restrictive settings. Counselor-teachers live with the youth in groups of ten that are designed to promote self-esteem, personal responsibility, problem-solving skills, communication skills, and self-discipline. Group activities are the medium for problem-solving and interpersonal skill development. Youth learn immediate cause and effect relationships as they live with the natural consequences of their own decisions, choices, and behaviors.

Experiential education and individual instruction promote positive attitudes towards learning while strengthening basic skills. Youth earn educational credits during the program and are assisted with reentry into public schools. The Southern Association of Colleges and Schools accredits the North Carolina programs as experiential learning centers. In addition, each program is also fully accredited by the Council on Accreditation and licensed by the North Carolina Department of Health and Human Services.

Family workers provide ongoing services to the parents while their children are enrolled in the program. These services are directed toward strengthening parental skills and abilities to influence their child's learning, improving their capacity to provide a positive home environment, and connecting with community resources. The family worker is the liaison between programs and the family and provides counseling, crisis intervention, and case management services. In most locations, family workers also facilitate parent groups.

Youth Profile

Youth who enter EYA North Carolina programs come with a variety of backgrounds, experiences, and knowledge. They are often absent from school in the months prior to admission due to truancy, suspension, or expulsion. They have difficulty with anger management, verbalizing their thoughts and feelings, and self-esteem. Relationships with their families, peers, and adults in authority are often difficult for them. They tend to rebel against rules and structure, some by running away, some through aggression, and some by withdrawing emotionally. They arrive at the programs unhappy with themselves and troubling to others. With all of this in mind, it is EYA's goal to help youth move to a better place in their lives, through treatment and understanding.

Fiscal Year 2004

In FY 2004, 416 of the youth that entered EYA North Carolina programs were funded by the North Carolina Department of Juvenile Justice and Delinquency Prevention. EYA's fiscal year runs from July 1, 2003 through June 30, 2004.

North Carolina Evaluation Report FY 2004

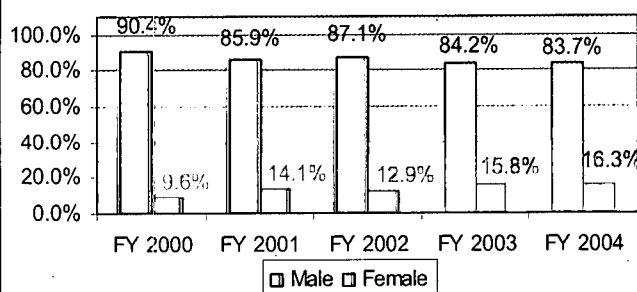
Demographics at Intake

Youth who entered EYA North Carolina programs had the following characteristics at intake:

- Average age of 14.5, average grade level of 7.9 and average IQ of 88.6
- 59.9% were 14 or 15 years of age and 80.8% were in the seventh, eighth, or ninth grade
- 43.8% came from single parent homes

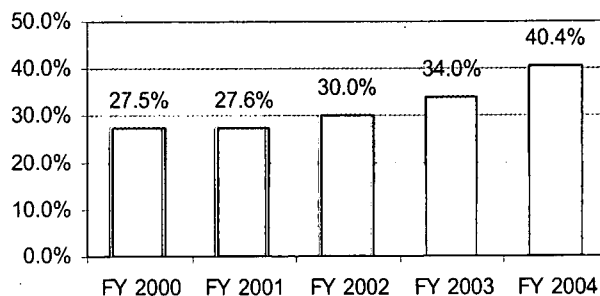
- 9.7% came from homes where no parent was present
- 25.2% were identified as having substance abuse issues, 21.6% had parents who abused alcohol and/or drugs and 11.8% have had at least one parent incarcerated
- 35.6% were classified as special education students

Gender at Intake



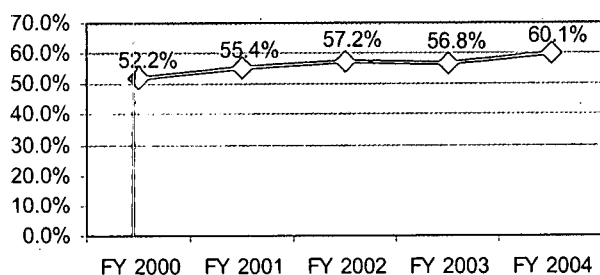
The percentage of females (16.3%) is the highest in the last five years.

Minority Population at Intake



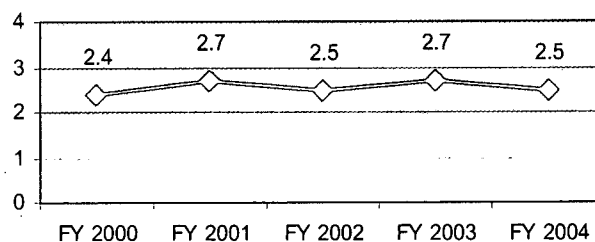
The percentage of minority youth has increased over the last five years from 27.5% in FY 2000 to 40.4% in FY 2004.

Percent of Youth with Offenses at Intake



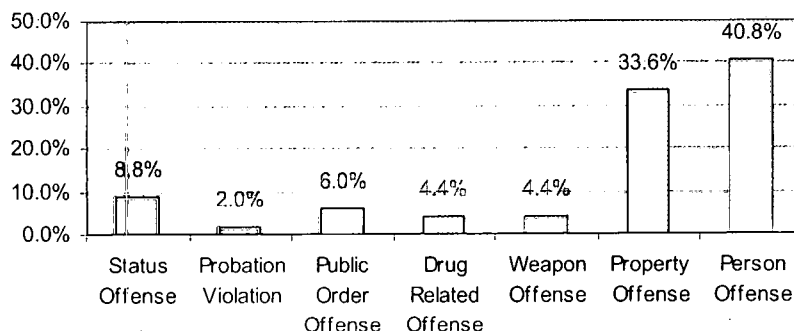
The percentage of youth with offenses in FY 2004 increased to 60.1%, the highest rate in five years.

Average Number of Offenses for Youth with Offenses at Intake



The average number of offenses for youth with at least one adjudication have remained consistent over the last five years.

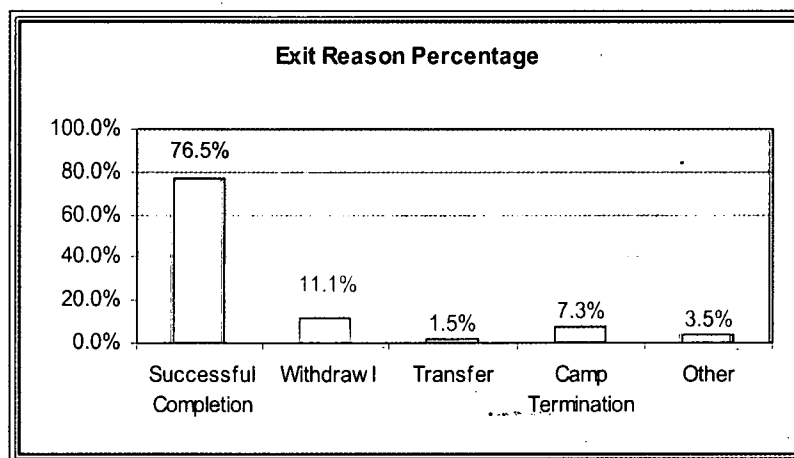
Most Serious Offense at Intake



Of youth with offenses at intake, 74.4% have person or property offenses. Youth with person offenses accounted for 40.8%, while 33.6% of youth had property offenses as their most serious crime.

Exit Information

Of the 396 youth exiting programs in FY 2004, 76.5% successfully completed their identified treatment goals and objectives. The average length of stay for all graduates was 10.7 months. This was slightly higher than last year's average length of stay of 10.5 months.

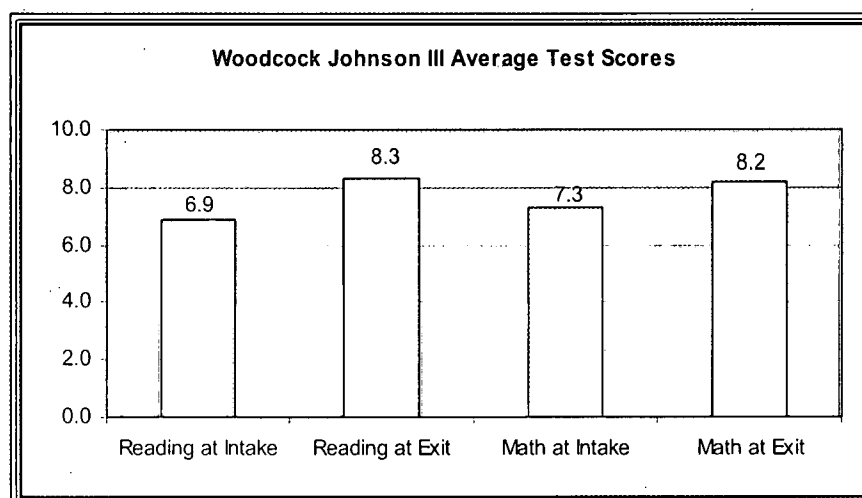


Behavioral Changes

The Piers Harris Children's Self-Concept Scale is a brief, self-report test designed to aid in the assessment of self-concept in youth. Eckerd programs use all aspects of the Piers Harris for assessment purposes when developing individual treatment plans. The Piers Harris is comprised of an 80-item self-report questionnaire designed to determine how youth feel about themselves. The single most reliable measure for the Piers Harris and the one with the best research support is the total score. An increase in total score from pre-test to post-test indicates gains in self-esteem. For FY 2004 the average pre-test total score was 53.4, the average post-test total score was 59.8 and the overall average percentage gain from pre-test to post-test was 14.9%.

Academic Growth

The North Carolina contract provides that youth served by Eckerd show progress in academic achievement while assigned to a program. The experiential learning component that is built into all aspects of the program is designed to ensure that youth do not lose ground when they return to their home schools. The Woodcock Johnson - III Tests of Achievement is used to measure academic progress in reading and math. Scores indicate the pre-test and post-test scores in terms of grade placement. The graph below indicates that students advanced an average of 1.4 grade levels in reading and .9 grade levels in math during their stay.



North Carolina Evaluation Report FY 2004

Long Range Benefits at 6 and 12 Months Follow-up

North Carolina Successful Completers from July 1, 2002–June 30, 2003

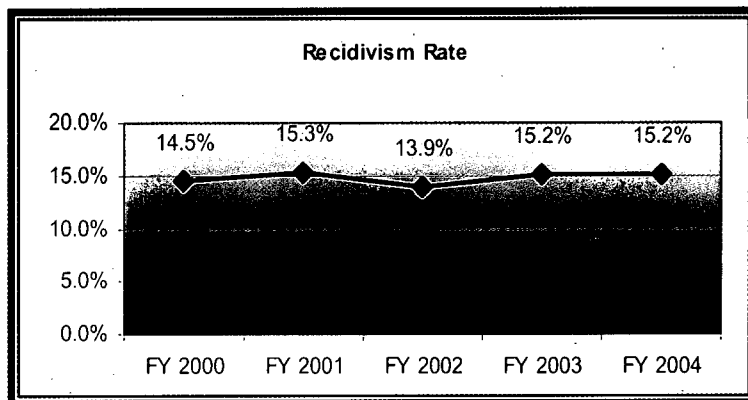
The annual contract between the North Carolina Office of Juvenile Justice and Delinquency Prevention and Eckerd Youth Alternatives, Inc., requires Eckerd to conduct follow up evaluations at 6-month and 12-month intervals on each successful completer. The most recent follow-up report shows the 6-month and 12-month contact with successful completers from FY 2003. Data was collected at 6-month follow-up for 315 graduates and at 12-month follow-up on 284 graduates. This report provides a summary of living status, subsequent delinquency, mental health services and educational/vocational status for youth who complete their program.

Living Status at 6 and 12-Months Post-Service	6-Months	12-Months
Two Parent Home—Biological and/or Adoptive	20.0%	16.2%
Single Parent	42.2%	41.2%
Parent and Step—Parent or Partner	21.6%	21.8%
Relative	9.5%	10.6%
Foster Home or Group Home	1.9%	3.2%
Other*	4.8%	7.0%

*Other is defined as Independent Living, Living with a Friend, Mental Health Placement or Delinquency Placement.

Subsequent Delinquency within 12-Months of Successful Completion	
Recidivism Percentage of youth convicted of any new offense or technical violation in either juvenile or adult court	15.2%
Post-Service Supervision Percentage of youth on probation or under court ordered supervision	6.8%
Post-Service Placement Percentage of youth placed in a residential setting as or more restrictive than the program	5.2%

Over the last five years, the recidivism rate has remained stable, although the percentage of youth with offenses at intake continues to increase.

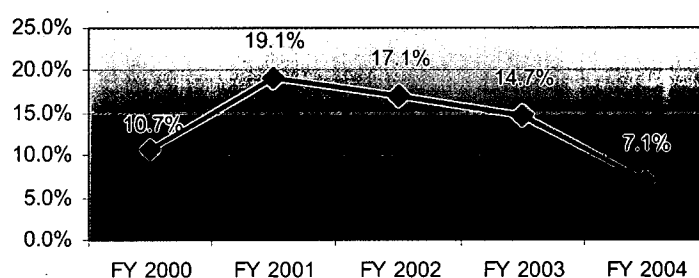


Mental Health Services within 12-Months of Successful Completion

Mental Health Service - Residential Percentage of youth utilizing residential mental health services	4.0%
Mental Health Service - Non-residential Percentage of youth utilizing non-residential mental health services	7.1%

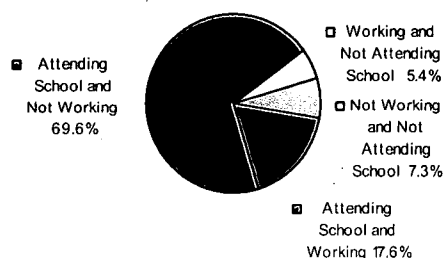
The percentage of youth using non-residential mental health services any-time during the 12-month follow-up period has slowly declined over the last three fiscal years, reaching a low of 7.1% in FY 2004.

Percent of Youth Using Non Residential Mental Health Services



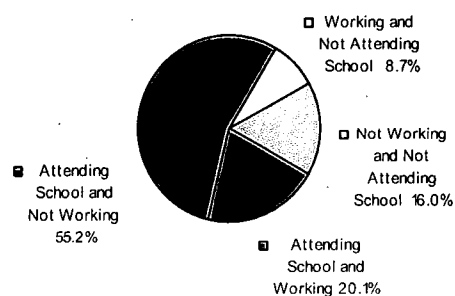
Educational/Vocational Status at 6 and 12-Months Post-Service	6-Months	12-Months
Percentage youth working and/or attending school. Youth in a delinquency placement at the post-service period are not included.	92.7%	84.0%

Working and/or Attending School at 6-Months Post-Service



At 6-months post-service 92.7% of youth who successfully completed their program were working and/or attending school.

Working and/or Attending School at 12-Months Post-Service



At 12-months post-service 84.0% of youth who successfully completed their programs were working and/or attending school.

Cost Benefit

Youth made significant gains while in programs and adjusted well once they returned to their families and communities. The cost per day for a youth served in Eckerd programs for FY 2004 was \$100.54 with an average length of stay for graduates of 10.7 months. To assess the relative value of this program, please refer to the juvenile justice residential costs comparison chart below. (Cost comparison data of non-Eckerd programs reflect FY 2004 data obtained from the North Carolina Department of Juvenile Justice and Delinquency Prevention.)

Residential Cost Comparison

Program Type	Daily Cost/Per Diem
Eckerd Programs	\$100.54
Secure Detention	\$147.00
Youth Development Centers	\$174.00

Summary and Conclusions

This report reviewed the Eckerd Wilderness Educational System that is operated under contract between the North Carolina Office of Juvenile Justice and Delinquency Prevention and Eckerd Youth Alternatives, Inc., a private not-for-profit provider headquartered in Clearwater, Florida.

Conclusions that are supported by this evaluation are:

1. The programs serve a high-risk group of youth whose behavior makes them likely candidates for further behavior and delinquency problems.
2. Based on pre-tests and post-tests, the programs have a positive impact on the social skills, academic achievement and basic attitudes of the youth served.
3. Follow-up evaluation shows that these behavior and attitude changes are resulting in long-range improvements for the youth served.
4. The changed behaviors are resulting in cost savings to the state in fewer youth development center and mental health placements.

The Eckerd programs are providing a clearly beneficial service. As one of the few residential alternatives available to all of the juvenile courts as an Intermediate Sanction the Eckerd programs are filling an important need in North Carolina's Juvenile Justice System.



Improving the Future, One Child at a Time

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www.eckerd.org

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VISITOR REGISTRATION SHEET

Mental Health and Youth Services

March 30, 2005

Name of Committee

Date

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CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Robert Robinson	Dunham Center
Steve Shaban	Poyner + Spruill
Kea C. O'Hearn	CYA
Karen V. Waddell	Eckerd Youth Alternatives
Henry L. Gunn ^{III}	Eckerd Youth Alternatives
D/HARGROVE	DJJDP
Michael Haley	DJJDP
Dawn Cambridge	DJJDP
Lisa Wamwager	DMH/DD/SAS
Mike Morley	"
Patricia Reeler	NCACC

VISITOR REGISTRATION SHEET

Mental Health and Youth Services

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Name of Committee

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NAME	FIRM OR AGENCY AND ADDRESS
Kevin Mills	Senator Purcell's Office
HAROLD CARMEL	NC PSYCHIATRIC ASSN
Robin Huffman	NC Psychiatric Assoc.
Sally Cameron	NC Psychological Assoc.
AL DEITCH	DDA/YAIO
James Schramm	NC Council
Tom T	NC ACPS
Tamara K Hicks	NCACDSS
Antonio	DDA/DD/SAS

**Senate Mental Health & Youth Services Committee
Wednesday, April 6, 2005, 12:00 Noon
414 LOB**

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Presentations:

Harold Carmel NC Psychiatric Association

Melody Heaps President and CEO of TASC, Inc. (Treatment Alternatives for Safe Communities, Chicago, Ill).
Presentation on TASC and the work that is going on in North Carolina in concert with the NC Division of MH/DD/SA services.

Other Business

Adjournment

MENTAL HEALTH & YOUTH SERVICES COMMITTEE
WEDNESDAY, APRIL 6, 2005

MINUTES

Mental Health & Youth Services committee met April 6, 2005 at 12:00 noon in Room 414 of the Legislative Office Building. Five members were present, including Senator Ellie Kinnaird, who presided.

Senator Kinnaird called the meeting to order and introduced the pages.

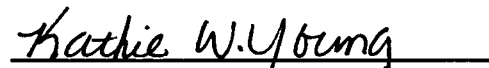
Melody Heaps President and CEO of TASC, Inc. (Treatment Alternatives for safe Communities, Chicago, Ill) gave a presentation on TASC and the work that is going on in North Carolina in concert with the NC Division of MH/DD/SA services. See Attached.

Due to time Harold Carmel was asked to speak at the April 13, 2005 meeting

Other Business

Senator Kinnaird thanked the presenters and adjourned the meeting at 1:00 p. m.



Senator Ellie Kinnaird, Chair

Kathie Young, Legislative Assist.



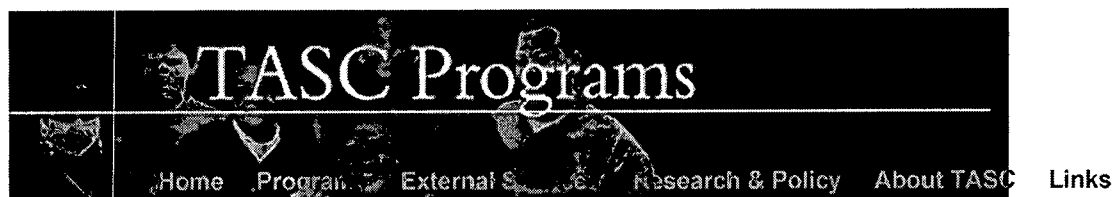
About TASC: Overview

TASC (Treatment Alternatives for Safe Communities) is a not-for-profit organization that provides behavioral health recovery management services for individuals with substance abuse and mental health disorders. Through a specialized system of clinical case management, TASC initiates and motivates positive behavior change and long-term recovery for individuals in Illinois' criminal justice, corrections, juvenile justice, child welfare, and public aid systems.

TASC provides direct services, designs model programs and builds collaborative networks between public systems and community-based human service providers. TASC's purpose is to see that under-served populations gain access to the services they need for health and self-sufficiency, while also ensuring that public and private resources are used most efficiently.

About TASC

- > Overview
- TASC News
- TASC Historical Timeline
- TASC Leadership
- Contact Us
- Mission & Creed
- Funding Information
- Financial Statement
- Downloads



TASC Programs

Providing opportunity for individual change through advocacy, direct service and system enhancement

TASC works with state administrative bodies, public systems and community-based agencies across Illinois to deliver comprehensive recovery management services to individuals with substance abuse and mental health disorders. TASC's services also address related issues such as criminal and delinquent behavior, under-employment, housing, and under-education.

TASC's services are guided by **core clinical values** that support positive behavior change. TASC:

- provides services that help individuals use their own strengths to find solutions to life problems
- recognizes that addiction is a chronic illness that can be treated, and that recovery can be managed
- motivates and engages clients in the recovery process
- respects all individuals with whom TASC works
- focuses on successful outcomes with a recognition that lasting behavior change is incremental and takes time

***Licensed by the Illinois Department of Human Services,
Division of Alcoholism and Substance Abuse***

***CARF has accredited the following Alcohol and Other Drug
programs at TASC: Assessment and Referral; Case
Management; Criminal Justice; Children and Adolescents.***

Programs

> Overview
Programs by Area
Child Welfare Services
Criminal Justice
Corrections
Family Reunification
HIV/AIDS Outreach Services
Juvenile Services
Public Housing Services
Welfare to Work
Winners' Circle

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TASC Research & Policy

[Home](#) [Programs](#) [External Services](#) [Research & Policy](#) [About TASC](#) [Links](#)

Research & Policy

TASC's Research and Policy Department is dedicated to advancing the knowledge of substance abuse trends and models for intervention and informing public policy around these issues.

The department conducts internal, utilization-focused surveys and evaluations on TASC programs to ensure the most efficient and effective use of services. Local and national health service entities have called upon TASC to perform critical research in Illinois and at the national level around policies for effective interventions for persons with substance abuse and mental health issues. TASC researchers also develop policy documents about current trends in the broader field.

In addition to its extensive research and development work with community leaders, TASC formally collaborates with academic institutions to enhance understanding of substance abuse, criminal activity, and general behavioral health. These collaborations ensure that TASC remains on the leading edge of clinical knowledge and policy formulation, and that best service delivery practices are shared with community-based treatment providers.

Finally, TASC routinely publishes articles and studies on a wide range of topics relevant to substance abuse, treatment, and other social services within the criminal justice system.

Research & Policy

[> Overview](#)
[Client Statistics](#)
[Publications](#)



TASC Historical Timeline

This historical timeline displays many important social trends, national and local milestones, and TASC program and service developments.

1970s 1980s 1990s 2000s

1970s

- 1971 White House declares "War on Drugs"
- 1972 Drug Abuse Treatment Act passed with TASC model as a milestone component

Heroin floods inner cities (1972-73)
- 1974 Illinois creates Dangerous Drugs Commission (DDC) to regulate treatment

TASC planning and protocol development

Many GIs bring drug problems home from Vietnam (1974-76)
- 1976 TASC, Inc. begins case management services in Cook County serving nonviolent drug offenders
- 1979 DDC contracts TASC to be sole provider of substance abuse assessments and treatment recommendations for Illinois courts in all jurisdictions

Local planning establishes TASC Adult Justice Service statewide (1979-81)

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1980s

- 1982 States enact mandatory minimum sentences for drug offenses
- 1983 HIV identified as cause of AIDS

Illinois enacts "designated agent" statute to divert drug-involved offenders

TASC named designated agent - core case management services become standard in criminal court system

DUI services begin in several TASC offices around the state
- 1984 Courts overwhelmed with drug cases (1984-86)

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TASC begins case management services for drug-involved juvenile offenders

TASC begins serving eligible probationers and parolees statewide

1986 TASC introduces HIV Brief Risk Intervention to all clients

1987 TASC administers ADAM research project in Chicago

1988 National welfare reform begins

TASC begins public aid case management services

1989 TASC*Labs* Opens

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1990s

1990 TASC begins pre- and post-release case management at Cook County jail

1991 TASC begins assessment and stabilization services for Department of Children & Family Services

1994 TASC begins pre- and post-release case management services for Illinois Department of Corrections

1995 TASC helps establish Juvenile Drug Court

TASC begins HIV/AIDS testing and counseling services

1997 Temporary Assistance for Needy Families ends long-term welfare dependency

TASC begins Winners' Circles - recovery support groups for ex-offenders

TASC begins HIV education and intervention services for women

1998 TASC begins case management for Department of Children and Family Services

Internet-Based Technologies opens as a division of TASC to provide information management services

GLATTC's Center for Excellence in Criminal Justice at TASC opens as a resource for criminal justice and corrections officials in the Great Lakes states

1999 TASC begins case management services for Illinois Department of Human Services

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2000s

2000 TASC convenes a Practice Improvement Collaborative (PIC) of Illinois researchers and treatment providers

2001

TASC begins clinical re-entry management at female correctional facility

TASC begins clinical re-entry management at Illinois Youth Centers

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Mission & Creed

Mission

TASC works with families, organizations, and public systems to build healthy and safe communities.

We provide services to help individuals overcome addictive and other behavioral illnesses and their consequences.

We advocate for policies and services that help individuals reclaim control of their lives.

We respect the dignity, value, and potential of all people.

Creed

We recognize the uniqueness of each person we serve and that our responsibility is to respond to his or her needs to the best of our abilities.

We are committed to the provision of the highest quality of independent case management and other services.

We will honor the people we serve and the people who work with us in our endeavors.

We support growth in ourselves, the people we serve, and the systems we serve.

We will aggressively advocate for our clients among the systems in which they are involved.

We will be accountable to the people we serve and to the systems we serve.

We will strive to achieve a wise use of fiscal and clinical resources.

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TASC Leadership

Melody M. Heaps President

Pamela F. Rodriguez Executive Vice President

Peter Palanca Vice President of Operations

Roy Fesmire Chief Financial Officer

Operations

Vernola Baskin, Director of Youth and Family Operations
Kevin Downey, Ph.D., Director of Corrections Operations
Maureen McDonnell, Director of Justice Operations

Communications & Marketing

Daphne Baille, Director

Community Partnerships

George Williams, Director

Human Resources & Training

Eve Weinberg, Director

Management Information Systems

Marina Uk, Director

Research & Policy

Lisa Braude, Ph.D., Director
Arthur Lurigio, Ph.D., Senior Research Consultant

Quality Improvement & Compliance

Joel Warmolts, Director
Beth Epstein, Practice Improvement Director

About TASC

Overview

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TASC Historical Timeline

> TASC Leadership

Melody M. Heaps, President

Pamela F. Rodriguez, Exec. VP

Peter Palanca, VP

Roy Fesmire, VP and CFO

Contact Us

Mission & Creed

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TASC Financial Statement

The following is an unaudited brief of TASC revenues and support, expenses, and net assets for fiscal years 2003 and 2004.

	Year Ended June 30, 2003	Year Ended June 30, 2004
Revenues and Other Support		
Contract Grants	\$16,521,568	\$17,511,112
Client Fees	\$478,314	\$452,113
Contributions	\$58,739	\$1,395
Other Income	\$258,862	\$179,016
Total Revenues and Other Support	\$17,317,483	\$18,143,636
Expenses		
Programs Services	\$14,576,417	\$14,759,504
Management and General	\$2,678,695	\$2,985,045
Fundraising	\$16,581	\$0
Total Expenses	\$17,271,693	\$17,744,549
Change in Net Assets	\$45,790	\$399,087
Net Assets, Beginning of Period	\$4,549,768	\$4,595,558
Net Assets, End of Period	\$4,595,558	\$4,994,645

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Treatment Alternatives to Street Crime

The TASC Model

Elizabeth A. Peyton
Presentation at the 7th National Conference on Crime and Justice
Orlando, Florida, October 1999
Bpeyton@delanet.com

Understanding the Problem

- ↪ The impact of substance abuse on our justice & treatment systems is astounding
- ↪ High levels of substance abuse in offender populations

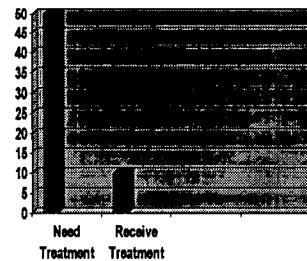
Percent increase in state prison admissions between 1980 & 1995

Drug Offenses
Property Crime
Violent Crime

0% 200% 400% 600% 800% 1000% 1200%

Source: Corrections Program Office, U.S. Department of Justice

Only a small percentage of inmates receive treatment



Offenders in the community are substance involved & Incarceration is expensive

- ↪ Costs to incarcerate in state and federal prisons and jails will exceed \$41 billion in 2000 (Camp, 1999)
- ↪ Many states spend more money on prisons than on higher education (Justice Policy Institute, 1999)

- ↪ The use of illicit drugs & alcohol is a central factor driving correctional growth.
- ↪ Treatment is effective as reducing substance abuse & related criminal activity.
- ↪ Treatment is cost effective.
- ↪ Providing adequate services to justice populations is difficult.

Managed Care is Here

- ↪ In most jurisdictions, the adoption of managed care techniques has reduced access to services
- ↪ Lengths of stay are shortened
- ↪ Thresholds for admission to intensive treatment have increased
- ↪ Referral and admission procedures are more complex, and may involve third-party authorization

7

What is TASC?

- ↪ A program model and methodology to:
 - Engage persons referred by the justice system into substance abuse treatment and other services
 - Collaborate with both justice and treatment to ensure that appropriate and adequate services are available for justice clients
- ↪ The *13 Critical Elements* define TASC

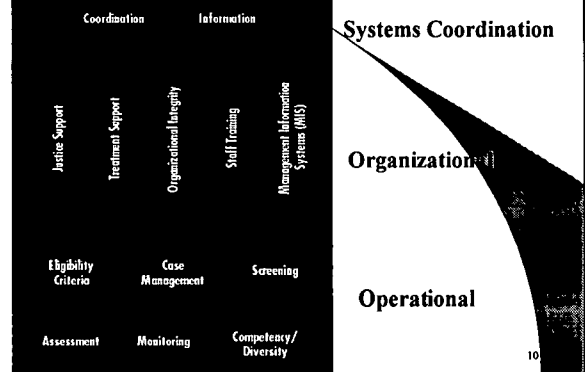
8

TASC Provides the Infrastructure for

- ↪ managing substance involved persons throughout the justice process
- ↪ providing support during transitions
- ↪ engaging clients at all points in the justice system
- ↪ integrating services into justice system processing

9

Critical Elements



10

Systems Coordination Elements

11

Element 1

A Process to Coordinate Justice, Treatment & other Systems

- Develop collaborative approaches to integrate treatment & justice to provide a seamless continuum of treatment and accountability
- Develop & expand treatment networks
- Influence the policies, procedures & priorities of the justice & treatment systems
 - Ensure adequate & appropriate services for justice clients

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Element 2

Procedures for Providing Information & Cross-Training to justice, treatment & other systems

- Continuously develop skills & relationships
- Keep policymakers & practitioners current about status of & effective strategies for managing substance involved justice populations

13

Organizational Elements

14

Element 3

A Broad Base of Support from the Justice System with a Formal System for Effective Communication

- Establish & maintain a coordinated effort & understanding for referrals between TASC & justice system components

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Element 4

A Broad Base of Support by the Treatment & Other Social Services Community

- Establish and maintain the linkages & understanding to:
 - ◇ Ensure availability & quality of treatment for justice clients
 - ◇ Make client referrals
 - ◇ Conduct tracking, monitoring & case management activities

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Element 5

Organizational Integrity

- Ensure TASC program integrity and organizational capability to carry out the program mission
- Ensure objectivity and autonomy
 - ◇ Over-identification with either system can limit TASC's credibility and functioning

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Element 6

Policies and procedures for regular staff training

- Ensure that all staff understand the TASC mission, philosophies & procedures to ensure competency
- TASC staff must be experts in all participating systems
- TASC staff must have skills to connect with & manage clients
- Clinical & non-clinical staff can be effective

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Element 7

A management information system with a program evaluation design

- Provide timely and accurate information
 - ✦ for developing & managing program services
 - ✦ for determining & improving operational effectiveness
 - ✦ for policymakers & funding sources
 - ✦ to meet public information needs

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Important Data Elements

- Number of potential clients identified & referred; outcome of referral; reasons for exclusion; demographics; screening &/or assessment information
- Demographic & socioeconomic characteristics of all admitted clients by referral source
- Client characteristics including justice & substance abuse history & status; screening & assessment results; drug screen results; mental health status

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Important Data Elements

- Records of all contacts & events that occur at TASC, treatment, other services & the justice system, along with outcomes of those events
- Costs associated with delivery of client services
- Performance measures, including process & outcome

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Operational Elements

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Element 8

Clearly Defined Client Eligibility Criteria

- Set clear standards for inclusion & exclusion of individuals from TASC
- Justice system involvement
- Current &/or previous AOD involvement
- Informed voluntary consent

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Element 9

Performing Client Centered Case Management

- Maintain ongoing connection with each client as he/she moves through various justice processes & multiple programs
- Communicate progress & changes regularly to both justice & treatment
- Provide the leverage, support & advocacy to encourage treatment engagement & retention
- Intervene before behavior results in treatment termination

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Case Management

- Ties everything together & provides structure in and between systems that aren't very systematically organized
- The mortar that holds everything together

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Primary Functions of TASC Case Management

- Screening & assessment
- Referral & linkage to services
- Ensuring access to services
- Monitoring progress through client contact & chemical testing

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Primary Functions of TASC Case Management

- Communicating with all relevant parties
- Providing encouragement & support
- Providing advocacy
- Maintaining primary responsibility for the client as he/she participates in various justice & treatment programs & interventions

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TASC Case Management

- Can be distinguished from traditional case management by:
 - its level of assertiveness
 - its ongoing nature
 - its focus on long-term positive outcomes resulting from multiple interventions
 - its continual inter-agency & inter-system communication

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Element 10

Screening Procedures for Identification of TASC Clients within the Justice System

- Determine appropriateness & suitability for treatment
- Determine TASC eligibility
- Begin building a plan for treatment & supervision

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Element 11

Documented Procedures for Assessment & Referral

- Provide a standardized assessment that includes clinical, justice & other information
- Referral to an appropriate level of care that is coordinated with justice requirements
- Development of a comprehensive case management plan

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Assessment and Referral Issues

- Assessments should include, at a minimum:
 - Chemical dependency status
 - Justice involvement & justice history
 - Social history
 - Agreement to participate in TASC & treatment - and understanding of confidentiality rules
- If treatment is not immediately available, monitoring by TASC should be available for an interim period

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Element 12

Policies, Procedures & Protocols for Monitoring Drug & Alcohol Use through Chemical Testing

- Reliably monitor & report client's use of or abstinence from alcohol & other drugs to encourage compliance & to facilitate the therapeutic process

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Element 13

Competency with Diverse Populations

- Ensure that TASC & treatment delivery systems are sensitive to & provide relevant services regardless of client race, culture, religion, gender, age, ethnicity or sexual orientation
- Treatment engagement & success is dependent on the ability programs & counselors have to connect with the client

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Effectiveness of TASC

- TASC programming is effective in:
 - Identifying populations in great need of treatment
 - Assessing the nature & extent of drug patterns & specific treatment needs
 - Referring to treatment
 - Serving as a linkage between justice & treatment
 - Providing monitoring services
 - Retaining clients in treatment longer, with better post-treatment success

Incidenti and McBride, 1991

34

Effectiveness of TASC

- TASC clients remain in treatment six to seven weeks longer than voluntary clients or other criminal justice referrals

Hubbard et. al., 1989

35

Effectiveness of TASC

- Involvement in TASC results in the provision of significantly more substance abuse & other services compared to non-TASC control groups
- In study sites, TASC had the strongest effect at reducing drug use & drug crimes with the most problematic offenders

Turner and Longshore, 1998

36

Effectiveness of TASC

- Clients diverted to TASC through Maricopa County's Do Drugs Do Time program had a 22% recidivism rate, compared to 54% of matched clients who didn't receive TASC services

Hepburn, 1996

37

Effectiveness of TASC

- In 1998, New York City TASC diverted almost 2,000 offenders from prison & into treatment.
- 70% of participants have successfully completed the program since its inception in 1990.
- Rearrest rates 12 months after completion remained around 10% in three separate studies.

EAC, 1999

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Benefits of TASC

- Provides the organizational infrastructure to manage substance involved offenders in a logical, organized & cost effective fashion
- Provides the organizational infrastructure to support other programming, including drug courts, re-entry management programs, Breaking the Cycle, networks, mental health courts, & other initiatives to integrate treatment into justice processes

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Benefits of TASC

- Uses resources efficiently by screening, assessing & placing justice clients in the appropriate level of care - and ensuring that transitional & aftercare needs are met
- Builds the capacity & capability of treatment to serve justice populations effectively through the development of treatment networks

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Benefits of TASC

- Manages clients to make sure they access & benefit from treatment
- Ensures that treatment requirements are coordinated with justice processes

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Benefits of TASC

- Improves inter-system communication
- Ensures that treatment is available to coincide with or capitalize on the "motivational opportunities" created by justice processing
- Augments available services through case management, treatment readiness & chemical testing - and by using justice system leverage to encourage treatment compliance

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VISITOR REGISTRATION SHEET

Mental Health and Youth Services

APRIL 6, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE
CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Martha W. Lawrence	YAI/O/DOR
Harold Carnez, MD	NC Psychiatric Assn
Robin Huffman	NC Psychiatric Assoc, Coalition 2001
Steve Shaber	Poyner + Spruill
John Sparrow	THSC
Arday S. Cho	Arday S. Cho & Assoc.
Lisa Warrington	DMHDD SAS
James Brown	DMHDD SAS
Fla Stein	DMHDD SAS
Tammy Beamer	winning strategies

VISITOR REGISTRATION SHEET

Mental Health and Youth Services

APRIL 6, 2005

Name of Committee

Date

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NAME _____

FIRM OR AGENCY AND ADDRESS

Antonio Coen

PMH/DD/SAS

AL DE TEH

DOA/YAIO

Abby Emanuel

NMS5

Michael Haley

DJJ DP

Jan Sanyal

NC Council

**Senate Mental Health & Youth Services Committee
Wednesday, April 13, 2005, 12:00 Noon
414 LOB**

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Presentations:

Harold Carmel NC Psychiatric Association

Kevin Ryan DHHS Women & Child Health
Overview of Early Intervention Program

Other Business

Adjournment

MENTAL HEALTH & YOUTH SERVICES COMMITTEE
WEDNESDAY, APRIL 13, 2005

MINUTES

Mental Health & Youth Services committee met April 13, 2005 at 12:00 noon in Room 414 of the Legislative Office Building. Eleven members were present, including Senator Ellie Kinnaird, who presided.

Senator Kinnaird called the meeting to order introduced the pages.

Sen. Kinnaird introduced Harold Carmel

Harold Carmel, NC Psychiatric Association, spoke about how Mental Health problems burden the youth services, schools and juvenile justice systems. He explained that treatment works, strategies to prevent mental health risk factors and the scarcity of resources. (See attached)

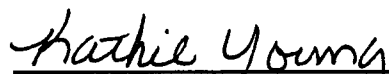
Sen. Kinnaird introduced Kevin Ryan

Kevin Ryan, DHHS Women & Child Health, gave an overview of the Early Intervention Program. (See attached).

Other Business

Senator Kinnaird thanked the presenters and adjourned the meeting at 1:00 p. m.



Senator Ellie Kinnaird, Chair

Kathie Young, Legislative Assist.



North Carolina Psychiatric Association

Senate Committee on Mental Health and Youth Services

March 30, 2005

Overview

- Mental health problems are important, contribute to the burden on youth services, schools, juvenile justice
- Treatment works – and need for access to treatment is important, including cost-effective programs, treatment resources, and medications
- Prevention strategies to address mental health risk factors are important and effective
- Resources are scarce, fall far short of the need. Discrimination in insurance coverage shifts costs to state budget.

Prevalence

**Children and adolescents age 9-17
with mental or addictive disorders,
6-month (current) prevalence (%)**

Anxiety Disorders	13.0%
Mood Disorders	6.2%
Disruptive Disorders	10.3%
Any Disorder	20.9%

- Significant Impairment: 11% -- 113,000 NC kids (9-17 yr)
- Extreme Impairment: 5% -- 51,000 NC kids (9-17 yr)

Surgeon General's Report on Mental Health, 1998, p 124

Treatment Works

- Psychotherapies - supportive, psychodynamic, cognitive-behavioral, interpersonal, and family systemic.
- Psychopharmacology – treatments for psychoses, mood disorders (especially depression), ADHD, aggressive disorders
- Psychosocial treatments – behavioral techniques in ADHD, psychoeducation

Risk Factors

- The roots of most mental disorders lie in some combination of genetic and environmental (biological or psychosocial) factors.
- Biological: injury, infection, poor nutrition, substance abuse, or exposure to toxins
- Psychosocial: Abuse/neglect, foster care, family discord, alcoholic or drug-addicted parent, exposure to violence, caregiving practices

Under-Recognition

- Only 1 in 5 kids with mental disorders are identified
- Consequences:
 - school failure — almost half of kids with serious mental disorders drop out of grades 9-12; of these, 73% are arrested within 5 years of leaving school
 - family crises,
 - substance abuse,
 - further mental illness into adulthood

Prevention

- Mental health is unavoidably linked to general health, child care, and success in the classroom and inversely related to involvement in the juvenile justice system.
- Prevention works -- well-being in children and youth can be enhanced, and risk factors for behavioral and emotional disorders can be reduced, by intervening in home, school, day care, and other settings.
- Prevention strategies usually target high-risk infants, young children, adolescents, and/or their caregivers, addressing risk factors.

North Carolina already does much that is right

- Medicaid support for kids' health & mental health
- DMH Child initiatives – System of Care, etc.
- Health Choice
- Schools – as primary mental health site
- Training and research

Fundamental Needs

- Screening: to reduce under-recognition
- Prevention
- Early intervention
- Access to treatment – including access to medications and treatment programs

Lack of access: diversion to social services or juvenile justice

Need for resources

- Discrimination in insurance coverage for mental illness and addictions -- renders an otherwise good insurance policy of less value to families who need this kind of treatment.
- Discourages families from getting care at early signs of disturbance, limits care that can be provided
- This shifts costs into the public sector
- Ultimate costs to North Carolina escalate as kids wind up in public setting, hospital setting, or the juvenile justice system.

Division of Public Health

Women's and Children's Health Section

Early Intervention Program

Together We Grow, North Carolina's Early Intervention Service System, in collaboration with public and private community partners and families, is committed to children from birth to age three who are at risk for delayed or atypical development, or who have been determined to have special needs, and their families.

Division of Public Health

Women's and Children's Health Section

Early Intervention Program

- Individuals with Disabilities Act (IDEA) federal language that governs ^{Part A toddler} Early Intervention Programs ^{Part B pre school} (all 50 states)
- Multidisciplinary assessment of the unique strengths and needs of infants and toddlers and the identification of services appropriate to meet needs
- Family-directed assessment of resources, priorities and concerns of the family and identification of the supports and services necessary to enhance the family's capacity to meet the developmental needs of the infant or toddler

*Program evaluation without cost or burden to family
services medically covered*

Division of Public Health

Women's and Children's Health Section

Early Intervention Program

IDEA Continued –

- Assessment and Care Coordination are required
- Infant Toddler Program – To the extent possible, services are to be provided in natural environments, including the home and community settings in which children without disabilities participate
- Services are to be provided within 45 days of referral to program for evaluation
- Services are to begin within 30 days of evaluation/IFSP (state requirement)

Division of Public Health

Women's and Children's Health Section

Early Intervention Program

- North Carolina's Eligibility Categories
 - Developmental Delay 20% delay in 165 skill levels
 - High Risk Potential - *Non-measurable delay - risk factors that contribute to the delay*
 - High Risk Established *diagnosed condition - birth defects - - -*
 - Atypical Development - 0-3 yrs - *Hyper Activity - delayed device*

Division of Public Health

Women's and Children's Health Section

Early Intervention Program

- Programs
- Audiology/Hearing
- Child Service Coordination
- Screening
- Occupational Therapy
- Physical Therapy
- Parent Training and Information
- Speech-Language Therapy
- Transportation
- Social Work
- Assistive Technology Services and Devices
- Medical Services Evaluation
- Family Counseling and Therapy

Division of Public Health

Women's and Children's Health Section Early Intervention Program

- Child Developmental Services Agency (CDSA)
 - Formerly the Developmental Evaluation Centers (DEC's) *Sen. Melone wants to know how much trouble these are*
 - Performs evaluations for children referred
 - Coordinate care for families within the Infant Toddler Program (contracting and arranging services)
 - Provide services when providers aren't available

Division of Public Health

Women's and Children's Health Section

Early Intervention Program

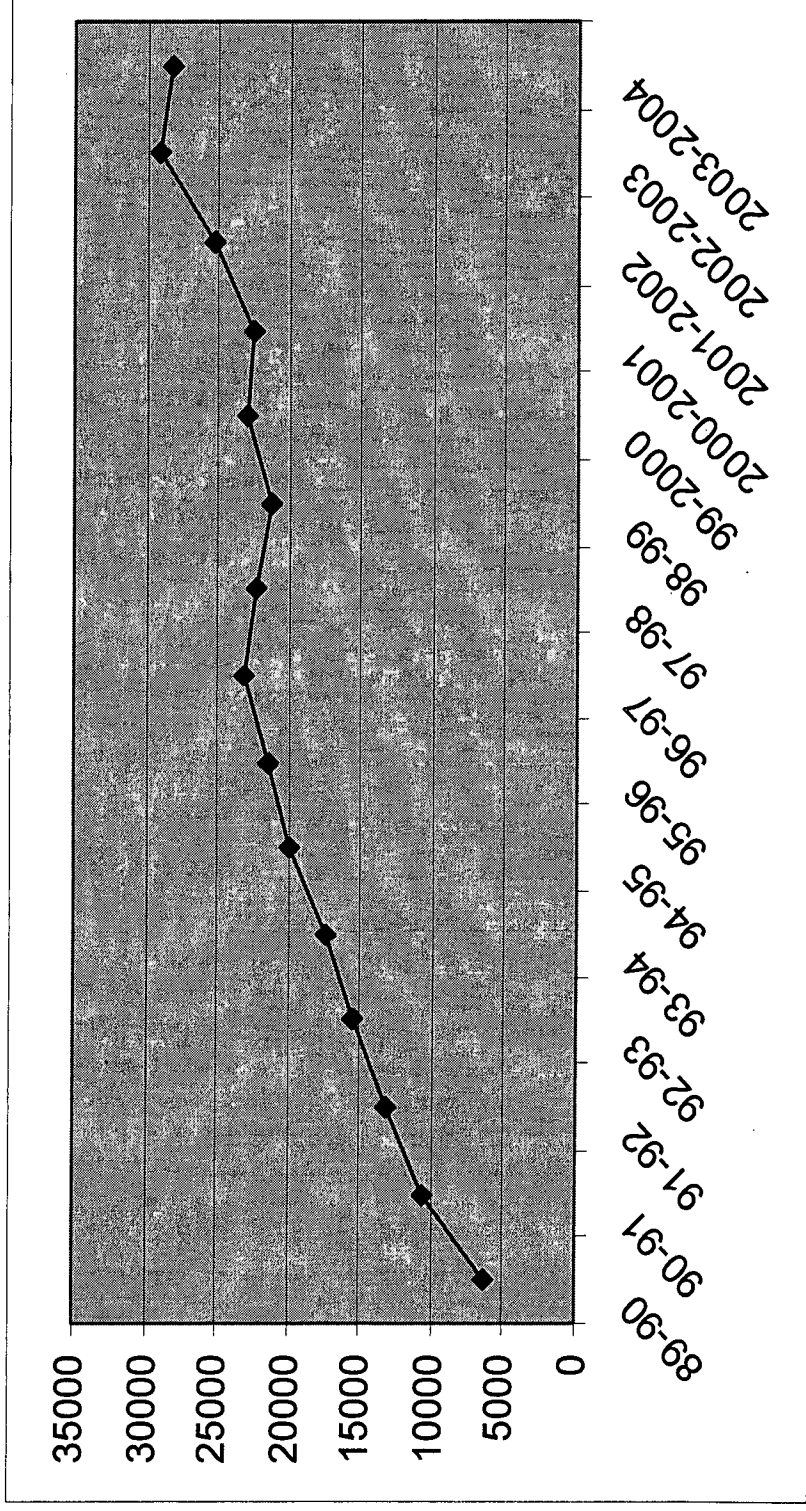
- Infant Toddler Program birth – 3 years old
- Preschool Program includes 3 and 4 year olds with developmental disabilities; DPI lead agency
- Research shows the first three years of life are very important years for learning in a child's life.
- Public School system is required to serve these individuals
- Early intervention services for children save money (state and federal resources)
- Many are evaluated through the EI/Together We Grow program

Division of Public Health

Women's and Children's Health Section

Early Intervention Program

Children Served in CDSAs



Division of Public Health

Women's and Children's Health Section

Early Intervention Program

- FY2003-2004 the DEC's/CDSA's served a total of 28,000 children
- 56,584 evaluation services were delivered (2004) by CDSA's
- 34,261 treatment services were delivered (2004) CDSA's
- 10,976 children were served in the Infant Toddler Program (2004)
- 6,308 children were served in the Preschool Program
- Average age of referral was 15 months
- 61% of children were boys and 39% girls (2002)
- 56% white, 32% black, 2% Asian, 1% American Indian, 7% Hispanic origin (2002)
- 2.9% of population for children under age of 3 (2002)

Division of Public Health

Women's and Children's Health Section

Early Intervention Program

BUDGET ISSUES

	2004 Actual	2005 Authorized	2005-06 Proposed	2006-07 Proposed
Requirements	\$44,048,177	\$64,237,533 <i>reflects move from Mental Health to Public Health</i>	\$64,587,508	\$64,588,321
Receipts	\$16,339,007	\$34,925,543	\$35,012,119	\$35,012,119
Appropriations	\$27,709,170	\$29,311,990	\$29,575,389	\$29,576,202

Division of Public Health

Women's and Children's Health Section

Early Intervention Program

- Individuals with Disabilities Education Improvement Act-Reauthorization 2004 *Federal Program*
- New populations of children to be referred to the early intervention program:
 - Children who are homeless
 - Children who are identified as affected by illegal substance abuse or withdrawal symptoms resulting from prenatal drug exposure
 - Children who are involved in a substantiated case of abuse and/or neglect
 - Infants who are premature

17,000 referrals

10,000 capacity

Division of Public Health

Women's and Children's Health Section

Early Intervention Program

The Child Abuse Prevention and Treatment Act (CAPTA) passed in July 2003 required that children under three with substantiated abuse and neglect be referred to and evaluated by the state early intervention program.

NC Legislature required a report assessing impact on the EI system.

FY2003-04 there were 7,319 children under three in Child Protective Services and 1,351 were already enrolled...resulting in 5,968 “new” children requiring evaluations.

Referrals to the Early Intervention Program

- FY 2003-2004 - 4,719
- July-December 2004 - 8,144
do not have capacity to serve

Children < 3 Years Evaluated by the CDSAs

- FY 2003-2004 – 11,695
- July-December 2004 – 6,457

more resources

or

cut services

community base service providers effect funding

VISITOR REGISTRATION SHEET

Mental Health and Youth Services

APRIL 13, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE
CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Pamela Eason	Tammy Lynn Center Speech-Language Pathologist
Elena Peña Burns	Tammy Lynn Center Child Development Specialist
Cheryl Mulloy	Easter Seals UCP NC Raleigh, NC
CL Cochran	ESUCP - C 2001
Anna Troutman	Tammy Lynn Center
Lorraine Thielmann	ESUCP
Jul Wala	ESUCP - C 2001
Kevin Ryan	DHHS
Nell G. Barnes	Learning Together, Inc. 856-5202 legislative committee Wake County Local Interagency Coordinating Council
Roz Savitt	NC Child Care Coalition

VISITOR REGISTRATION SHEET

Mental Health and Youth Services

APRIL 13, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Mary Freeman	Tammy Lynn Center and 832-3909X111 Legislative Committee Wake County Local Interagency Cor. Council
Martha-Lee Elin	Frankie Lemmon School + Developmental Center 1800 Glenwood, Raleigh 27608
Christina Alioto	Frankie Lemmon School 1800 Glenwood, Raleigh, NC 27608
Donna Gorsch	Tammy Lynn Center for Developmental Disabilities
Trish Foster	Tammy Lynn Center for D. D. Parent of 2 greatkids
Susan Warner	Tammy Lynn Center for Developmental Disabilities
Mary Jane Preston, PT, MS	Tammy Lynn Center Physical Therapy
Michael Haley	Dept. of Juv. Justice + Del. Prevention
Jeanne Bullock	Tammy Lynn Center Child Development Specialist
Becky Collins	Tammy Lynn Center Child Development Specialist
Beth Hampton	Tammy Lynn Center Child Development Specialist

VISITOR REGISTRATION SHEET

Mental Health and Youth Services

APRIL 13, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Mary Lou Gelblum	TLCDD-ELIS, 739 E. Chappell Rd Rd. 27606
Beth Cooper	" " "
Robert S. Lee	R. Lee & Assoc.
Robin Huffman	NC Psychiatric Assoc / Coalition 2001
Harold Carmel, MD	NC Psychiatric Assoc
Jim Woolsey	A R C
Betsy Thompson	ASNC 505 Oberlin Rd, Ste. 230 Raleigh, NC 27605-1345
Linda Griffin	ASNC "
Gill Hinton Keel	Autism Society of NC / C2001
Tammy Beunne	winning strategies
Antonio Coon	Division MH/DD/SA S
Martha W. Lawrence	YAI/DI DDA

NAME

FIRM

Michèle Lefe
Brittany Johnson meg

**Senate Mental Health & Youth Services Committee
Wednesday, April 20, 2005, 12:00 Noon
414 LOB**

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Presentations:

Mary Freeman Tammy Lynn Center

Martha Kaufman Founder of the State Collaborative

Peter Baker Director of Drug Court in Durham

Other Business

Adjournment

MENTAL HEALTH & YOUTH SERVICES COMMITTEE
WEDNESDAY, APRIL 20, 2005

MINUTES

Mental Health & Youth Services committee met April 20, 2005 at 12:00 noon in Room 414 of the Legislative Office Building. Seven members were present, including Senator Ellie Kinnaird, who presided.


Senator Kinnaird called the meeting to order introduced the pages.


Sen. Kinnaird introduced Mary Freeman, President and CEO of the Tammy Lynn Center for Developmental Disabilities. Mary spoke on behalf of the Wake County Local Interagency Coordination Council. (see attached)

Sen. Kinnaird introduced Martha Kaufman, founder of the State Collaborative. Kaufman spoke briefly about the Collaborative. see attached)

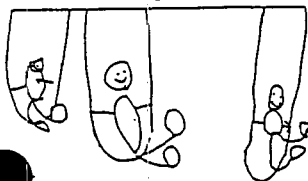
The final speaker was Peter Baker, director of Drug Court in Durham, NC. (see attached)

Senator Kinnaird thanked the presenters and adjourned the meeting at 1:00 p. m.



Senator Ellie Kinnaird, Chair

Kathie Young, Legislative Assist.



Early Intervention Community Update

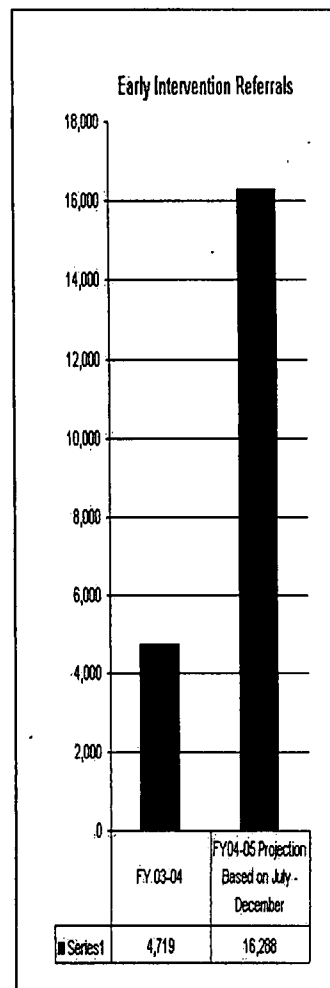
Wake County Local Interagency Coordinating Council (LICC)*

For the Mental Health and Youth Services Committee

NC Senate – April 2005

North Carolina

1. In FY 03-04 a total of 10, 978 children were served through the Early Intervention program. An additional 9,371 referrals are projected for FY 05-06 (130% increase).
2. Due to multiple factors, the number of eligible children referred to Early Intervention is expected to increase significantly in the 2005-2007 biennium. Some of the factors are:
 - Changes in **FEDERAL child abuse legislation** now require that **ALL** children under three (3) years of age with substantiated abuse and/or neglect **MUST BE REFERRED** to a state's Early Intervention program.
 - Changes in **FEDERAL** Early Intervention legislation require that states identify and provide outreach to:
 - Children in Neonatal Intensive Care Units
 - Children in homeless shelters and,
 - Children of substance abusing mothers
 - A general increase in demand due to the streamlined eligibility process (as required by the Early Intervention reform)
 - Greater pediatrician awareness of the benefits of Early Intervention
 - All primary care physicians provide a developmental and behavioral screening at well-child visits with those children who are Medicaid eligible.
3. Non-compliance with these **FEDERAL** mandates will result in lawsuits or loss of Medicaid funding.
4. There has been **NO INFUSION OF FUNDING SINCE 1991 DESPITE EXPONENTIAL INCREASES IN SERVICE DEMANDS.**



Wake County

1. Wake County providers (in operation more than 20 years) are experiencing significant financial loss from revised reimbursement rates implemented July 1, 2004.
2. Fifty percent of local providers will cease or significantly decrease Early Intervention services June 30, 2005 without immediate and sustained relief.
3. Wake County sources generated \$350,000 in one-time funds that are **unavailable in FY 05-06.**
4. A lack of Early Intervention services dramatically decreases the impact of expenditures for education because these children are unprepared to take advantage of learning opportunities including Smart Start and More at Four.

**This document was prepared by the Wake County Local Interagency Coordinating Council. Other information demonstrating this trend is available throughout the state.*

Mary Freeman, Tammy Lynn Center for Dev. Dis. 832-3909x111
 Patti Beardsley, Wake County Human Services 857-9111
 Nell Barnes, Learning Together 856-5202

THE STATE COLLABORATIVE: WHAT IT IS, WHAT IT DOES AND WHAT IT DOES NOT DO.

What the Collaborative is

The North Carolina State Collaborative for Children and Families provides opportunities for decision makers, representing a range of state and local agencies, to communicate and work together with families and advocates to better meet the needs of children and families. The State Collaborative is not part of any agency and has no legal authority to make decisions. It does not change the authority or responsibility of agencies or families. Instead, the Collaborative provides a neutral place to meet and a mechanism through which decisions can be better informed by the needs of families and other agencies.

The State Collaborative is a *forum* for the discussion of issues regarding how agencies and families can work together to produce better outcomes for children and families. Issues can be brought to the attention of the State Collaborative from local or state agency representatives, family members, advocates or others. The Collaborative then works to develop **recommendations** regarding the coordination of services, funding, training and local reporting requirements to eliminate duplication and make the system more consumer friendly. Agency/Division decision-makers are present at the Collaborative meetings and take part in developing the recommendations. Those staff members are then responsible for sharing the recommendations of the Collaborative with their co-workers and supervisors. Agencies are expected to give timely response and/or approval to these recommendations.

There is no change in who makes final decisions about issues such as out-of-home placement, educational placement, commitment to institutions, medical necessity, family status and other decisions that are the responsibility of agencies, departments, elected officials and units of government. What is different is the role of families and the number of agencies that provide input into the recommendations received by those agencies

Method

The State Collaborative uses the system of care approach to thinking about the way services are organized. The system of care is seen as a process not a program. The principles (strength-based, family-driven, multi-disciplinary, culturally sensitive and using empirically validated models whenever possible) that guide the process are recognized across disciplines as the national standard for service integration by both the Surgeon General's Report on mental health and the recently released report of the president's New Freedom Commission.

Agencies participating in the Collaborative do so because they choose to adhere to these principles to meet the needs of children and families. While the system of care process comes out of mental health, it is consistent with best practice models in special education, child welfare, public health, substance abuse, juvenile justice and education as well as the processes used in the growing number of problem-solving courts.

What the Collaborative is not

Participating in the State Collaborative does not reduce agency authority or remove the liability of legally defined decision-makers. The Collaborative has resisted numerous requests to distribute funds or become decision-making body, choosing to be a “place” where decision makers from agencies can come to work collaboratively with counterparts from other agencies.

It is not a mental health initiative. This is an initiative that any child serving agency can use. Funding for the federal System of Care demonstration projects originally came from education, mental health, juvenile justice and substance abuse agencies. The Presidents’ Commission reports that communities that use a System of Care approach to child services get better results across a number of life domains.

History

The State Collaborative was started informally in 2000 by senior staff from the Child and Family Services section in Mental Health, Developmental Disabilities, and Substance Abuse Services (MH/DD/SAS), Child Protective Services at the Department of Social Services (CPS at DSS), Department of Juvenile Justice and Delinquency Prevention (DJJDP), the Exceptional Children’s Branch at the Department of Public Instruction (DPI), and the Governor’s Crime Commission who realized that their agencies very often served the same children and families and that their agencies need a better way to collaborate. Senior staff from the Administrative Office of the Courts and Public Health soon began to attend. Later, other agencies, professional associations (including NCSA), and advocacy groups learned of the meetings and sent representatives.

At present, a parent and a Senior Research Scholar at the Center for Child and Family Policy at Duke University chair the Collaborative that meets twice per month at either the Child Advocacy Center or the Governor’s Crime Commission. People come to meetings to share information and solve problems through the “collaborative” process. Responsibility for minutes, mailing, etc. is shared across agencies. MH/DD/SAS maintains the email lists and posts the minutes on its web site.

Accomplishments

In less than three years the Collaborative has assisted agencies and families with a number of issues.

Collaborative members drafted a series of legislatively required memorandums of understanding to implement at-risk children’s legislation that allowed agencies outside the DMH/DD/SAS and parent/family advocates greater input into how these funds are used.

The Collaborative sponsored and participated in cross agency training through the Association of Area Mental Health Programs, the Courts, DSS, the Mental Health Association and other agencies.

The Collaborative was asked to help with the implementation of SB163 a bill requiring that all agencies in the receiving county be notified when a child is placed there from

another county. Since this involved multiple sending and receiving agencies, the Collaborative created a communications protocol that defined who is responsible, how and when notification is to be sent.

The Collaborative arranged the first meetings of regional coordinators from all the child-serving agencies. Although they often serve the same families in the same parts of the state, there had never been any systematic effort to bring them together so they could work collaboratively. Some continue to meet regularly and some do not.

The Collaborative has developed training materials and guidelines for judges involved in juvenile and family court.

The Collaborative has helped local agencies navigate what they perceive to be state-created barriers to local collaboration and encouraged consolidation of legislatively mandated local decision making entities such as the Local Community Collaboratives, the Juvenile Crime Prevention Council and other state mandated community forums.

The Collaborative helped the DMH/DD/SAS ensure other agency and parent input in the development of "best practice" guidelines that became part of the State Mental Health Plan.

The Collaborative worked with the DMH/DD/SAS to develop a multi-disciplinary Child Mental Health Plan to move children from institutional to community settings that is currently under review.

The Collaborative has contributed to the preparation of numerous federal grants requiring interagency collaboration including those submitted by; DMH/DD/SAS, public health, local universities, parents' groups and DSS .

Through the Collaborative, the training staff and the evaluation staff of most child-serving agencies now meet regularly to coordinate projects.

The Collaborative has created, and is in the process of disseminating, the first comprehensive list of all assessment tools used by public agencies to assess children. This includes most, but not all forms used by Health and Human Services agencies (MH, DD, SAS, Public Health, CPS, etc.), Juvenile Justice, the Court System, Regular Education and Special Education.

At the local and the state level there is now much greater understanding between agencies of how each are funded and why they do what they do.

What role should collaborative bodies play?

The State Collaborative will work to develop and describe a "Best Collaborative Practice" model for how service agencies work with each other and with families that include children. It is essential that this be a shared effort if we want acceptance across departmental and programmatic boundaries.

The State Collaborative will help agencies develop state and local memoranda of agreement following approval by the various Departments represented on the State Collaborative.

The State Collaborative will help agencies coordinate the use of collective resources to provide training and support to local communities.

The Collaborative will assess the level of interagency collaboration and family involvement and make recommendations for improvement where needed. The purpose of the reports will be to continuously look for ways to “learn and do better”.

The State Collaborative is one among a number of collaborative entities that have been developed to spread system of care principles throughout child and family serving agencies. Others include:

Child and Family Teams (CFT’s) bring family members and relevant agency personnel together at the local level to make strength-based decisions about individual children. . This mirrors best practice models in education, mental health, juvenile justice, and child welfare.

Child and family teams make recommendations about how to meet the needs presented by specific children and their families. This should not be limited to children whose needs emerge through the mental health system. Any child and family needing services from more than one agency or sector (e.g. social services, mental health, juvenile justice, schools) could benefit from a child and family team. At a minimum, a child and family team should be utilized whenever a child’s problems rise to the level where the child might be placed out of the home. Child and family teams should try to creatively use family, public and private resources to meet the needs of children and their families, taking advantage of the fact that different kinds of agencies can bring different resources to build upon child and family strengths.

Any agency can say no to team recommendations. However, a “No” should always come with an explanation that can better inform the team about what agencies can and cannot do.

For instance, the team might decide that a child needs a special education placement or maybe a different special education placement, but schools are required to test the students and meet state and federal guidelines.

Area Mental Health Programs decide when a child does or does not meet medical necessity criteria or fits into the “target population” for a particular program or funding stream.

The team might want the child placed in a DJJDP funded program, but entry into some of these programs may depend on the juvenile code or may require a judicial recommendation.

The team might want to see a change in the custody status of a child, but there are judicial, state and federal rules governing custody issues.

A team might look for ways to keep a child in school, but school officials decide who is suspended or expelled.

The team might decide that a child is better spending more time with a grandmother, aunt or older sibling, but the grandmother, aunt or older sibling has to agree to spend more time with the child.

In each case while someone on the team should have a good expectation about each of these issues, there will never be certainty.

The state should keep track of how well teams are functioning teams and agencies should keep track of “No”. These can be used to inform future Policy.

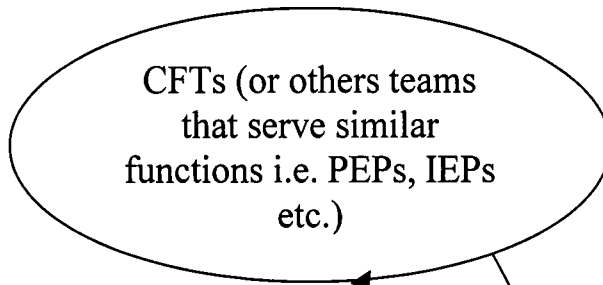
Community Collaboratives (CC’s) bring family members and public and private agencies together to make decisions about services and the best use of resources in their community. Community Collaboratives are often forums for local agencies to work out strategies through which they can coordinate different funding streams. Community Collaboratives should make decisions about flex funds, if they are available, and look for ways to encourage agencies to fill service gaps and blend funding. Ideally, the Community Collaborative should recommend how a variety of program funds will be used, trying to ensure that these funds are used in an integrated fashion that best serves children and families. When communities identify obstacles that prevent them from optimizing the use of these funds, they should communicate that to the State Collaborative.

Local communities decide how to constitute their Community Collaborative. Different state and local agencies may ask these collaboratives to take on different functions. Ideally, communities decide on the best form but agencies or legislation may dictate the functions.

While Community Collaboratives are often asked to review decisions made by child and family teams, they should not second guess professional judgments. Instead, they should ensure that CFT’s are using all available resources before making out of home placements and clarify questions about eligibility.

WHAT SHOULD THINGS LOOK LIKE

A

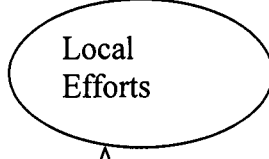


No child should be placed out of school, home or county without a strength based, multi-disciplinary meeting without the opportunity for parent participation. Children and their families should receive integrated services and supports that are outcomes-accountable through one unified Child and Family Team that is individualized for each child/family.

B

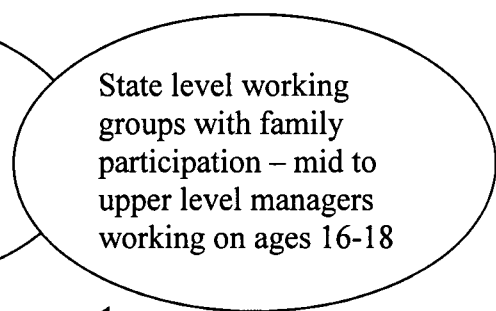
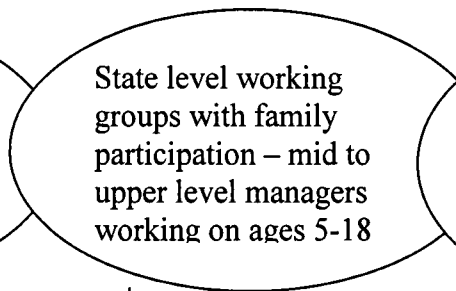
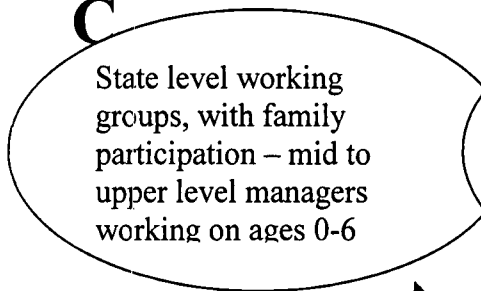


Local groups are empowered to work together, coordinate local funding etc. in order for CFTs to achieve outcomes for children and their families



JCPCs, safe school committees, local collaboratives, CCPT teams etc, etc, etc.

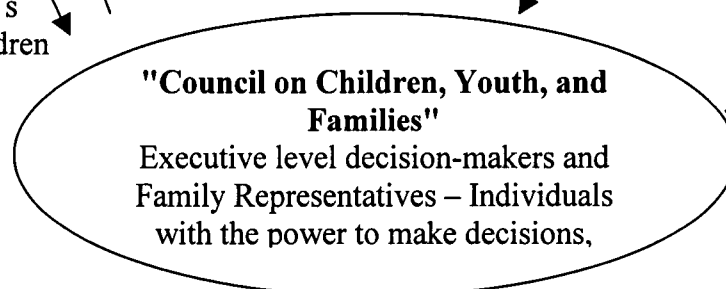
C



C.

Much like existing efforts, this group develops new ways for agencies to work together to coordinate children's services in order for to help their CFTs to achieve outcomes for children and their families.

D



D

"Council on Children, Youth, and Families" This would coordinate collaboration among mental health, social services, education, and juvenile justice/services. This would replace the current State Advisory Council on Juvenile Justice and Delinquency Prevention and might replace other existing entities. Its function would be to develop a statewide plan for collaboration and set up a monitoring process for implementation of the plan. The plan would have common outcome measures, which would gauge the socio-emotional health of our children and youth and their families with a holistic view of the child/youth as the focus. Questions:

Does the Council need staffing so it is not an add on to already existing functions?

Does the Council need funds for monitoring projects?

Should the Council include advocacy/ombudsman functions that may already be performed in parts of state government?

We need to be concerned with function as well as structure. This group would not only encourage collaboration. Its ongoing function/task would be to remove barriers and obstacles identified by local groups and address issues raised by mid level cross agency working groups. A second function would be to look at funding and measurement issues as children move between programs. It would benefit from hearing about complex difficult cases where children move between multiple agencies that are stumping raised by local groups. The function would not be to find fault, but to use the case analysis to look for ways to make our systems work better.

OTHER POINTS

1. There is already a great deal of collaboration going on. The legislature should try to build on these efforts rather than think it has to hand down new edicts in order to get people to do what is right. We did not recognize the good things we are already doing as clearly as we should have last time.
2. While we do not need permission to do what is right for kids, the legislature can make it easier rather than harder.

At the county and regional level there are incredible collaborative efforts going on that improve lives and make better use of resources. Nobody in Raleigh made them do these things. Our job should be to help and support those efforts.

3. We need a system to learn about, and where possible, remove those barriers.
(This is one of the things we have tried to do at the collaborative. While we could get answers for some groups, we probably need more formal structures to support and expand these kinds of efforts.)
4. Each of our agencies has important initiatives that have the potential to improve the lives of children through collaboration and using existing resources more effectively. We need a way to make sure these efforts are in sync. (This is something we have done pretty well at the collaborative)

What we need at the executive level. At the highest levels of state government officials should see themselves as supporting local regional and state efforts to collaborate in order to make the best use of existing resources. The MOA's developed and signed as part of the CTSP process are a model of what this could look like.

We need a body that can look at funding issues as kids move between programs.
We need a body that can get information about how funds that serve children are being spent
We need a group that can give timely answers to questions raised by local groups.
We need a group that can actively encourage, reward and otherwise norm collaborative activity.
We need a group that can hear and learn from difficult cases raised by local groups

What we need at the state/agency level. We need neutral forums where appropriate staff from numerous child serving agencies staff, family representative, professional groups and advocates can work on ways to improve services for children.

What we need regionally. Regional staff from child serving agencies should be encouraged to meet together at least once a year and develop ways to coordinate activities where they see fit. In different regions this will look differently.

What we need locally. Local groups should have the power to organize themselves to better meet the needs of their communities. While there is no one size fits all, local agencies should be held accountable for participation in collaborative activities. All state and federal funds administered at the local level should be allocated as part of an open collaborative process. Many already are. Whether it be JCPC, Safe School, CTSP, GCC, etc. funds, at a minimum, all relevant child serving agencies should be aware of and input into this process. Ideally all agencies should have to sign off on these decisions before any funds can be expended. The local MOA's developed and signed as part of the CTSP process are a model of what this could look like.

Three more points about collaboration

1. While it would be nice to have official executive and/or legislative support, people generally try to do the right thing for children. Executive and legislative groups can make it harder for people to work together or they can make it easier to work together, but they can neither make people start working together or stop people from working together.
2. When thinking about encouraging collaboration, the legislature should think about how it could/should support collaborative efforts, rather than just handing down an edit and expecting behavior to change.
3. We already probably have too many laws on the books telling people to work together. Their existence will never have any impact unless we develop ways to monitor their outcomes and tie behavior to real consequences. Inertia is as powerful a force in government as it is in nature.

OTHER THINGS TO KEEP IN MIND

At both the state and local level people are doing lots of good things and will continue to with or without the legislative. You can make it easier or harder. We really do not need legislation to make any of this happen, it could happen with leadership. To often the we solve problems by creating new structures without dealing the with the hard issues that deal with the functions they willperform. Nobody really wants yet another council on top of all the other councils. Structure is not the issue

Whether you like it or not this is going to be mandated over the next few years.

1. Public health - ECCS – Early child hood comprehensive systems grants – paving way for future mandates
2. Mental Health - President's new Freedom Commission
Mandating family inputs

SOC national evaluation by Macro – data is showing better outcomes at lower cost - could be part of new MH reform
3. DSS/CPS – Child service reviews – 4E money will depend on asking about MH services for kids in state custody asking about educational status of children in foster care
4. Juvenile Justice – There will probably be federal legislation on MH services for kids in JJ George cannot build his small YDC's without collaboration
5. No Child Left Behind establishes goals on drop out rates that can only be met with interagency work
6. The early childhood agencies have asked the governor to support a new agency – he has said no to rearranging deck chairs, so they now support these efforts.

WHAT STRUCTURES DO WE NEED TO GET CHILD SERVING AGENCIES TO WORK TOGETHER MORE EFFECTIVELY AND EFFICIENTLY?

FIRST AXIOM - Parents At The Table: No group, whether at the executive, agency state, regional or local level should never meet to discuss child policy without a parent of a child being served by one of our agencies is on the room.

SECOND AXIOM - Common Principles: Children's policy should adhere principles consistent with what has been come to be known in our state as System of Care *principles. The principles are:

- being strength based,
- using evidence based practices whenever possible,
- family involvement,
- taking multi-disciplinary approaches,
- being culturally competent,

THIRD AXIOM – This Is Not About Money and Power: We are not talking about new money for anyone's program, or taking money or authority away from one agency to give it to another agency. When we do talk about money, we are talking about transparency, establishing ways to look at the costs of serving children who move through our systems, using funds in consultation with other agencies, leveraging funding, etc.

*A number of agencies in North Carolina besides mental health, including courts, juvenile justice, DSS, parts of education, etc., have already bought into these concepts and this term. Diverse parent groups know it as a commitment that they will have a place at the table and want agencies to use it. These principles are recognized as being best practice across all fields serving children and are emerging as the standard for adults as well. There is increasing evidence, in North Carolina and across the US, that where these principles are used, on a population basis, there are better outcomes. There is a good chance federal rules in both mental health and child welfare will require the use of these principles.

THINGS TO KEEP IN MIND

At both the state and local level people are doing lots of good things and will continue to with or without the legislative. You can make it easier or harder. We really do not need legislation to make any of this happen, it could happen with leadership. To often we try to solve problems by creating new structures without dealing the with the hard issues that deal with the functions they will perform. Nobody really wants yet another council on top of all the other councils. Structure is not the issue. The issue is how we can create incentives to get existing structures to work together in amore efficient and effective manner.

Whether we like it or not this is going to be mandated by the feds over the next few years.

1. Public health – existing ECCS – Early child hood comprehensive systems grants – are paving way for future mandates

2. Mental Health - President's new Freedom Commission
Mandating calls for family inputs and interagency cooperation

The national evaluation of System of Care - is showing better outcomes at lower cost - could be nationally mandated be part of Medicaid MH reform

3. DSS/CPS – Child service reviews – 4E money will depend on
data about MH services for kids in state custody
data about educational status of children in foster care

North Carolina does not have data on these topics and will not unless we develop common interagency outcomes. The State Collaborative is the only group that has done real work on this topic.

4. Juvenile Justice – There will probably be federal legislation on MH services for kids in JJ
George cannot build his small YDC's without collaboration

5. No Child Left Behind establishes goals on drop out rates that can only be met with interagency work

6. The early childhood agencies have asked the governor to support a new agency – he has said no to rearranging deck chairs, so they now support these efforts.

WHAT STRUCTURES DO WE NEED TO GET CHILD SERVING AGENCIES TO WORK TOGETHER MORE EFFECTIVELY AND EFFICIENTLY?

FIRST AXIOM - Parents At The Table: No group, whether at the executive, agency state, regional or local level should never meet to discuss child policy without a parent of a child being served by one of our agencies is on the room.

SECOND AXIOM - Common Principles: Children's policy should adhere principles consistent with what has been come to be known in our state as System of Care *principles. The principles are:

- being strength based,
- using evidence based practices whenever possible,
- family involvement,
- taking multi-disciplinary approaches,
- being culturally competent,

THIRD AXIOM – We need to be measuring broad common functional outcomes for children and families not just how many services our agencies are offering. Other states are doing this and the federal government is starting to require it. Various groups are starting to pull these kinds of measures together, the legislature should demand it.

FOURTH AXIOM – The Issue is not About Money and Power: We are not talking about new money for anyone's program, or taking money or authority away from one agency to give it to another agency. When we do talk about money, we are talking about transparency, establishing ways to look at the costs of serving children who move through our systems, using funds in consultation with other agencies, leveraging funding, etc.

*A number of agencies in North Carolina besides mental health, including courts, juvenile justice, DSS, parts of education, etc., have already bought into these concepts and this term. Diverse parent groups know it as a commitment that they will have a place at the table and want agencies to use it. These principles are recognized as being best practice across all fields serving children and are emerging as the standard for adults as well. There is increasing evidence, in North Carolina and across the US, that where these principles are used, on a population basis, there are better outcomes. There is a good chance federal rules in both mental health and child welfare will require the use of these principles.

OTHER POINTS

1. There is already a great deal of collaboration going on. The legislature should try to build on these efforts rather than think it has to hand down new edicts in order to get people to do what is right. We did not recognize the good things we are already doing as clearly as we should have last time.

2. While we do not need permission to do what is right for kids, the legislature can make it easier rather than harder.

At the county and regional level there are incredible collaborative efforts going on that improve lives and make better use of resources. Nobody in Raleigh made them do these things. Our job should be to help and support those efforts.

3. We need a system to learn about, and where possible, remove barriers people run into when they try to collaborate. (This is one of the things we have tried to do at the collaborative. While we could get

answers for some groups, we probably need more formal structures to support and expand these kinds of efforts.)

4. Each of our agencies has important initiatives that have the potential to improve the lives of children through collaboration and using existing resources more effectively. We need a way to make sure these efforts are in sync. (This is something we have done pretty well at the State Collaborative)

5. We need outcome measures for children that cross agency boundaries.

What we need at the executive level. At the highest levels of state government officials should see themselves as supporting local regional and state efforts to collaborate in order to make the best use of existing resources. The MOA's developed and signed as part of the CTSP process are a model of what this could look like.

We need a body that can look at funding issues as kids move between programs.

We need a body that can get information about how funds that serve children are being spent

We need a group that can give timely answers to questions raised by local groups.

We need a group that can actively encourage, reward and otherwise norm collaborative activity.

We need a group that can hear and learn from difficult cases raised by local groups

What we need at the state/agency level. We need neutral forums where appropriate staff from numerous child serving agencies staff, family representative, professional groups and advocates can work on ways to improve services for children.

What we need regionally. Regional staff from child serving agencies should be encouraged to meet together at least once a year and develop ways to coordinate activities where they see fit. In different regions this will look differently.

What we need locally. Local groups should have the power to organize themselves to better meet the needs of their communities. While there is no one size fits all, local agencies should be held accountable for participation in collaborative activities. All state and federal funds administered at the local level should be allocated as part of an open collaborative process. Many already are. Whether it be JCPC, Safe School, CTSP, GCC, etc. funds, at a minimum, all relevant child serving agencies should be aware of and input into this process. Ideally all agencies should have to sign off on these decisions before any funds can be expended. The local MOA's developed and signed as part of the CTSP process are a model of what this could look like.

Three more points about collaboration

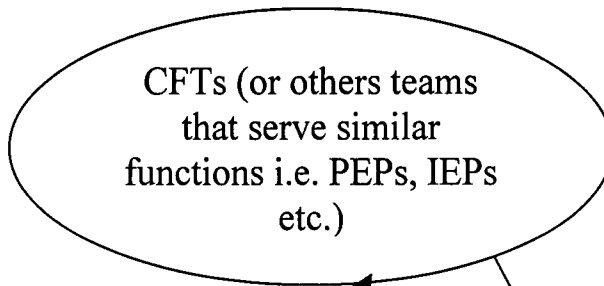
1. While it would be nice to have official executive and/or legislative support, people generally try to do the right thing for children. Executive and legislative groups can make it harder for people to work together or they can make it easier to work together, but they can neither make people start working together or stop people from working together.

2. When thinking about encouraging collaboration, the legislature should think about how it could/should support collaborative efforts, rather than just handing down an edit and expecting behavior to change.

3. We already probably have too many laws on the books telling people to work together. Their existence will never have any impact unless we develop ways to monitor their outcomes and tie behavior to real consequences. Inertia is as powerful a force in government as it is in nature.

WHAT SHOULD OUR WORLD LOOK LIKE

A

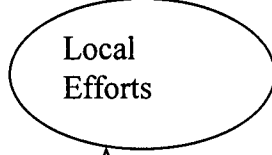


No child should be placed out of school, home or county without a strength based, multi-disciplinary meeting without the opportunity for parent participation. Children and their families should receive integrated services and supports that are outcomes-accountable through one unified Child and Family Team that is individualized for each child/family.

B

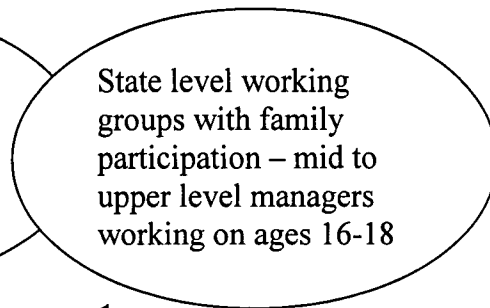
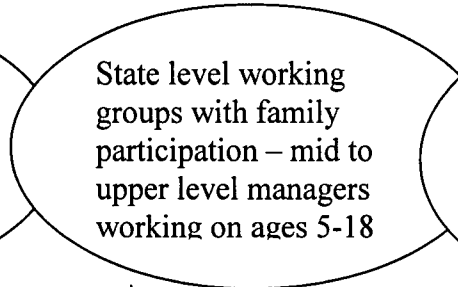
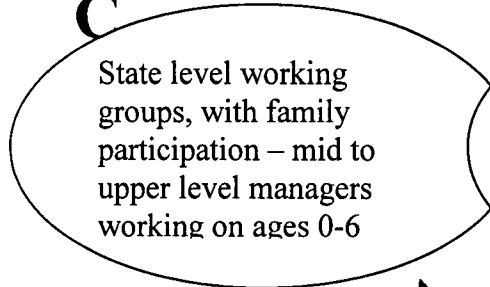


Local groups are empowered to work together, coordinate local funding etc. in order for CFTs to achieve outcomes for children and their families



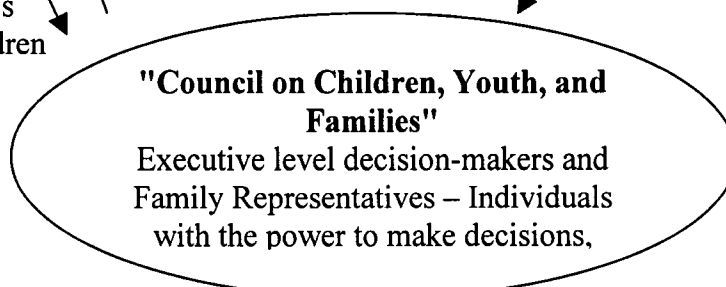
JCPCs, safe school committees, local collaboratives, CCPT teams etc, etc, etc.

C



C. Much like existing efforts, this group develops new ways for agencies to work together to coordinate children's services in order for to help their CFTs to achieve outcomes for children and their families.

D



D

"Council on Children, Youth, and Families" This would coordinate collaboration among mental health, social services, education, and juvenile justice/services. This would replace the current State Advisory Council on Juvenile Justice and Delinquency Prevention and might replace other existing entities. Its function would be to develop a statewide plan for collaboration and set up a monitoring process for implementation of the plan. The plan would have common outcome measures, which would gauge the socio-emotional health of our children and youth and their families with a holistic view of the child/youth as the focus. Questions:

Does the Council need staffing so it is not an add on to already existing functions?

Does the Council need funds for monitoring projects?

Should the Council include advocacy/ombudsman functions that may already be performed in parts of state government?

We need to be concerned with function as well as structure. This group would not only encourage collaboration. Its ongoing function/task would be to remove barriers and obstacles identified by local groups and address issues raised by mid level cross agency working groups. A second function would be to look at funding and measurement issues as children move between programs. It would benefit from hearing about complex difficult cases where children move between multiple agencies that are stumping raised by local groups. The function would not be to find fault, but to use the case analysis to look for ways to make our systems work better.

North Carolina Drug Treatment Courts

A Drug Treatment Court (DTC) uses a team of court and community professionals to help ensure that North Carolina's offenders, who are addicted to drugs and/or alcohol, receive the intensive treatment they need to become healthy, law-abiding and productive family and community members.

Adult DTC works with non-violent, repeat offenders who are facing jail/prison time.

Family DTC works with parent/guardians who are in danger of losing custody of their children due to abuse or neglect charges. The courts help ensure compliance with the Adoption and Safe Families Act.

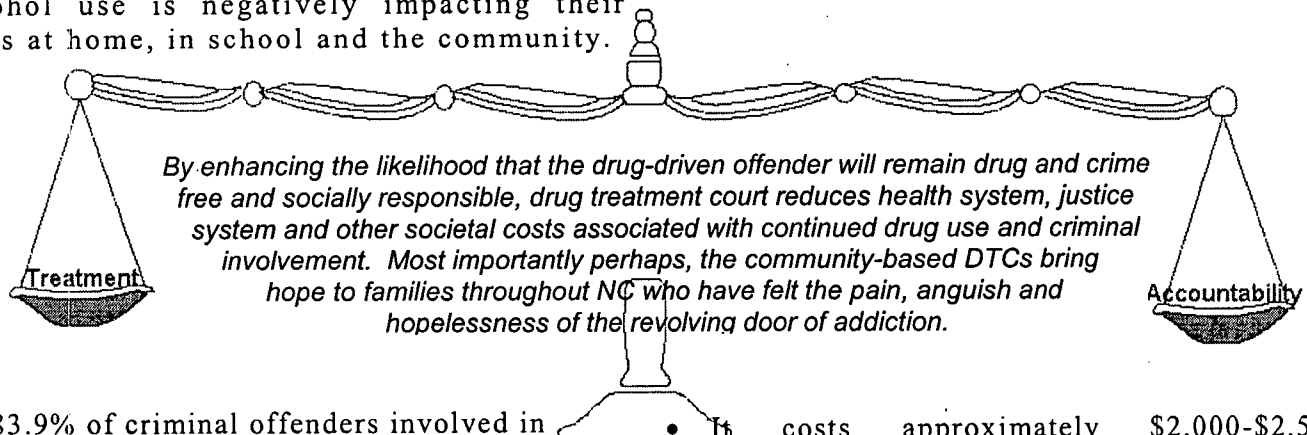
Juvenile DTC works with non-violent, juvenile offenders whose drug and/or alcohol use is negatively impacting their lives at home, in school and the community.

North Carolina's Drug Treatment Courts implemented in 1996 as a legislative pilot program (NCGS §7A-790, *et seq.*). The DTCs were made a permanent part of the court system by 1999.

Adult DTCs are located in 13 judicial districts serving Buncombe, Carteret, Caswell, Catawba, Craven, Durham, Forsyth, Guilford, Mecklenburg, New Hanover, Orange, Person, Randolph, Rowan, and Wake Counties.

Family DTCs are located in Durham and Mecklenburg counties, and are in the planning stages in Buncombe, Cumberland, Halifax, Johnston, Orange and Wayne Counties.

Juvenile DTCs are operational in Durham, Forsyth, Mecklenburg, Rowan and Wake counties.



- 83.9% of criminal offenders involved in the justice system are drug and/or alcohol involved. Most are addicted.
- A Justice Department study showed 67% of those released from prison commit a new crime within three years.
- Drug and alcohol abuse costs US taxpayers \$276 billion annually in preventable healthcare costs, additional law enforcement, auto-crashes, crime and lost productivity.
- Over 75% of abuse and neglect cases have parental drug and/or alcohol abuse as a major cause of the abuse or neglect.
- Lifetime costs of treating prenatal drug or alcohol exposed babies is \$750,000 - \$1.4 million per child.

- It costs approximately \$2,000-\$2,500 annually to provide community treatment and supervision to a DTC participant as compared to \$23,000 annually to house an offender in a NC prison.
- Over 724 adult offenders have graduated from NC DTCs since 1997.
- In NC, the recidivism rate for DTC graduates was about half the recidivism rate of DTC non-graduates.
- North Carolina DTCs served 953 adult offenders in 2003.

North Carolina Youth and Family Drug Treatment Courts

A Drug Treatment Court (DTC) uses a team of court and community professionals to help ensure that North Carolina's offenders, who are addicted to drugs and/or alcohol, receive the intensive treatment they need to become healthy, law abiding and productive family and community members.

Family DTC works with parent(s)/guardian(s) who are in danger of losing custody of their children due to abuse or neglect charges. The courts help ensure compliance with the Adoption and Safe Families Act.

Family DTCs are located in Durham and Mecklenburg counties and are in the planning stages in Buncombe, Cumberland, Halifax, Johnston, Orange and Wayne Counties.

Youth DTC works with non-violent, juvenile offenders whose drug and/or alcohol use is negatively impacting their lives at home, in school and the community.

Youth DTCs are operational in Durham, Forsyth, Mecklenburg, Rowan, and Wake counties.

Drug Courts have proven to be cost effective because there is an early investment that eliminates the need for repeated investments.

- Up to 67% of youth involved in the juvenile justice system has a substance abuse problem.

- For youth aged 12-17, current illicit drug use was somewhat higher in North Carolina than in the nation. This was due to the greater use of drugs other than marijuana. North Carolina's rate was 6.2% compared with the nation's rate of 5.3%, putting North Carolina in the top 5th of all states in 1999.

More than 90% of adults with current substance abuse disorders started using before age 18, half of those began before age 15.

- Over 75% of abuse and neglect cases have parental drug use and/or abuse as a major cause of the abuse or neglect.

- Incarceration of drug using offenders costs between \$20,000 and \$50,000 per person, per year. The capital costs of building a prison cell can be as much as \$80,000. In contrast, a comprehensive drug court system typically costs between \$2,500 and \$4,000 annually for each offender.

- Admitting a child into the foster care system costs between \$365 to over \$5,000 per month depending on the age and physical and medical condition of the child.

"Drug Courts are an effective and cost efficient way to help non-violent drug offenders commit to a rigorous drug treatment program... By leveraging the coercive power of the criminal justice system, drug courts can alter the behavior of non-violent, low-level drug offenders through a combination of judicial supervision, case management, mandatory drug testing and treatment to ensure abstinence from drugs and escalating sanctions."

-- President George W. Bush

"Drug usage of offenders participating in drug court programs is substantially reduced when they are in the programs, and (for) most participants who complete the program, drug use is eliminated altogether—let us get the message out to Congress, to state legislatures, to cities, county commissioners—treatment does work."

-- Former Attorney General Janet Reno

- In 2003, Family DTCs retained 74% of participants.
- A total of 53 youth have graduated since 1998, and three of the programs just started in the past year and a half.

- A total of 15 Family DTC participants have graduated since 2000, from two very new courts.
- North Carolina Youth Treatment Courts have a retention rate of 72%, and the Family Treatment Courts have a 74% retention rate.



*State of North Carolina
General Court of Justice
14th Judicial District*

COURT ADMINISTRATION

E. DENEEN BARRIER, Superior Court
ALISA CLAYTON, District Court
KATHY SHUART, Administrator
Telephone: (919) 564-7200

DRUG TREATMENT COURT

PETER L. BAKER, District Administrator
KAREN SHAW, Adult Treatment Court
ALEXIA STITH, Family Treatment Court
CALVIN VAUGHAN, Youth Treatment Court
Telephone: (919) 564-7210

DURHAM COUNTY
DURHAM COUNTY JUDICIAL BUILDING
201 E. MAIN STREET, SUITE 278
DURHAM, NC 27701
FAX: (919) 560-6877

JUDGE RALPH A. WALKER
Administrative Office of the Courts

ORLANDO F. HUDSON, JR.
Senior Resident Superior Court Judge

ELAINE M. BUSHFAN
Chief District Court Judge

Drug Treatment Court

- Therapeutic Justice Model - Aimed at holding defendants accountable and stopping the cycle of drug and alcohol abuse.
- Adult DTC: Works with non-violent repeat offenders facing prison time.
- Family DTC - Works with parents/guardians who are in danger of permanently losing custody due to abuse or neglect charges.
- Juvenile DTC - Works with non-violent juvenile offenders whose drug/alcohol abuse is impacting their lives at home, school, and within the community.
- DWI Court works with individuals convicted of Levels 1, 2, and 3 or multiple DWI offenses.
- There were five DTCs established in the State of NC in 1995.
- There are now 22 adult DTCs (Superior, District, DWI and Mental Health) operating in 14 judicial districts (17 counties).
 - (Avery/Watauga, Buncombe, Catawba, Craven/Carteret, Cumberland, Durham, Forsyth, Guilford, Mecklenburg, New Hanover, Orange, Person/Caswell, Randolph, and Wake)
- There are 7 Family DTCs operating in 7 judicial districts/counties with an additional four slated to begin operation in the next year.
 - (Cumberland, Durham, Halifax, Mecklenburg, and Orange - not yet operational are Buncombe, Gaston, Union and Wayne)
- There are 5 youth DTCs operating in 5 judicial districts/counties.
 - (Durham, Forsyth, Mecklenburg, Rowan and Wake)

DTC Facts - Recidivism

- 80% of criminal offenders in the justice system are drug and/or alcohol involved. Most are addicted.
- Over 75% of abuse and neglect cases have parental drug and/or alcohol abuse as a major cause.
- A Justice Department study showed that 67% of those released from prison commit a new crime within three years.
- An independent evaluation of NC DTCs shows that DTC graduates are rearrested at half the rate of non-graduates.
- 18% of DTC graduates and 41% of non-graduates were rearrested in the 12 months after discharge compared to 44% of the comparison group members.

DTC Facts - Cost Effectiveness

- It costs approximately \$2,000-\$2,500 annually to provide community treatment and supervision as compared to \$23,000 annually to house an offender in a NC prison.
- A St. Louis study showed that the net savings attributable to drug court totaled \$1,687,868 or \$7,707 per drug court participant. This represents the expenses that would have been incurred by the taxpayer over a four-year period had the drug court clients been placed on regular probation.
- The same St. Louis study showed that for every dollar in added costs for their 219 drug court graduates, taxpayers realized a savings of \$6.32 over four years.

Requests/Action Items

- Study after study has demonstrated that drug courts reduce recidivism, save money and increase retention in treatment.
- DTC clients meet the target population and incorporate evidence based best practices under NC's plan for mental health and substance abuse services.
- The time has come to institutionalize funding for drug treatment courts. Their value has been well established and the best interests of the community require the requisite level of support be provided.
- Support the Sustainability Plan and Expansion Budget for NC DTC submitted by the AOC March 1, 2005.
- Immediately fund those courts that will have to cease operations when grant and/or local funding expires this year.
- Transition to full funding of the other drug courts when their grant or local funding expires thereafter.
- Support the AOCs recommended fee increases to support the continued operation of Treatment Courts, Family Courts, Arbitration and other core court functions.

Special Note

- Several NC Drug Treatment Courts were among the nation's pioneers and stand as model programs for other cities and counties.
 - Three NC DTC Programs will serve as host training sites for the Drug Court Planning Initiative's (DCPI) 2005 National training series.
 - The DCPI is the official drug court planning project of the Bureau of Justice Assistance, the United States Department of Justice, managed by the National Drug Court Institute (NDCI).
- 20 NC DTC Team Members serve as faculty for the DCPI-NDCI trainings.

VISITOR REGISTRATION SHEET

Mental Health and Youth Services
Name of Committee

APRIL 20, 2005
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE
CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Mary Frenar	Tommy Lynn - NC / LCC
Nell D. Barnes	Learning Together Wake Co LCC
Patti Beardsley	Wake Co. Human Services
Dandra C. Brown, R.N.	Nurse of the Day
Don Peppert	Director of the Day
John S. Sams	NC Council
North Lawrence	HAZO/DDA
Rosine Stallings	Wake County Smart Start
Pam Dowdy	WCSS
Yusef Muhammad	Muhammad's Funeral

VISITOR REGISTRATION SHEET

Mental Health and Youth Services

APRIL 20, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE
CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Jeffrey W. Eaton

Y AIO Dept. of Adm.

Wayne Williams

OSBA

Debbie Barnes

OSBA

Peter Baker

Drug Courts (Durham)

Ruth Miller

FPG Child Dev. Program

Lynda Furr

EIFS - Orange County

VISITOR REGISTRATION SHEET

Mental Health and Youth Services

APRIL 20, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE
CLERK

NAME	FIRM OR AGENCY AND ADDRESS
CHRISTOPHER Gilan	LEARNING TOGETHER 568 E LENOIR ST RALPH
Debra Halley	Learning Together 568 E. Lenoir St Ral. NC
Doris Gilan	Learning Together, Inc. 568 E. Lenoir St Ral-27601
Danica Cullinan	Learning Together 568 E. Lenoir Street Ral 27601
BRIAN LEWIS	Covenant w/ NC's children
Judy Stephens	DJJD
CL Anderson	DJJD
Mike Moseley	DMH/DD/SAs
Antonio Cool	DMH/DD/SAs
HAROLD CARNEL	NC Psychiatric Assn.
MICHAEL LANCASTER	DMH/DD/SAs

Senate Mental Health & Youth Services Committee
Wednesday, April 27, 2005, 12:00 Noon
414 LOB

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Presentations:

Joe Cappar, Executive Director, Miracle Meadows Therapeutic Riding Center Jacksonville, NC

The benefits of therapeutic riding for the citizens in our part of the state

Joel Rosch PhD Senior Research Scholar, Center For Child and Family Policy, Duke University
The State Collaborative

Other Business

Adjournment

MENTAL HEALTH & YOUTH SERVICES COMMITTEE
WEDNESDAY, APRIL 27, 2005

MINUTES

Mental Health & Youth Services committee met April 27, 2005 at 12:00 noon in Room 414 of the Legislative Office Building. Seven members were present, including Senator Ellie Kinnaird, who presided.


Senator Kinnaird called the meeting to order introduced the pages.

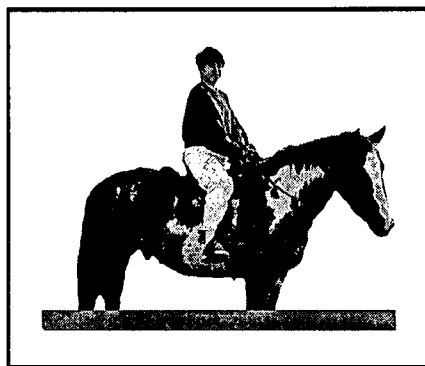
Sen. Kinnaird asked Sen. Harry Brown to introduced Joe and Linda Capper, Executive Director, Miracle Meadows Therapeutic Riding Center Jacksonville, NC and Linda Hughes, their riding instructor. Mr. Capper presented a PowerPoint presentation and video about the history and benefits of therapeutic riding for the citizens in his part of the state.

Joel Rosch, PhD Senior Research Scholar, Center For Child and Family Policy, Duke University member of the State Collaborative did not speak since a large number of the committee members left the meeting but will speak at the May 4, 2005 meeting.

Senator Kinnaird thanked the presenters and adjourned the meeting at 1:00 p. m.


Senator Ellie Kinnaird, Chair


Kathie Young, Legislative Assist.



Shannon **helmet removed for photograph

How it all began....

In the spring of 1996, Linda and Joe Cappar discovered all they had read and heard about the therapeutic benefits fo horseback riding for the disabled was absolutely true. Their 24 year old daughter, Shannon, physically, emotionally and mentally challenged, was just experiencing her first horseback ride. Nervousness and trepidation turned to joy as a delightful smile developed from ear to ear, and Shannon gleefully shouted, "Look at me, I'm riding Bo!"

The Cappar's additional research convinced them that therapeutic horseback riding and equine related activities could be of great benefit to

many physically, emotionally and mentally disabled persons. Realizing there were no thereapeutic riding programs near Jacksonville, the Cappars determined, that with the Lord's help, they would establish one. Months of searching, praying, planning, and arranging financing, along with some truly miraculous events, resulted in locating a riding instructor and the perfect location.

Named for all of the awesome events leading up to its establishment, Miracle Meadows Therapeutic Riding Center officially opened in January, 1999, and has been providing therapeutic horseback riding and equine related activities for mentally, physically and emotionally challenged children and adults since then.

**Our clients' journeys toward personal victory are taken
upon horseback one hoof-beat at a time.**

Facts about miracle meadows:

- Founded in 1998
- Located in the Kellum Loop area of Onslow County, just three minutes outside Jacksonville, North Carolina
- Member Center of the North American Riding for the Handicapped Association (NARHA)
- A tax-exempt, 501 (c)(3) charitable organization

When a potential rider enters the therapeutic riding setting for the first time, he or she receives an evaluation. Riding Center personnel consult with medical and educational professionals closest to each client and then design a program to meet that rider's needs.

Some of our programs address:

- Medical needs in which the horse becomes a tool for physical therapy,
- Developmental needs, utilizing the horse as a tool for sensory integration,
- Emotional needs in which the horse is used as a conduit for bonding and interpersonal relationships,
- Educational needs, wherein the horse becomes the motivation for fulfillment of the client's Individualized Educational Program (IEP).

Miracle Meadows horses, our four-legged therapists are carefully screened for disposition and the ability to work as a "therapeutic horse." The legs of these powerful animals become the legs and power of our riders, allowing them a sense of freedom and confidence they seldom experience elsewhere in their lives.

Miracle Meadows offers programs ten months each year, providing nearly 1,200 therapeutic riding hours. Volunteers donate over 3,000 hours of their time annually.

**"Traditional exercise can't mimic the long-term physical benefits of
therapeutic horseback riding."**

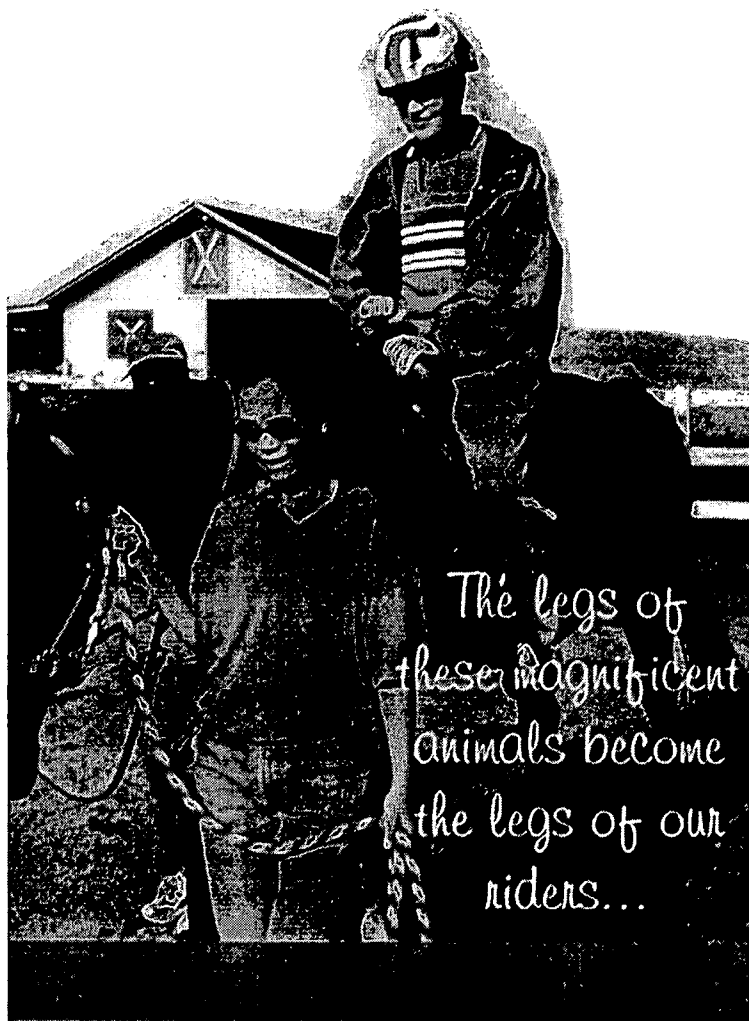
-- Leanne K. Lyon, PT

To a child or adult with a physical, developmental or emotional disability, life can look a lot brighter on horseback. The power and warmth of the horse strengthens and tones muscles, improves balance, head control and coordination, builds self-esteem, and offers a sense of freedom and equality. At Miracle Meadows, our program incorporates physical therapy, unconditional love gained in the human/horse relationship, and freedom and mobility that our riders cannot experience limited to a wheelchair or

walking aides. The feeling of achievement and control that comes from riding and maneuvering a 1,000 to 1,200 pound horse is strong medicine, replacing self-doubt with self-confidence.

At Miracle Meadows, we provide effective, safe, inovative and professional therapeutic riding and equine related programs to people from every age group with a wide range of physical, mental or emotional disabilities.

There is no typical Miracle Meadows rider.



VISITOR REGISTRATION SHEET

Mental Health and Youth Services
Name of Committee

APRIL 27, 2005
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE
CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Enkharinmaa Oidondanzan <i>[Signature]</i>	Duke University, Graduate student; 2504 Vesson ave. # A 61, Durham, NC 27707 <i>[Signature]</i>
<i>Martha W. Prince</i>	YAI/DIA
May Alexander	Duke University
<i>Joe / Rosh</i>	<i>Rake</i>
<i>Janet Schmitz</i>	NC Council
<i>Mike Lancaster</i>	DMH/DD/SAS
<i>Robin Hoffman</i>	NC Psychiatric Assoc / C200/
<i>Renee E. Porter</i>	Sen. Shaw's Office
<i>John R. [Signature]</i>	NCFPC

VISITOR REGISTRATION SHEET

Mental Health and Youth Services
Name of Committee

APRIL 27, 2005
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE
CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Ten Tackle	Bm BHS
Leo Russell	CJPC
Tammy Beunsee	Winning Strategies
Jami Fitzgerald	NCFPC
Jessica Sage	NCFPC
Rebecca Tronum	NCAAC
David Jones	CECL
CL Anderson	DJSDP
Antonio Coor	DMH/DD/SAS
Wayne Williams	OSBM
Dennis Barnes	OSBM

Senate Mental Health & Youth Services Committee
Wednesday, May 4, 2005, 12:00 Noon
414 LOB

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Presentations:

Joel Rosch PhD Senior Research Scholar, Center For Child and Family Policy, Duke University
The State Collaborative

Janet Schanzenbach, CAE Council of Community Programs
Area LME

Two programs will highlight Representatives from the Area Authorities (LME) Smoky Mountain Center and Wake Human Services.

Smoky Mountain will be **Tom McDevitt**, Area Director
Doug Tranthum, Service Management Director
Kim Franklin, PhD, Clinical Services Director

Wake is **Crystal Farrow**, LME Director

Other Business

Adjournment

MENTAL HEALTH & YOUTH SERVICES COMMITTEE
WEDNESDAY, MAY 04, 2005

MINUTES

Mental Health & Youth Services committee met May 04, 2005 at 12:00 noon in Room 414 of the Legislative Office Building. Seven members were present, including Senator Ellie Kinnaird, who presided.

Senator Kinnaird called the meeting to order introduced the pages.

Janet Schanzenbach, CAE Council of Community Programs Area LME, Two programs will highlight Representatives from the Area Authorities (LME) Smoky Mountain Center and Wake Human Services.


Janet Schanzenbach introduced the Smoky Mountain Area Director Tom McDevitt who presented a program "Successes and Challenges" along with Doug Tranthum, Service Management Director and Shelly Lackey. (See attached)

Joel Rosch PhD Senior Research Scholar, Center For Child and Family Policy, Duke University spoke about the North Carolina State Collaborative for Children. (See Attached)

Beth Nelson, LME Wake County explained Child development-Community Policing Program and the Juvenile Court MH/SA Evaluation and Referral Team

Senator Kinnaird thanked the presenters and adjourned the meeting at 1:00 p. m.



Senator Ellie Kinnaird, Chair

Kathie Young, Legislative Assist.

North Carolina STATE COLLABORATIVE for Children

- Goals:**
- 1) Establish system of care principles as the way should do business for children and families in North Carolina;
 - 2) Develop effective strategies for two way communication between the state and local collaboratives; and
 - 3) Agree upon common outcomes across agencies.

Structure:

- **Leadership:** Co-chairs: Pat Solomon, NC Families United, and Joel Rosch, Duke University Center for Child and Family Policy. Responsibility for minutes, mailing, etc. is shared across agencies. MH/DD/SAS maintains the email lists and posts the minutes on its web site.
- **Members**
 - Family members
 - Agency representatives from Mental Health, Developmental Disabilities, and Substance Abuse Services (MH/DD/SAS), Child Protective Services at the Department of Social Services (CPS at DSS), Department of Juvenile Justice and Delinquency Prevention (DJJDP), Public Health, the Exceptional Children's Branch at the Department of Public Instruction (DPI), the Division of Medical Assistance, Governor's Crime Commission, and the Administrative Office of the Courts
 - Professional associations
 - Private providers
 - Advocacy groups
- **Sub committees:** Training, Evaluation, Assessment, Cultural Competency and Practices, and School based Mental Health

Meeting Time/Place: Second and Fourth Fridays from 9-11 AM

- The small working group focuses on tasks at hand and local issues meets on the second Friday of each month at the NC Child Advocacy Institute at 311 E. Edenton St Raleigh.
- The large group meets on the fourth Friday of each month at the Governor's Crime Commission, at 1201 Front St., Suite 200 Raleigh.

Selected Accomplishments of the NC State Collaborative:

- Drafted a series of legislatively required Memorandums of Agreement to implement at-risk children's legislation – the Comprehensive Treatment Services Program(CTSP)¹
- Created a communications protocol help with the implementation of SB163², a bill requiring that all agencies in the receiving county be notified when a child is placed there from another county.
- Sponsored multi-agency and cross-agency training opportunities through the Association of Area Mental Health Programs, the Courts, DSS, the Mental Health Association and other agencies.
- Arranged the first meetings of regional coordinators from all the child-serving agencies.
- Worked with the DMH/DD/SAS and parent/family advocates to influence how CTSP and other funds are used to provide services and supports for children and families.

For Further Information, directions, or to get on the email list, please contact Pat Solomon, at phsolomon@earthlink.net or Joel Rosch at Rosch@pps.duke.edu .

North Carolina STATE COLLABORATIVE for Children

What the State Collaborative is:

- A “place” where decision makers from agencies, provider organizations, family groups, advocates and others working on children’s issues can come to work collaboratively to better meet the needs of children and families;
- An advisory body for a number of initiatives in education, mental health, child protection and the courts;
- A process to develop recommendations regarding the coordination of services, funding, training and local reporting requirements to eliminate duplication and make the system more consumer friendly;
- Organizational support for county Collaboratives and Child and Family Teams; and
- A vehicle to help state agencies apply for grants that require evidence of interagency collaboration.

What the State Collaborative is NOT:

- A mental health initiative;
- A decision-making body;
- Part of any agency;
- A legal authority to make decisions;
- A body that limits either the authority or liability of legally defined decision-makers; and
- An entity that distributes funds.

Vision: Children and families should be healthy, safe, secure, and successful at home, in school and in the community

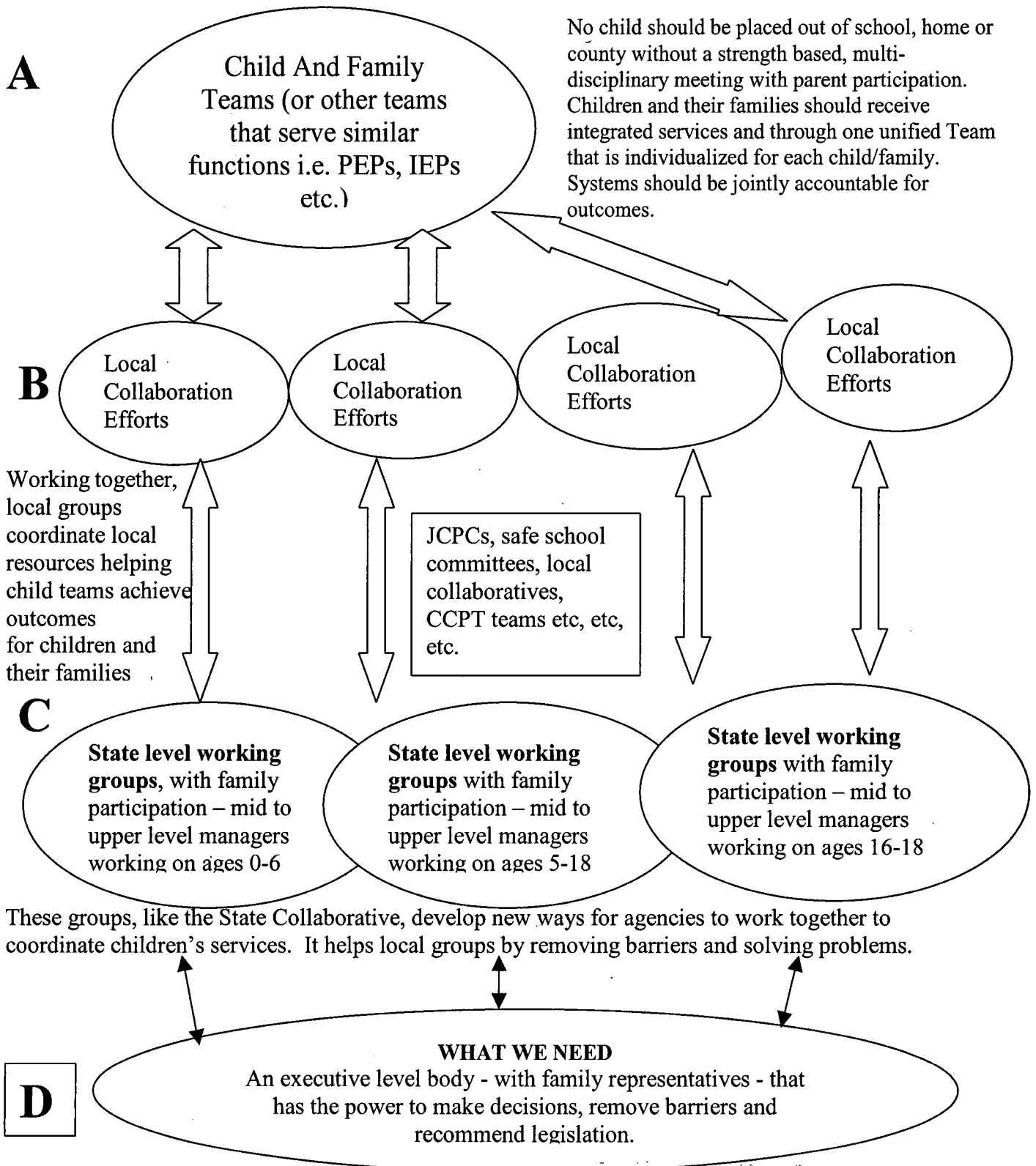
Mission: Works to improve outcomes for all children and families by supporting collaboration amongst families, youth and all child and youth servicing agencies by:

- Creating a way for child serving agencies to meet regularly and work on common problems;
- Developing common strategies for the effective use of resources;
- Sharing information;
- Streamlining service delivery; and
- Sharing responsibility and accountability.

Principles: The State Collaborative uses the system of care approach to thinking about the way services are organized. The system of care is seen as a process not a program. The system of care approach emphasizes:

- strength-based approaches;
- family involvement at every level;
- multi-disciplinary involvement: mental health, special education, child welfare, public health, substance abuse, juvenile justice and education, and the problem-solving courts;
- culturally sensitive practices; and
- empirically validated models whenever possible.

WHAT OUR SYSTEMS SHOULD LOOK LIKE



We need an executive level body that could coordinate collaboration between child serving agencies (mental health, social services, education, and juvenile justice, etc.) This could replace the current State Advisory Council on Juvenile Justice and Delinquency Prevention and other existing entities. Its function would be to facilitate statewide collaboration. This group could look at common outcome measures, information systems etc. In other states these organizations work best when they are established in statute and can hold agencies accountable for common outcomes.

Good afternoon, thanks for opportunity.

Highlight 2 initiatives with similar themes.

- Focus on early screening, assessment, and intervention
- In non-traditional settings
- With much collaboration amongst systems that have not always worked so well together in the past.

Programs demonstrate:

- Efficient use of the collaboratively pooled resources
- Improved outcomes for youth and families.
- In the spirit of reform:
 - We begin to see youth with MH/SA issues as the responsibility of the community, not just as the MHC agency's.
 - We involve families more in the planning processes, offering choices of providers after comprehensive assessment

First, Child Development-Community Policing Program

Then, the Juvenile Court MH/SA Evaluation and Referral Team

Child Development-Community Policing Model

- Developed at Yale University in conjunction with the New Haven, CT police department about 15 years ago.
- Replicated in 15 communities, including Charlotte, and now Raleigh is the 16th site. Our team trained in Charlotte.
- Yale continues to monitor and collect outcomes data.
- Mission/purpose is to provide rapid MH intervention and service connections to children who have witnessed or been victims of trauma
- Trauma occurs in context of domestic violence, child abuse, home invasion, gang violence, or sudden death of parent or sibling.
- Model uses the advantage of the "first responder" nature of police work.
- Officers trained to recognize the needs of the children in the home when responding to scenes.
- 2 choices—**immediate**—can have an on-call MH clinician paged out
OR
Next day—spends time with the family right at the time and gets agreement for a MH clinician to visit. Go together, once or more over the next few weeks. Assessment, referrals to MH and social services programs. Not just for the youth, also for adult family members.
- Most common calls so far have involved domestic violence, and subsequent referrals to Child Protective Services.

- Benefits to youth and families
 - Time is of the essence in interventions with children exposed to violence
 - Decreases likelihood of more serious symptoms and behaviors
 - Depression and anxiety
 - Difficulties in school and social interactions
 - Repetition of violence
- Benefits to the officers
 - The return calls to the home in the company of a MH worker puts officers into a new light for the families
 - Play with the children, explain the equipment, give out nightlights, coloring books, and teach – checking doors and windows etc.
 - While helping to reestablish a sense of safety for the youth, it also lets the officers be seen in their role as protection and helper, rather than enforcer.
 - Get to know their neighborhoods and neighborhoods get to know them
- Benefits to MH workers
 - We have new partners in outreach work to citizens we are likely to encounter at later stages of trauma process
 - Using our resources wisely in earlier intervention.
- Here, we are at 1 year anniversary this week.
- Pilot with one RPD district.
- Actual consumer involvement began in July 2004
- Served 87 families so far
- RPD would like to expand and we have current capacity to add 1 more district.

Juvenile Court MH/SA Evaluation and Referral Team

- Team of 2 MH/SA clinicians, supported by some PHD psychology hours
- Created 3 years ago in response to problems and gaps in our old system serving youth involved in juvenile court.
 - Court counselors made referrals directly to providers—keeping up with choices was very difficult for them>>>>families were not really offered much choice>>>>assessments from the few providers usually recommended only those services the provider offered.
 - Or, court counselors made referrals to traditional child intake unit at the MHC, but these youth got “lost” in the general mix and feedback was often less than adequate.
 - Funding sources and eligibility criteria for MH/SA services continue to be increasingly difficult to understand
 - Results: court counselors were not well informed or involved in the treatment recommendations process AND families were often left confused about the process

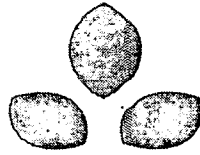
- So this team was designed to close those gaps between the Department of Juvenile Justice and Delinquency Prevention (DJJDP) and the MH/SA services for youth.
- Co-location: team is in WCOB next to court house.
- Frequent communication:
 - Orientation of all court counselors to the Juvenile Court Team
 - Available for general consultation and information
 - Systems negotiation
 - Team meetings
- Timely response to urgent requests for client evaluation
 - Usually able to meet a request to assess a youth who is in Juvenile Detention and have at least a verbal report available to the court counselor in time for court date.
- Centralization of evaluation for a variety of all slightly different initiatives—with different assessment and eligibility rules—including:
 - MAJORS—joint between DMH/DD/SAS and DJJDP, serving juvenile offenders with SA problems
 - Juvenile Drug Treatment Court—blends Intensive Supervision and Intervention from the Court along with treatment services, holding youth with substance abuse issues accountable for their actions.
 - Multi-Systemic Therapy—a new research based model of care for families with chronic delinquent, substance abusing, and/or gang involved youth. Adolescents with symptoms of violence or antisocial behavior problems. Intensive in-home work with families, designed to avoid institutional placements.
 - All other CMH/SA services.
- Benefits have been remarkable for the systems. Perhaps more relevant is the benefit to youth and families. Our clinicians frequently hear stories like this:

A client and Mom were referred by Court Counselor for an assessment. When they came in the Mom had a stack of papers. It was about 5 or so different assessments that had been completed as she was searching for help with her son. Each assessment had a different recommendation; most recommended whatever service the assessors provided. One said the primary issue was substance abuse, another said it was behavior problems. After working with our team, she was so thankful, stating it was the first time she felt truly listened to, and the first time she felt like the recommendation was based on their needs as opposed to trying to fit them into a program. She said that she felt this time the assessment was comprehensive taking into account the entire families needs

and desires, as well as looking at her son's issues as a whole, instead of trying to say which problem was "more important".

In summary:

- Strong local collaboration across multiple community agencies is not easy work, but it is valuable work.
- We believe that while reform and the privatization of services is healthy and offers diversity of choice for consumers, but strong initial access into service is critical and should be supported within the Local Management Entity.
- Includes comprehensive assessment for consumers and their families. The Division is currently leaning toward the position of having LME's provide only a brief, often telephone, screening, with assessments being completed by service providers. We ask for your support to allow local programs to gauge our own community's needs in these areas. And, indeed, to retain assessment services when it makes sense for the populations involved.
- Finally, we must all recognize the need for a full continuum of services for our consumers. Youth involved in the 2 initiatives I've just discussed are occasionally in such crisis that brief hospitalization is the most appropriate intervention. With DDH leaving the community in 2007, we will be sending children and adolescents across the state, away from families and support systems critical to ongoing recovery, unless we obtain local inpatient psychiatric beds in Wake County. I urge you to advocate for and support any opportunities for funding a state share of financing so these beds may become a reality.



Smoky Mountain Center

-Successes and Challenges-
Reform in Western North Carolina
Cherokee, Clay, Graham, Haywood, Jackson,
Macon and Swain Counties

State Plan Goals: Local Successes

- Expanding Access to Care
- Responsive, Local Emergency Services
- Enhanced Consumer Choice
- Promoting Best Practice Treatment Models
- Increased Community Collaboration

Expanding Access to Care

Screening and Assessment

- Screening and Assessment - 24 hours a day, 7 days a week at The Balsam Center for Hope and Recovery.

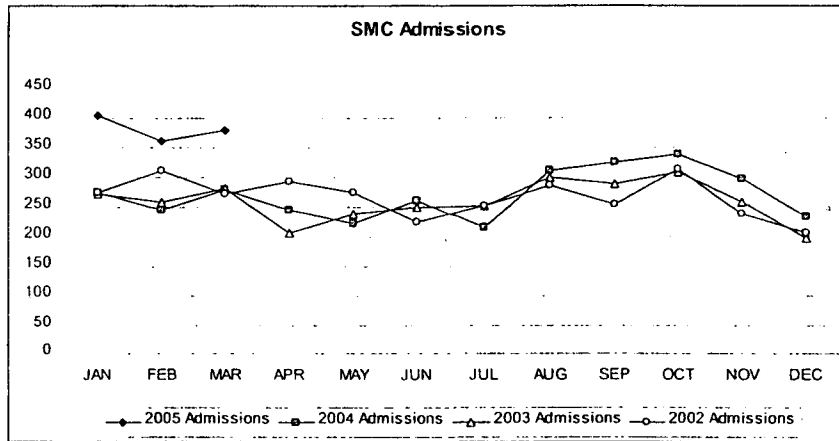
Screening Specialists and Emergency Clinicians

- Local Screening and Assessment - County Center and Community-Based Providers.

Care Managers, Case Coordinators and through Community of Providers.

Expanding Access to Care

Screening and Assessment: the first step in linking a consumer with needed treatment services...



Responsive Emergency Services

Emergency Services: The Most Critical Service Function of the LME...

- Smoky Mountain Care Managers Respond to Consumers in Crisis in each County.

Care Managers serve as SMC's link with hospitals, law enforcement, juvenile and social services to respond to consumers and their families in crisis.



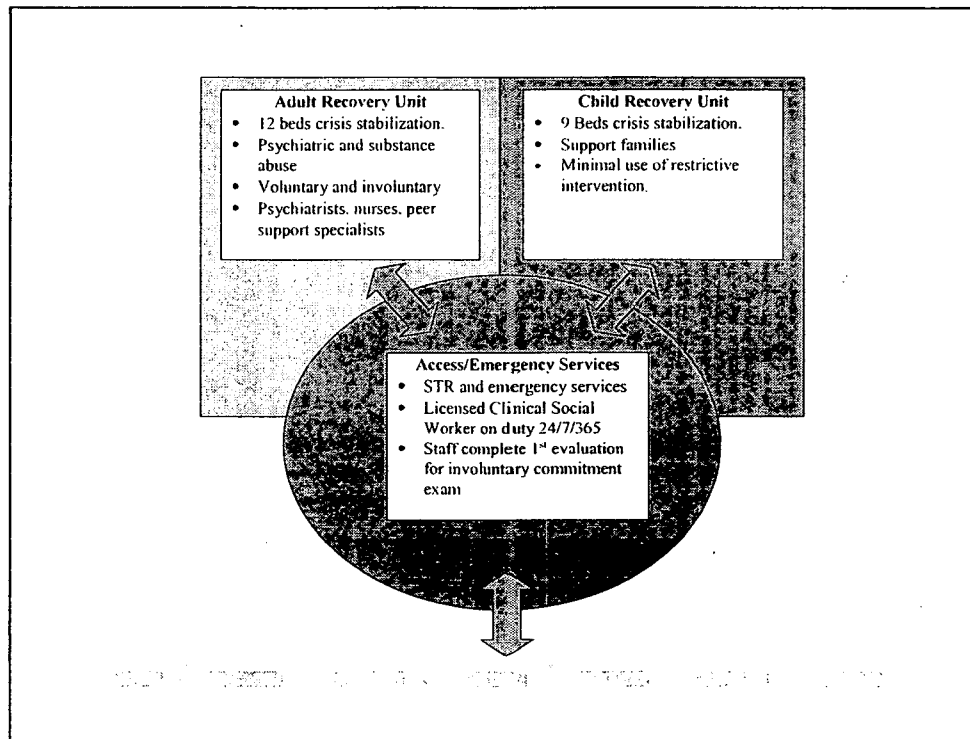
Responsive Emergency Services

The Balsam Center for Hope and
Recovery

The Balsam Center for Hope and Recovery

*A community comes together to develop a
local response to serve individuals
experiencing a mental health or substance
abuse crisis...*

*The NC Legislature, Division of MH/DD/SAS,
and SMC partner to bring this community
vision to reality...*



The Access Unit

- 800 line for emergencies and access to care.
- 24/7 staffing by emergency services professionals.
- 24/7 psychiatric backup.
- Comfortable “living room” type setting.
- 24/7 access to nursing triage.
- Peer support specialists available during peak hours for orientation, support, and “telling your story”.
- Qualified mental health professionals for telephonic screening and discharge planning.

The Adult Recovery Unit

- Can serve 12 individuals experiencing acute psychiatric symptoms or problems with substance abuse.
- Recovery orientation.
- 24/7 staffing by psychiatric nurses and community mental health assistants.
- Assessment by psychiatrist within 24 hours of admission.
- Daily rounds by the psychiatrist.
- Recovery groups and “telling your story” by peer support specialists.
- Substance abuse recovery groups and other clinical services.

Child Recovery Unit

- 9 beds of facility based crisis stabilization for children ages 6-17
- Recovery and System of Care philosophy
- Minimize use of restrictive intervention
- Dramatically reduce hospitalization for children
- Reduce use of residential treatment

Consumer Employment

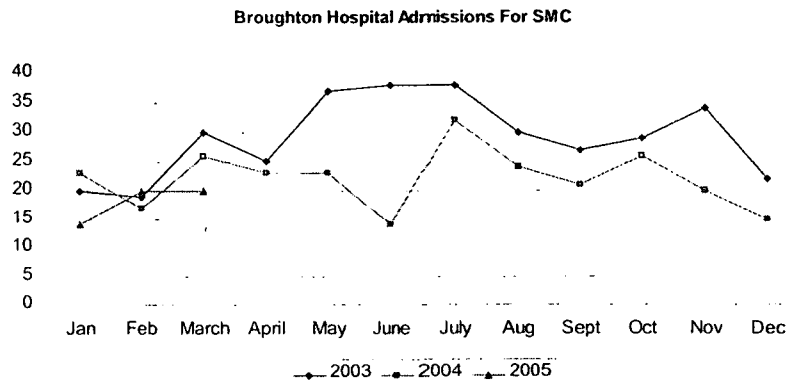
Consumers are employed in several important work units:

- Kitchen
- Cleaning
- Laundry
- Peer Support

Impact of The Balsam Center

- Serving individuals closer to home
- Promoting Recovery
- Thousands of screenings and assessments
- 389 admissions since opening
- 65 involuntary admissions
- 2466 bed days

Decrease In State Hospital Utilization



Impact of The Balsam Center

- Balsam Center admission - \$300 per day.
- Hospital admission - \$500 per day.
- LOS reduced from approx. 10 days to 6.
- Cost of care is reduced by 64%

Enhanced Consumer Choice

Expanding the Community of Providers to
Enhance Consumer Choice and Improve
Access to Care...

Partnering with the Community of Providers
to Support their Success...

Enhanced Consumer Choice

Enhanced Consumer Choice

- Choice of Providers Offered by SMC Staff at time of Initial Screening.
- Creation of Provider Profiles and Scope of Treatment they Offer.
- Electronic Scheduler Allows SMC Staff to Make 1st Appointments for Assessment and Treatment.
- SMC Staff are Available to Provide Additional Information to Consumers not Satisfied with Initial Choice.

Enhanced Consumer Choice

Enhanced Consumer Choice: Supporting Providers

- Offer Low Cost Rent and Technology Support in SMC Facilities
- Support of the Electronic Medical Record
- One-Step Payment Process
- 3rd Party Billing Services
- Training and Technical Assistance

SMC will work in partnership with individuals and their families affected by mental illness, substance abuse or a developmental disability to promote an environment that allows them to reach their full potential and live as valued members of the community.

Promoting Best Practice Treatment Models

SMC will work in partnership with individuals and their families affected by mental illness, substance abuse or a developmental disability to promote an environment that allows them to reach their full potential and live as valued members of the community.

- Models that have demonstrated successful outcomes.
- Using these models as stewards of public funding.

SMC will work in partnership with individuals and their families affected by mental illness, substance abuse or a developmental disability to promote an environment that allows them to reach their full potential and live as valued members of the community.

Promoting Best Practice Treatment Models

- Consumer Driven – Individuals with disabilities have the authority and information they need to make choices about the services and supports they receive.
- Customer Friendly – Consumer input is valued and all questions, concerns or problems will be handled in a courteous and supportive manner.
- Person-Centered – Services and supports will be planned with consumers and family members based on their unique needs and desires.
- Strength-Based – Community based services and supports will be built on individual and family strengths and assets.
- Recovery Focused – There is hope... individuals with disabilities can lead active, productive and healthy lives.
- Cultural Competence – Cultural differences are respected and honored.



Recovery

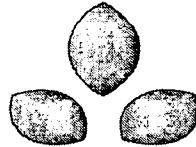
Recovery focuses on hope, personal responsibility, symptom management, collaboration with health care professionals and a goal of wellness, empowerment and living lives that include professional success, hobbies, and the maintenance of fulfilling relationships including friends, spouses and children.

Recovery

Peer Support and Wellness Planning

Fostering the use of non-paid supports

- Treatment Model at The Balsam Center
- Peer Support Specialists offer introduction to Recovery at the Balsam Center...link with community support.
- 37 Graduated from Peer Support Specialist Training.
- WRAP classes now offered throughout catchment area.
- 84 consumers have developed their own WRAP.



System of Care

Identifying and assisting children and their families earlier and more effectively, engaging the medical community in the identification of children and youth with Serious Emotional Disturbances (SED), consolidate and coordinate the efforts of state and local families and providers, build and sustain family partnerships at all levels and develop a participatory learning process to expand innovation.

System of Care

- Regional SOC Collaborative
- County-Based SOC Collaboratives
- ONE Voice Parent Advocacy Organization
- Integrated Child and Family Teams
- Using both Services and Community Supports.

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Increased Community Collaboration

Consumer and Family Advisory Council

- Offer recommendations on areas of service eligibility and service array, including identifying gaps in service.
- Assist in the identification of under-served populations.
- Provide advice and consultation regarding the development of additional services and new models of service.
- Participate in monitoring and service development.
- Review and report on the implementation of state and local business plans.
- Participate in the development of quality improvement methods.
- Ensure consumer and family participation in all quality improvement projects at both provider and area program levels.

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Increased Community Collaboration

Participation in Preparing for the Local Business Plan and Ongoing Planning Initiatives

- County Government
- Social and Juvenile Services
- Schools
- Health Departments
- Hospitals
- Law Enforcement & Judicial System
- Non-Profit Organizations

DEVELOPING A COMMUNITY COLLABORATION PLAN

State Plan Goals: Local Challenges

- Minimizing the disintegration of our integrated system of care.
- Availability of psychiatric care to support the service system.
- Moving HB 883- Involuntary Commitment Exam to Permanent Law.
- Financing alternatives to state hospitalization, i.e. Balsam Center.
- Continuing a safety net of care by the LME.

DEVELOPING A COMMUNITY COLLABORATION PLAN

State Plan Goals: Local Challenges

- Ensuring needed services and supports are offered by the community of providers.
- Transition to the Rehabilitation Model of Care.
- Meeting stakeholder expectations in a privatized system.
- Promoting meaningful consumer involvement.

State Plan Goals: Local Challenges

- Maintaining the Patient Assistance Program that provides needed medication for indigent consumers.

VISITOR REGISTRATION SHEET

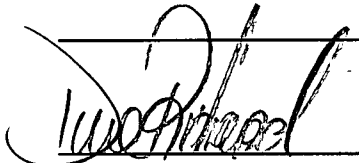

Mental Health and Youth Services
Name of Committee

MAY 04, 2005
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE
CLERK

NAME

FIRM OR AGENCY AND ADDRESS

	
Carol D Clayton	NC Council of Community Programs
Martha W Lawrence	YAIO/DOA
May Alexander	Duke University
Jerry Webster	YAIO
Antonio Coor	DMH/DD/SAS
MICHAEL LANCASTER	DMH/DD/SAS
HAROLD CARMEL	NC Psychiatric Assn.
Els Stern	DMH/DD/SAS
Keo Souvannaphoum	Duke University
Pelma Dobzi	Duke university

VISITOR REGISTRATION SHEET

Mental Health and Youth Services

MAY 04, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE
CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Jessica Hage	NC Family Policy Council
Robert S. H.	Robert S. H. & Associates
John Bowditch	AstraZeneca
Michael Haley	DJDP
Joel Kosch	Pulco
Beth Nelson	Wake Co. Human Services
CRYSTAL FARROW	WAKE COUNTY HUMAN SERVICES
Tom McDaniel	Smoky Mountain Center

Mental Health and Youth Services
Name of Committee

Date _____

NAME _____

FIRM OR AGENCY AND ADDRESS

Patrice Reed,

DAEC

Senate Mental Health & Youth Services Committee
Wednesday, June 15, 2005, 12:00 Noon
414 LOB

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Bills

HB 1262	Auth. Social Work Bd. to Employ Personnel.	Representative Weiss
HB 1346	Interstate Compact for Juveniles.	Representative Haire

Presentations

Other Business

Adjournment

MENTAL HEALTH & YOUTH SERVICES COMMITTEE
WEDNESDAY, JUNE 15, 2005

MINUTES

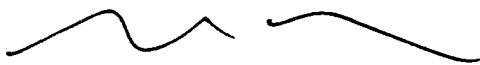
Mental Health & Youth Services committee met June 15, 2005 at 12:00 noon in Room 414 of the Legislative Office Building. Thirteen members were present, including Senator Ellie Kinnaird, who presided.

Senator Kinnaird called the meeting to order introduced her interns and the pages.

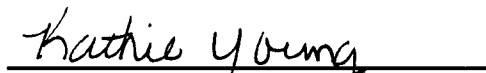
House Bill 1262 Auth. Social Work Bd. To Employ Personnel, was explained by Representative Weiss. Senator Dannelly moved a favorable report. There was some discussion. Mr. Jack Nichols, Attorney working with several boards spoke in favor of the bill. The motion carried unanimously. **Favorable Report**

House Bill 1346 Interstate Compact for Juveniles, was explained by Judy Stevens DJJDP, Court Services Administrator. Representative Haire could not attend the committee meeting due to a House budget appropriation meeting. Senator Dannelly moved to adopt a PCS for discussion purposes. After much discussion Senator Kinnaird ruled the committee would not vote of the PCS since Representative Haire wasn't available

Senator Kinnaird thanked the members and adjourned the meeting at 1:00 p. m.



Senator Ellie Kinnaird, Chair


Kathie Young, Legislative Assist.

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**MENTAL HEALTH & YOUTH SERVICES COMMITTEE REPORT
Senator Eleanor Kinnaird, Chair**

Wednesday, June 15, 2005

Senator KINNAIRD,
submits the following with recommendations as to passage:

FAVORABLE

H.B.	1262	Auth. Social Work Bd. to Employ Personnel.	
		Sequential Referral:	None
		Recommended Referral:	None

TOTAL REPORTED: 1

Committee Clerk Comments:

1262

H.B. _____

SESSION LAW _____

A BILL TO BE ENTITLED

AN ACT AUTHORIZING THE NORTH CAROLINA SOCIAL WORK CERTIFICATION AND LICENSURE BOARD TO EMPLOY PERSONNEL NECESSARY TO CARRY OUT THE PROVISIONS OF THE SOCIAL WORK CERTIFICATION AND LICENSURE ACT.

Introduced by Representative(s): Weiss.

Principal Clerk's Use Only

PASSED 1st READING

APR 18 2005

AND REFERRED TO COMMITTEE

ON Judiciary IV

The Committee on Judiciary IV
a majority being present, having considered
this bill, recommend that it do ✓ pass.

Rep. Weiss
For the Committee

REPORTED FAVORABLY APR 26 2005

PURSUANT TO RULE 36(b)

APR 28 2005

PLACED ON CALENDAR

OF 5-3-05115-0EV VV**PASSED 2nd & 3rd
READING**

MAY 4 2005

ORDERED SENT TO SENATERevised 11/1/05**RECEIVED**

MAY 5 2005

From House of Representatives
By Clerk SA 8:35 AM PM

PASSED 1st READING

MAY 9 2005

AND REFERRED TO COMMITTEE

ON Mental HealthYonell L. Smith



HOUSE BILL 1262: Auth. Social Work Bd. to Employ Personnel

BILL ANALYSIS

Committee:	Senate Mental Health & Youth Services	Date:	June 14, 2005
Introduced by:	Rep. Weiss	Summary by:	Ben Popkin
Version:	First Edition		Committee Counsel

SUMMARY: *House Bill 1262 would authorize the North Carolina Social Work Certification and Licensure Board to employ professional personnel, including private legal counsel, in order to carry out many of the Board's functions.*

CURRENT LAW: The Attorney General's Office is charged with representing all State departments, agencies, institutions, commissions, bureaus, or other organized activities of the State that receive support in whole or in part from the State¹. However, certain boards and commissions may have the statutory authority, as part of their authorizing legislation, to employ private counsel, with the written permission of the Attorney General's Office.

Many boards and commissions have the authority to employ private counsel. Examples include the Medical Board, the Funeral Service Board, the Substance Abuse Professional Certification Board, the Board of Nursing, and the Veterinary Medical Board. In recent years, many occupational licensing boards amended their statutes to authorize the hiring of professional personnel, as well as to authorize the hiring of an attorney specifically.

The Social Work Certification and Licensure Board is not now authorized to employ private counsel and currently utilizes the services of the Attorney General, who has assigned a staff attorney to the Board. This attorney provides general advice to the Board and prosecutes hearings before the Board.

BILL ANALYSIS: House Bill 1262 would authorize the North Carolina Social Work Certification and Licensure Board to employ professional personnel, including legal counsel, subject to the written permission of the Attorney General's Office². The bill would also authorize the Board to employ clerical or other special personnel deemed necessary to carry out the duties of the Board without requiring any additional approval.

EFFECTIVE DATE: This act is effective when it becomes law.

BACKGROUND: The Social Work Board has a substantial workload and has generally experienced an increasing number of legal questions and issues it must address. These increased demands have made it difficult for the Attorney General's Office to provide the necessary resources to the Board. There are instances during an administrative hearing in which the Board needs the advice of an independent attorney. Also, there are times when someone from the Attorney General's Office is not available. The Board has also experienced an increased need for specialized personnel, such as investigators, auditors, etc.

Trina Griffin, counsel to House Judiciary IV, substantially contributed to this summary.

H1262e1-SMRD

¹ G.S. 114-2(2).

² G.S. 114-2.3.

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

H

1

HOUSE BILL 1262

Short Title: Auth. Social Work Bd. to Employ Personnel.

(Public)

Sponsors: Representative Weiss.

Referred to: Judiciary IV.

April 18, 2005

A BILL TO BE ENTITLED

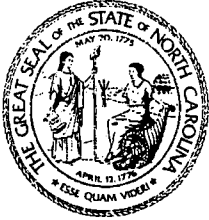
AN ACT AUTHORIZING THE NORTH CAROLINA SOCIAL WORK
CERTIFICATION AND LICENSURE BOARD TO EMPLOY PERSONNEL
NECESSARY TO CARRY OUT THE PROVISIONS OF THE SOCIAL WORK
CERTIFICATION AND LICENSURE ACT.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 90B-6 is amended by adding the following new
subsection to read:

"(j) The Board shall have the power to employ or retain professional personnel,
including legal counsel, subject to G.S. 114-2.3, or clerical or other special personnel
deemed necessary to carry out the provisions of this Chapter."

SECTION 2. This act is effective when it becomes law.



HOUSE BILL 1346: Interstate Compact for Juveniles

BILL ANALYSIS

Committee:	Senate Mental Health & Youth Services	Date:	June 15, 2005
Introduced by:	Rep. Haire	Summary by:	Shirley Iorio, Ph D Legislative Analyst
Version:	PCS to the Second Edition H1346-CSSF-27 [v.1]		

SUMMARY: *The Proposed Committee Substitute (PCS) for House Bill 1346 would enact a revised Interstate Compact for Juveniles to provide for the supervision and transfer of juveniles between states.*

The PCS makes technical changes to the Second Edition.

CURRENT LAW: Article 28 of Chapter 7B sets out the provisions of the current Interstate Compact on Juveniles. The original Compact was established in 1955 and adopted in North Carolina in 1963. The Compact provides the procedures to regulate the movement of juveniles across state lines when a juvenile has run away from home without the consent of a parent or guardian, has absconded from probation or parole or escaped from an institution and is located in another state, has a pending hearing and runs away to another state, or is under court supervision and wants to reside in another state.

A Compact Administrator, designated by the Governor, is charged with acting jointly with Administrators in other compacting states and adopting rules and regulations to carry out the terms of the Compact.

BILL ANALYSIS: House Bill 1346 would repeal the current Interstate Compact on Juveniles and enact a new Compact that would include the following provisions:

Purpose. The bill would set out the following purposes of the Compact:

- To ensure that juveniles subject to the Compact are provided adequate supervision and services;
- To ensure the safety of the public;
- To return juveniles who have run away, absconded or escaped from supervision or control, or have been accused of a juvenile offense;
- To provide for the cooperative institutionalization in public facilities in member states for delinquent youth needing special services;
- To effectively track and supervise juveniles;
- To equitably allocate the costs, benefits, and obligations of the compacting states;
- To establish procedures for supervising and transferring juveniles across state lines;
- To establish a system of uniform data collection on juveniles;
- To monitor compliance with the Compact;
- To coordinate training and education for officials involved in activities under the Compact; and
- To coordinate implementation of the Compact with other compacts affecting juveniles.

Definitions. The bill would set out a list of definitions for terms used in the Compact.

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Interstate Commission for Juveniles. The bill would create the Interstate Commission for Juveniles to administer the Compact, including adopting rules to carry out the purposes and obligations of the Compact. The Commission would be made up of commissioners from each compacting state and other individuals who are not commissioners but who are members of interested organizations. The noncommissioner members of the Interstate Commission would be ex officio, nonvoting members. Each state represented at a Commission meeting would be entitled to one vote. The Commission would meet at least once a year and would establish an executive committee to oversee the day-to-day administration of the Compact and the enforcement of its provisions. The Commission would also be required to collect and report standardized data on the interstate movement of juveniles and report annually on its activities to compacting states' legislatures, governors, judiciary, and state councils. In order to cover its operating costs, the Commission would collect an annual assessment from each compacting state.

State Councils for Interstate Juvenile Supervision. Each compacting state would be required to create a State Council for Interstate Juvenile Supervision. Membership would have to include at least one representative from the legislative, judicial, and executive branches of government, victims groups, and the Compact Administrator. All terms are for three years. The State Council would oversee the state's participation in Interstate Commission activities. In North Carolina, the State Council would consist of the Contract Administrator and the following ten members:

- One representative of the executive branch, appointed by the Governor;
- One member from a victim's assistance group, appointed by the Governor;
- One at-large member, appointed by the Governor;
- One member of the Senate, appointed by the President Pro Tempore;
- One member of the House of Representatives, appointed by the Speaker;
- A district court judge, appointed by the Chief Justice of the Supreme Court; and
- Four members representing the juvenile court counselors, appointed by the Secretary of the Department of Juvenile Justice and Delinquency Prevention.

The State Council would be required to meet at least twice a year, would advise the Compact Administrator on participation in Interstate Commission activities, and would be authorized to adopt rules necessary to implement and administer the Compact. In North Carolina, the Secretary of the Department of Juvenile Justice and Delinquency Prevention, or the Secretary's designee, would be the Compact Administrator, North Carolina's Commissioner on the Interstate Commission, and the chairperson of the State Council.

Enforcement. The Interstate Commission would be authorized to impose any of the following penalties if it finds that a compacting state has defaulted on its obligations under the Compact:

- Remedial training and technical assistance;
- Alternative Dispute resolution;
- Fines;
- Suspension or termination of membership in the Compact; and
- Initiation of legal action in federal district court against any compacting state to enforce compliance with the provisions of the Compact.

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Funding. The bill would provide that the General Assembly would not be obligated to appropriate funds to implement this act. The Department of Juvenile Justice and Delinquency Prevention would be required to implement the act with funds appropriated or available to the Department.

EFFECTIVE DATE: The provisions establishing the new Compact would be effective when and if 35 states have adopted the Compact. The provision repealing the current Compact would be effective when all states have adopted the Compact. The rest of the act would be effective when it becomes law.

BACKGROUND: The Interstate Compact for Juveniles that is proposed in House Bill 1346 has been adopted by 26 states to date. It is awaiting approval by the Governor in one state and is under consideration by legislatures in 8 other states, including North Carolina.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE BILL 1346
Committee Substitute Favorable 5/27/05

Short Title: Interstate Compact for Juveniles.

(Public)

Sponsors:

Referred to:

April 21, 2005

A BILL TO BE ENTITLED
AN ACT TO ENACT THE INTERSTATE COMPACT FOR JUVENILES.
The General Assembly of North Carolina enacts:

SECTION 1. Chapter 7B of the General Statutes is amended by adding the following new Article to read:

"Article 40.

"Interstate Compact for Juveniles.

"§ 7B-4000. Short title.

This Article may be cited as "The Interstate Compact for Juveniles".

"§ 7B-4001. Governor to execute Compact; form of Compact.

The Governor of North Carolina is authorized and directed to execute a Compact on behalf of the State of North Carolina with any state of the United States legally joining therein in the form substantially as follows:

"Article I.

Purpose.

(a) The compacting states to this Interstate Compact recognize that each state is responsible for the proper supervision or return of juveniles, delinquents, and status offenders who are on probation or parole and who have absconded, escaped, or run away from supervision and control and in so doing have endangered their own safety and the safety of others. The compacting states also recognize that each state is responsible for the safe return of juveniles who have run away from home and in doing so have left their state of residence. The compacting states also recognize that Congress, by enacting the Crime Control Act, 4 U.S.C. § 112 (1965), has authorized and encouraged compacts for cooperative efforts and mutual assistance in the prevention of crime.

(b) It is the purpose of this Compact, through means of joint and cooperative action among the compacting states to:

(1) Ensure that the adjudicated juveniles and status offenders subject to this Compact are provided adequate supervision and services in the

receiving state as ordered by the adjudicating judge or parole authority in the sending state;

- (2) Ensure that the public safety interests of the citizens, including the victims of juvenile offenders, in both the sending and receiving states are adequately protected;
- (3) Return juveniles who have run away, absconded, or escaped from supervision or control, or have been accused of an offense to the state requesting their return;
- (4) Make contracts for the cooperative institutionalization in public facilities in member states for delinquent youth needing special services;
- (5) Provide for the effective tracking and supervision of juveniles;
- (6) Equitably allocate the costs, benefits, and obligations of the compacting states;
- (7) Establish procedures to manage the movement between states of juvenile offenders released to the community under the jurisdiction of courts, juvenile departments, or any other criminal or juvenile justice agency which has jurisdiction over juvenile offenders;
- (8) Ensure immediate notice to jurisdictions where defined offenders are authorized to travel or to relocate across state lines;
- (9) Establish procedures to resolve pending charges (detainers) against juvenile offenders prior to transfer or release to the community under the terms of this Compact;
- (10) Establish a system of uniform data collection on information pertaining to juveniles subject to this Compact that allows access by authorized juvenile justice and criminal justice officials, and regular reporting of Compact activities to heads of state executive, judicial, and legislative branches and juvenile and criminal justice administrators;
- (11) Monitor compliance with rules governing interstate movement of juveniles and initiate interventions to address and correct noncompliance;
- (12) Coordinate training and education regarding the regulation of interstate movement of juveniles for officials involved in such activity; and
- (13) Coordinate the implementation and operation of the Compact with the Interstate Compact for the Placement of Children, the Interstate Compact for Adult Offender Supervision, and other compacts affecting juveniles particularly in those cases where concurrent or overlapping supervision issues arise.

(c) It is the policy of the compacting states that the activities conducted by the Interstate Commission created herein are the formation of public policies and therefore are public business. Furthermore, the compacting states shall cooperate and observe their individual and collective duties and responsibilities for the prompt return and acceptance of juveniles subject to the provisions of this Compact. The provisions of this

Compact shall be reasonably and liberally construed to accomplish the purposes and policies of the Compact.

Article II.

Definitions.

As used in this Compact, unless the context clearly requires a different construction:

- (1) "Bylaws" means those bylaws established by the Interstate Commission for its governance or for directing or controlling its actions or conduct.
- (2) "Compact Administrator" means the individual in each compacting state appointed pursuant to the terms of this Compact responsible for the administration and management of the state's supervision and transfer of juveniles subject to the terms of this Compact, the rules adopted by the Interstate Commission, and policies adopted by the State Council under this Compact.
- (3) "Compacting State" means any state which has enacted the enabling legislation for this Compact.
- (4) "Commissioner" means the voting representative of each compacting state appointed pursuant to Article III of this Compact.
- (5) "Court" means any court having jurisdiction over delinquent, neglected, or dependent children.
- (6) "Deputy Compact Administrator" means the individual, if any, in each compacting state appointed to act on behalf of a Compact Administrator pursuant to the terms of this Compact responsible for the administration and management of the state's supervision and transfer of juveniles subject to the terms of this compact, the rules adopted by the Interstate Commission, and policies adopted by the State Council under this Compact.
- (7) "Interstate Commission" means the Interstate Commission for Juveniles created by Article III of this Compact.
- (8) "Juvenile" means any person defined as a juvenile in any member state or by the rules of the Interstate Commission, including:
 - a. Accused Delinquent – A person charged with an offense that, if committed by an adult, would be a criminal offense;
 - b. Adjudicated Delinquent – A person found to have committed an offense that, if committed by an adult, would be a criminal offense;
 - c. Accused Status Offender – A person charged with an offense that would not be a criminal offense if committed by an adult;
 - d. Adjudicated Status Offender – A person found to have committed an offense that would not be a criminal offense if committed by an adult; and
 - e. Nonoffender – A person in need of supervision who has not been accused or adjudicated a status offender or delinquent.

- 1 (9) "Noncompacting State" means any state which has not enacted the
2 enabling legislation for this Compact.
- 3 (10) "Probation or Parole" means any kind of supervision or conditional
4 release of juveniles authorized under the laws of the compacting states.
- 5 (11) "Rule" means a written statement by the Interstate Commission
6 promulgated pursuant to Article VI of this Compact that is of general
7 applicability, implements, interprets, or prescribes a policy or
8 provision of the Compact, or an organizational, procedural, or practice
9 requirement of the Commission, and has the force and effect of
10 statutory law in a compacting state, and includes the amendment,
11 repeal, or suspension of an existing rule.
- 12 (12) "State" means a state of the United States, the District of Columbia, or
13 its designee, the Commonwealth of Puerto Rico, the U.S. Virgin
14 Islands, Guam, American Samoa, and the Northern Marianas Islands.

15 Article III.

16 Interstate Commission for Juveniles.

17 (a) The compacting states hereby create the "Interstate Commission for
18 Juveniles." The Commission shall be a body corporate and joint agency of the
19 compacting states. The Commission shall have all the responsibilities, powers, and
20 duties set forth herein, and such additional powers as may be conferred upon it by
21 subsequent action of the respective legislatures of the compacting states in accordance
22 with the terms of this Compact.

23 (b) The Interstate Commission shall consist of commissioners appointed by the
24 appropriate appointing authority in each state pursuant to the rules and requirements of
25 each compacting state and in consultation with the State Council for Interstate Juvenile
26 Supervision created hereunder. The Commissioner shall be the compact administrator,
27 deputy compact administrator, or designee from that state who shall serve on the
28 Interstate Commission in such capacity under or pursuant to the applicable law of the
29 compacting state.

30 (c) In addition to the commissioners who are the voting representatives of each
31 state, the Interstate Commission shall include individuals who are not commissioners,
32 but who are members of interested organizations. Such noncommissioner members
33 must include a member of the national organizations of governors, legislators, state
34 chief justices, attorneys general, Interstate Compact for Adult Offender Supervision,
35 Interstate Compact for the Placement of Children, juvenile justice and juvenile
36 corrections officials, and crime victims. All noncommissioner members of the Interstate-
37 Commission shall be ex officio, nonvoting, members. The Interstate Commission may
38 provide in its bylaws for such additional ex officio, nonvoting, members, including
39 members of other national organizations, in such numbers as shall be determined by the
40 Commission.

41 (d) Each compacting state represented at any meeting of the Commission is
42 entitled to one vote. A majority of the compacting states shall constitute a quorum for
43 the transaction of business, unless a larger quorum is required by the bylaws of the
44 Interstate Commission.

1 (e) The Commission shall meet at least once each calendar year. The chairperson
2 may call additional meetings and, upon the request of a simple majority of the
3 compacting states, shall call additional meetings. Public notice shall be given of all
4 meetings, and meetings shall be open to the public.

5 (f) The Interstate Commission shall establish an executive committee, which
6 shall include commission officers, members, and others as determined by the bylaws.
7 The executive committee shall have the power to act on behalf of the Interstate
8 Commission during periods when the Interstate Commission is not in session, with the
9 exception of rule making and/or amendment to the Compact. The executive committee
10 shall oversee the day-to-day activities of the administration of the Compact managed by
11 an executive director and Interstate Commission staff, administer enforcement and
12 compliance with the provisions of the Compact, its bylaws and rules, and perform other
13 duties as directed by the Interstate Commission or set forth in the bylaws.

14 (g) Each member of the Interstate Commission shall have the right and power to
15 cast a vote to which that compacting state is entitled and to participate in the business
16 and affairs of the Interstate Commission. A member shall vote in person and shall not
17 delegate a vote to another compacting state. However, a commissioner, in consultation
18 with the state council, shall appoint another authorized representative, in the absence of
19 the commissioner from that state, to cast a vote on behalf of the compacting state at a
20 specified meeting. The bylaws may provide for members' participation in meetings by
21 telephone or other means of telecommunication or electronic communication.

22 (h) The Interstate Commission's bylaws shall establish conditions and procedures
23 under which the Interstate Commission shall make its information and official records
24 available to the public for inspection or copying. The Interstate Commission may
25 exempt from disclosure any information or official records to the extent they would
26 adversely affect personal privacy rights or proprietary interests.

27 (i) Public notice shall be given of all meetings, and all meetings shall be open to
28 the public, except as set forth in the Rules or as otherwise provided in the Compact. The
29 Interstate Commission and any of its committees may close a meeting to the public
30 where it determines by two-thirds vote that an open meeting would be likely to:

- 31 (1) Relate solely to the Interstate Commission's internal personnel
32 practices and procedures;
- 33 (2) Disclose matters specifically exempted from disclosure by statute;
- 34 (3) Disclose trade secrets or commercial or financial information which is
35 privileged or confidential;
- 36 (4) Involve accusing any person of a crime, or formally censuring any
37 person;
- 38 (5) Disclose information of a personal nature where disclosure would
39 constitute a clearly unwarranted invasion of personal privacy;
- 40 (6) Disclose investigative records compiled for law enforcement purposes;
- 41 (7) Disclose information contained in or related to examination, operating
42 or condition reports prepared by, or on behalf of or for the use of, the
43 Interstate Commission with respect to a regulated person or entity for
44 the purpose of regulation or supervision of such person or entity;

- (8) Disclose information, the premature disclosure of which would significantly endanger the stability of a regulated person or entity; or
- (9) Specifically relate to the Interstate Commission's issuance of a subpoena or its participation in a civil action or other legal proceeding.

(j) For every meeting closed pursuant to this provision, the Interstate Commission's legal counsel shall publicly certify that, in the legal counsel's opinion, the meeting may be closed to the public, and shall reference each relevant exemptive provision. The Interstate Commission shall keep minutes which shall fully and clearly describe all matters discussed in any meeting and shall provide a full and accurate summary of any actions taken, and the reasons therefor, including a description of each of the views expressed on any item and the record of any roll call vote (reflected in the vote of each member on the question). All documents considered in connection with any action shall be identified in the minutes.

(k) The Interstate Commission shall collect standardized data concerning the interstate movement of juveniles as directed through its rules which shall specify the data to be collected, the means of collection and data exchange, and reporting requirements. Such methods of data collection, exchange, and reporting shall insofar as is reasonably possible conform to up-to-date technology and coordinate its information functions with the appropriate repository of records.

Article IV.

Powers and Duties of the Interstate Commission.

(a) The Interstate Commission shall have the following powers and duties:

- (1) To provide for dispute resolution among compacting states.
- (2) To promulgate rules to effect the purposes and obligations as enumerated in this Compact, which shall have the force and effect of statutory law and shall be binding in the compacting states to the extent and in the manner provided in this Compact.
- (3) To oversee, supervise, and coordinate the interstate movement of juveniles subject to the terms of this Compact and any bylaws adopted and rules promulgated by the Interstate Commission.
- (4) To enforce compliance with the Compact provisions, the rules promulgated by the Interstate Commission, and the bylaws, using all necessary and proper means including, but not limited to, the use of judicial process.
- (5) To establish and maintain offices which shall be located within one or more of the compacting states.
- (6) To purchase and maintain insurance and bonds.
- (7) To borrow, accept, hire, or contract for services of personnel.
- (8) To establish and appoint committees and hire staff which it deems necessary for the carrying out of its functions including, but not limited to, an executive committee as required by Article III of this Compact which shall have the power to act on behalf of the Interstate Commission in carrying out its powers and duties hereunder.

- (9) To elect or appoint such officers, attorneys, employees, agents, or consultants, and to fix their compensation, define their duties, and determine their qualifications; and to establish the Interstate Commission's personnel policies and programs relating to, inter alia, conflicts of interest, rates of compensation, and qualifications of personnel.
- (10) To accept any and all donations and grants of money, equipment, supplies, materials, and services, and to receive, utilize, and dispose of it.
- (11) To lease, purchase, accept contributions or donations of, or otherwise to own, hold, improve, or use any property, real, personal, or mixed.
- (12) To sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose of any property, real, personal, or mixed.
- (13) To establish a budget and make expenditures and levy dues as provided in Article VIII of this Compact.
- (14) To sue and be sued.
- (15) To adopt a seal and bylaws governing the management and operation of the Interstate Commission.
- (16) To perform such functions as may be necessary or appropriate to achieve the purposes of this Compact.
- (17) To report annually to the legislatures, governors, judiciary, and state councils of the compacting states concerning the activities of the Interstate Commission during the preceding year. Such reports shall also include any recommendations that may have been adopted by the Interstate Commission.
- (18) To coordinate education, training, and public awareness regarding the interstate movement of juveniles for officials involved in such activity.
- (19) To establish uniform standards of the reporting, collecting, and exchanging of data.

(b) The Interstate Commission shall maintain its corporate books and records in accordance with the bylaws.

Article V.

Organization and Operation of the Interstate Commission.

(a) Bylaws. – The Interstate Commission shall, by a majority of the members present and voting, within 12 months after the first Interstate Commission meeting, adopt bylaws to govern its conduct as may be necessary or appropriate to carry out the purposes of the Compact, including, but not limited to:

- (1) Establishing the fiscal year of the Interstate Commission;
- (2) Establishing an executive committee and such other committees as may be necessary;
- (3) Providing for the establishment of committees governing any general or specific delegation of any authority or function of the Interstate Commission;

- 1 (4) Providing reasonable procedures for calling and conducting meetings
2 of the Interstate Commission and ensuring reasonable notice of each
3 such meeting;
4 (5) Establishing the titles and responsibilities of the officers of the
5 Interstate Commission;
6 (6) Providing a mechanism for concluding the operations of the Interstate
7 Commission and the return of any surplus funds that may exist upon
8 the termination of the Compact after the payment and/or reserving of
9 all of its debts and obligations;
10 (7) Providing "start-up" rules for initial administration of the Compact;
11 and
12 (8) Establishing standards and procedures for compliance and technical
13 assistance in carrying out the Compact.

14 (b) Officers and Staff. – The Interstate Commission shall, by a majority of the
15 members, elect annually from among its members a chairperson and a vice-chairperson,
16 each of whom shall have such authority and duties as may be specified in the bylaws.
17 The chairperson or, in the chairperson's absence or disability, the vice-chairperson shall
18 preside at all meetings of the Interstate Commission. The officers so elected shall serve
19 without compensation or remuneration from the Interstate Commission; provided that,
20 subject to the availability of budgeted funds, the officers shall be reimbursed for any
21 ordinary and necessary costs and expenses incurred by them in the performance of their
22 duties and responsibilities as officers of the Interstate Commission.

23 The Interstate Commission shall, through its executive committee, appoint or retain
24 an executive director for such period, upon such terms and conditions and for such
25 compensation as the Interstate Commission may deem appropriate. The executive
26 director shall serve as secretary to the Interstate Commission, but shall not be a member
27 and shall hire and supervise such other staff as may be authorized by the Interstate
28 Commission.

29 (c) Qualified Immunity, Defense, and Indemnification. – The Commission's
30 executive director and employees shall be immune from suit and liability, either
31 personally or in their official capacity, for any claim for damage to or loss of property or
32 personal injury or other civil liability caused or arising out of or relating to any actual or
33 alleged act, error, or omission that occurred, or that such person had a reasonable basis
34 for believing occurred within the scope of Commission employment, duties, or
35 responsibilities; provided, that any such person shall not be protected from suit or
36 liability for any damage, loss, injury, or liability caused by the intentional or willful and
37 wanton misconduct of any such person.

38 The liability of any commissioner, or the employee or agent of a commissioner,
39 acting within the scope of such person's employment or duties for acts, errors, or
40 omissions occurring within such person's state may not exceed the limits of liability set
41 forth under the Constitution and laws of that state for state officials, employees, and
42 agents. Nothing in this subsection shall be construed to protect any such person from
43 suit or liability for any damage, loss, injury, or liability caused by the intentional or
44 willful and wanton misconduct of any such person.

1 The Interstate Commission shall defend the executive director or the employees or
2 representatives of the Interstate Commission and, subject to the approval of the
3 Attorney General of the state represented by any commissioner of a compacting state,
4 shall defend such commissioner or the commissioner's representatives or employees in
5 any civil action seeking to impose liability arising out of any actual or alleged act, error,
6 or omission that occurred within the scope of Interstate Commission employment,
7 duties, or responsibilities, or that the defendant had a reasonable basis for believing
8 occurred within the scope of Interstate Commission employment, duties, or
9 responsibilities, provided that the actual or alleged act, error, or omission did not result
10 from intentional or willful and wanton misconduct on the part of such person.

11 The Interstate Commission shall indemnify and hold the commissioner of a
12 compacting state, or the commissioner's representatives or employees, or the Interstate
13 Commission's representatives or employees, harmless in the amount of any settlement
14 or judgment obtained against such persons arising out of any actual or alleged act, error,
15 or omission that occurred within the scope of Interstate Commission employment,
16 duties, or responsibilities, or that such persons had a reasonable basis for believing
17 occurred within the scope of Interstate Commission employment, duties, or
18 responsibilities, provided that the actual or alleged act, error, or omission did not result
19 from intentional or willful and wanton misconduct on the part of such persons.

20 Article VI.

21 Rule-Making Functions of the Interstate Commission.

22 (a) The Interstate Commission shall promulgate and publish rules in order to
23 effectively and efficiently achieve the purposes of the Compact.

24 (b) Rule making shall occur pursuant to the criteria set forth in this Article and
25 the bylaws and rules adopted pursuant thereto. Such rule making shall substantially
26 conform to the principles of the "Model State Administrative Procedures Act," 1981
27 Act, Uniform Laws Annotated, Vol. 16, p. 1 (2000), or such other administrative
28 procedures acts, as the Interstate Commission deems appropriate consistent with due
29 process requirements under the United States Constitution as now or hereafter
30 interpreted by the United States Supreme Court. All rules and amendments shall
31 become binding as of the date specified, as published with the final version of the rule
32 as approved by the Commission.

33 (c) When promulgating a rule, the Interstate Commission shall, at a minimum:

- 34 (1) Publish the proposed rule's entire text stating the reason for that
35 proposed rule;
- 36 (2) Allow and invite any and all persons to submit written data, facts,
37 opinions, and arguments, which information shall be added to the
38 record and be made publicly available;
- 39 (3) Provide an opportunity for an informal hearing if petitioned by 10 or
40 more persons;
- 41 (4) Promulgate a final rule and its effective date, if appropriate, based on
42 input from state or local officials, or interested parties; and
- 43 (5) Allow, not later than 60 days after a rule is promulgated, any interested
44 person to file a petition in the United States District Court for the

1 District of Columbia or in the Federal District Court where the
2 Interstate Commission's principal office is located for judicial review
3 of such rule.

4 If the court finds that the Interstate Commission's action is not supported by
5 substantial evidence in the rule-making record, the court shall hold the rule unlawful
6 and set it aside. For purposes of this subsection, evidence is substantial if it would be
7 considered substantial evidence under the Model State Administrative Procedures Act.

8 (e) If a majority of the legislatures of the compacting states rejects a rule, those
9 states may, by enactment of a statute or resolution in the same manner used to adopt the
10 Compact, cause that rule to have no further force and effect in any compacting state.

11 (f) The existing rules governing the operation of the Interstate Compact on
12 Juveniles superceded by this act shall be null and void 12 months after the first meeting
13 of the Interstate Commission created hereunder.

14 (g) Upon determination by the Interstate Commission that a state of emergency
15 exists, it may promulgate an emergency rule which shall become effective immediately
16 upon adoption, provided that the usual rule-making procedures provided hereunder shall
17 be retroactively applied to said rule as soon as reasonably possible but no later than 90
18 days after the effective date of the emergency rule.

19 Article VII.

20 Oversight, Enforcement, and Dispute Resolution by the Interstate Commission.

21 (a) Oversight. – The Interstate Commission shall oversee the administration and
22 operations of the interstate movement of juveniles subject to this Compact in the
23 compacting states and shall monitor such activities being administered in
24 noncompacting states which may significantly affect compacting states.

25 The courts and executive agencies in each compacting state shall enforce this
26 Compact and shall take all actions necessary and appropriate to effectuate the Compact's
27 purposes and intent. The provisions of this Compact and the rules promulgated
28 hereunder shall be received by all the judges, public officers, commissions, and
29 departments of the state government as evidence of the authorized statute and
30 administrative rules, and all courts shall take judicial notice of the Compact and the
31 rules. In any judicial or administrative proceeding in a compacting state pertaining to
32 the subject matter of this Compact which may affect the powers, responsibilities, or
33 actions of the Interstate Commission, it shall be entitled to receive all service of process
34 in any such proceeding and shall have standing to intervene in the proceeding for all
35 purposes.

36 (b) Dispute Resolution. – The compacting states shall report to the Interstate
37 Commission on all issues and activities necessary for the administration of the Compact
38 as well as issues and activities pertaining to compliance with the provisions of the
39 Compact and its bylaws and rules.

40 The Interstate Commission shall attempt, upon the request of a compacting state, to
41 resolve any disputes or other issues which are subject to the Compact and which may
42 arise among compacting states and between compacting and noncompacting states. The
43 Commission shall promulgate a rule providing for both mediation and binding dispute
44 resolution for disputes among the compacting states.

1 The Interstate Commission, in the reasonable exercise of its discretion, shall enforce
2 the provisions and rules of this Compact using any or all means set forth in Article XI of
3 this Compact.

4 Article VIII.

5 Finance.

6 (a) The Interstate Commission shall pay or provide for the payment of the
7 reasonable expenses of its establishment, organization, and ongoing activities.

8 (b) The Interstate Commission shall levy on and collect an annual assessment
9 from each compacting state to cover the cost of the internal operations and activities of
10 the Interstate Commission and its staff which must be in a total amount sufficient to
11 cover the Interstate Commission's annual budget as approved each year. The aggregate
12 annual assessment amount shall be allocated based upon a formula to be determined by
13 the Interstate Commission, taking into consideration the population of each compacting
14 state and the volume of interstate movement of juveniles in each compacting state and
15 shall promulgate a rule binding upon all compacting states which governs said
16 assessment.

17 (c) The Interstate Commission shall not incur any obligations of any kind prior to
18 securing the funds adequate to meet the same; nor shall the Interstate Commission
19 pledge the credit of any of the compacting states, except by and with the authority of the
20 compacting state.

21 (d) The Interstate Commission shall keep accurate accounts of all receipts and
22 disbursements. The receipts and disbursements of the Interstate Commission shall be
23 subject to the audit and accounting procedures established under its bylaws. However,
24 all receipts and disbursements of funds handled by the Interstate Commission shall be
25 audited yearly by a certified or licensed public accountant, and the report of the audit
26 shall be included in and become part of the annual report of the Interstate Commission.

27 Article IX.

28 The State Council.

29 Each member state shall create a State Council for Interstate Juvenile Supervision.
30 While each state may determine the membership of its own state council, its
31 membership must include at least one representative from the legislative, judicial, and
32 executive branches of government, victims groups, and the compact administrator,
33 deputy compact administrator, or designee. Each compacting state retains the right to
34 determine the qualifications of the compact administrator or deputy compact
35 administrator. Each state council will advise and may exercise oversight and advocacy
36 concerning that state's participation in Interstate Commission activities and other duties
37 as may be determined by that state, including, but not limited to, development of policy
38 concerning operations and procedures of the Compact within that state.

39 Article X.

40 Compacting States, Effective Date, and Amendment.

41 (a) Any state, the District of Columbia, or its designee, the Commonwealth of
42 Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Northern
43 Marianas Islands, as defined in Article II of this Compact, is eligible to become a
44 compacting state.

(b) The Compact shall become effective and binding upon legislative enactment of the Compact into law by no less than 35 of the states. The initial effective date shall be the later of July 1, 2004, or upon enactment into law by the 35th jurisdiction. Thereafter, it shall become effective and binding as to any other compacting state upon enactment of the Compact into law by that state. The governors of nonmember states or their designees shall be invited to participate in the activities of the Interstate Commission on a nonvoting basis prior to adoption of the Compact by all states and territories of the United States.

(c) The Interstate Commission may propose amendments to the Compact for enactment by the compacting states. No amendment shall become effective and binding upon the Interstate Commission and the compacting states unless and until it is enacted into law by unanimous consent of the compacting states.

Article XI.

Withdrawal, Default, Termination, and Judicial Enforcement.

(a) Withdrawal. – Once effective, the Compact shall continue in force and remain binding upon each and every compacting state; provided that a compacting state may withdraw from the Compact by specifically repealing the statute which enacted the Compact into law.

The effective date of withdrawal is the effective date of the repeal.

The withdrawing state shall immediately notify the chairperson of the Interstate Commission in writing upon the introduction of legislation repealing this Compact in the withdrawing state. The Interstate Commission shall notify the other compacting states of the withdrawing state's intent to withdraw within 60 days of its receipt thereof.

The withdrawing state is responsible for all assessments, obligations, and liabilities incurred through the effective date of withdrawal, including any obligations, the performance of which extend beyond the effective date of withdrawal.

Reinstatement following withdrawal of any compacting state shall occur upon the withdrawing state reenacting the Compact or upon such later date as determined by the Interstate Commission.

(b) Technical Assistance, Fines, Suspension, Termination, and Default. – If the Interstate Commission determines that any compacting state has at any time defaulted in the performance of any of its obligations or responsibilities under this Compact, or the bylaws or duly promulgated rules, the Interstate Commission may impose any or all of the following penalties:

(1) Remedial training and technical assistance as directed by the Interstate Commission;

(2) Alternative Dispute Resolution;

(3) Fines, fees, and costs in such amounts as are deemed to be reasonable as fixed by the Interstate Commission; and

(4) Suspension or termination of membership in the Compact, which shall be imposed only after all other reasonable means of securing compliance under the bylaws and rules have been exhausted and the Interstate Commission has therefore determined that the offending state is in default. Immediate notice of suspension shall be given by the

1 Interstate Commission to the Governor, the Chief Justice, or the Chief
2 Judicial Officer of the state, the majority and minority leaders of the
3 defaulting state's legislature, and the state council.

4 The grounds for default include, but are not limited to, failure of a compacting state
5 to perform such obligations or responsibilities imposed upon it by this Compact, the
6 bylaws, or duly promulgated rules, and any other grounds designated in Commission
7 bylaws and rules. The Interstate Commission shall immediately notify the defaulting
8 state in writing of the penalty imposed by the Interstate Commission and of the default
9 pending a cure of the default. The Commission shall stipulate the conditions and the
10 time period within which the defaulting state must cure its default. If the defaulting state
11 fails to cure the default within the time period specified by the Commission, the
12 defaulting state shall be terminated from the Compact upon an affirmative vote of a
13 majority of the compacting states, and all rights, privileges, and benefits conferred by
14 this Compact shall be terminated from the effective date of termination.

15 Within 60 days of the effective date of termination of a defaulting state, the
16 Commission shall notify the Governor, the Chief Justice or Chief Judicial Officer, the
17 majority and minority leaders of the defaulting state's legislature, and the state council
18 of the termination.

19 The defaulting state is responsible for all assessments, obligations, and liabilities
20 incurred through the effective date of termination, including any obligations, the
21 performance of which extends beyond the effective date of termination.

22 The Interstate Commission shall not bear any costs relating to the defaulting state
23 unless otherwise mutually agreed upon in writing between the Interstate Commission
24 and the defaulting state.

25 Reinstatement following termination of any compacting state requires both a
26 reenactment of the Compact by the defaulting state and the approval of the Interstate
27 Commission pursuant to the rules.

28 (c) Judicial Enforcement. – The Interstate Commission may, by majority vote of
29 the members, initiate legal action in the United States District Court for the District of
30 Columbia or, at the discretion of the Interstate Commission, in the federal district where
31 the Interstate Commission has its offices to enforce compliance with the provisions of
32 the Compact and its duly promulgated rules and bylaws, against any compacting state in
33 default. In the event judicial enforcement is necessary, the prevailing party shall be
34 awarded all costs of such litigation, including reasonable attorneys' fees.

35 (d) Dissolution of Compact. – The Compact dissolves effective upon the date of
36 the withdrawal or default of the compacting state, which reduces membership in the
37 Compact to one compacting state.

38 Upon the dissolution of this Compact, the Compact becomes null and void and shall
39 be of no further force or effect, and the business and affairs of the Interstate
40 Commission shall be concluded, and any surplus funds shall be distributed in
41 accordance with the bylaws.

42 Article XII.

43 Severability and Construction.

(a) The provisions of this Compact shall be severable, and if any phrase, clause, sentence, or provision is deemed unenforceable, the remaining provisions of the Compact shall be enforceable.

(b) The provisions of this Compact shall be liberally construed to effectuate its purposes.

Article XIII.

Binding Effect of Compact and Other Laws.

(a) Other Laws. – Nothing herein prevents the enforcement of any other law of a compacting state that is not inconsistent with this Compact.

All compacting states' laws, other than state Constitutions and other interstate compacts, conflicting with this Compact are superceded to the extent of the conflict.

(b) Binding Effect of the Compact. – All lawful actions of the Interstate Commission, including all rules and bylaws promulgated by the Interstate Commission, are binding upon the compacting states.

All agreements between the Interstate Commission and the compacting states are binding in accordance with their terms.

Upon the request of a party to a conflict over meaning or interpretation of Interstate Commission actions, and upon a majority vote of the compacting states, the Interstate Commission may issue advisory opinions regarding such meaning or interpretation.

In the event any provision of this Compact exceeds the constitutional limits imposed on the legislature of any compacting state, the obligations, duties, powers, or jurisdiction sought to be conferred by such provision upon the Interstate Commission shall be ineffective, and such obligations, duties, powers, or jurisdiction shall remain in the compacting state and shall be exercised by the agency thereof to which such obligations, duties, powers, or jurisdiction are delegated by law in effect at the time this Compact becomes effective."

"§ 7B-4002. Implementation of the Compact.

(a) The North Carolina State Council for Interstate Juvenile Supervision is hereby established. The Secretary of the Department of Juvenile Justice and Delinquency Prevention, or the Secretary's designee, shall serve as the Compact Administrator for the State of North Carolina and as North Carolina's Commissioner to the Interstate Commission. The Secretary of the Department of Juvenile Justice and Delinquency Prevention, or the Secretary's designee, is a member of the State Council and serves as chairperson of the State Council. In addition to the chairperson, the State Council shall consist of 10 members as follows:

- (1) One member representing the executive branch, to be appointed by the Governor;
- (2) One member from a victim's assistance group, to be appointed by the Governor;
- (3) One at-large member, to be appointed by the Governor;
- (4) One member of the Senate, to be appointed by the President Pro Tempore of the Senate;
- (5) One member of the House of Representatives, to be appointed by the Speaker of the House of Representatives;

(6) A district court judge, to be appointed by the Chief Justice of the Supreme Court; and

(7) Four members representing the juvenile court counselors, to be appointed by the Secretary of the Department of Juvenile Justice and Delinquency Prevention.

(b) The State Council shall meet at least twice a year and may also hold special meetings at the call of the chairperson. All terms are for three years.

(c) The State Council may advise the Compact Administrator on participation in the Interstate Commission activities and administration of the Compact.

(d) The members of the State Council shall serve without compensation but shall be reimbursed for necessary travel and subsistence expenses in accordance with the policies of the Office of State Budget and Management.

(e) The State Council shall act in an advisory capacity to the Secretary of the Department of Juvenile Justice and Delinquency Prevention concerning this State's participation in Interstate Commission activities and other duties as may be determined by each member state, including recommendations for policy concerning the operations and procedures of the Compact within this State.

(f) The Governor shall by executive order provide for any other matters necessary for implementation of the Compact at the time that it becomes effective, and, except as otherwise provided for in this section, the State Council may promulgate rules or regulations necessary to implement and administer the Compact."

SECTION 2. G.S. 7B-1501(14) reads as rewritten:

"(14) Interstate Compact ~~on~~ for Juveniles. – An agreement ratified by ~~50~~ 35 or more states ~~and the District of Columbia~~ providing a formal means of returning a juvenile, who is an absconder, escapee, or runaway, to the juvenile's home state, and codified in Article 28 40 of this Chapter."

SECTION 3. Article 28 of Chapter 7B of the General Statutes is repealed.

SECTION 4. The Secretary of the Department of Juvenile Justice and Delinquency Prevention shall notify the Revisor of Statutes when The Interstate Compact for Juveniles becomes effective under the terms of the Compact. The Secretary of the Department of Juvenile Justice and Delinquency Prevention shall notify the Revisor of Statutes when The Interstate Compact for Juveniles has been adopted by all states, as defined in the Compact.

SECTION 5. This act shall not be construed to obligate the General Assembly to appropriate funds to implement the provisions of this act. The Department of Juvenile Justice and Delinquency Prevention shall implement the provisions of this act with funds that are otherwise appropriated or available to the Department.

SECTION 6. Sections 1 and 2 of this act become effective only when 35 states have adopted The Interstate Compact for Juveniles, as set forth in the Compact. Section 3 of this act becomes effective only when all states, as defined in the Compact, have adopted The Interstate Compact for Juveniles. The remainder of this act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

H

D

HOUSE BILL 1346
Committee Substitute Favorable 5/27/05
PROPOSED COMMITTEE SUBSTITUTE H1346-CSSF-27 [v.1]

6/14/2005 2:40:37 PM

Short Title: Interstate Compact for Juveniles.

(Public)

Sponsors:

Referred to:

April 21, 2005

1 A BILL TO BE ENTITLED
2 AN ACT TO ENACT THE INTERSTATE COMPACT FOR JUVENILES.
3 The General Assembly of North Carolina enacts:

4 SECTION 1. Chapter 7B of the General Statutes is amended by adding the
5 following new Article to read:

6 "Article 40.

7 "Interstate Compact for Juveniles.

8 "§ 7B-4000. Short title.

9 This Article may be cited as "The Interstate Compact for Juveniles".

10 "§ 7B-4001. Governor to execute Compact; form of Compact.

11 The Governor of North Carolina is authorized and directed to execute a Compact on
12 behalf of the State of North Carolina with any state of the United States legally joining
13 therein in the form substantially as follows:

14 "Article I.

15 Purpose.

16 (a) The compacting states to this Interstate Compact recognize that each state is
17 responsible for the proper supervision or return of juveniles, delinquents, and status
18 offenders who are on probation or parole and who have absconded, escaped, or run
19 away from supervision and control and in so doing have endangered their own safety
20 and the safety of others. The compacting states also recognize that each state is
21 responsible for the safe return of juveniles who have run away from home and in doing
22 so have left their state of residence. The compacting states also recognize that Congress,
23 by enacting the Crime Control Act, 4 U.S.C. § 112 (1965), has authorized and
24 encouraged compacts for cooperative efforts and mutual assistance in the prevention of
25 crime.

26 (b) It is the purpose of this Compact, through means of joint and cooperative
27 action among the compacting states to:

- (1) Ensure that the adjudicated juveniles and status offenders subject to this Compact are provided adequate supervision and services in the receiving state as ordered by the adjudicating judge or parole authority in the sending state;
 - (2) Ensure that the public safety interests of the citizens, including the victims of juvenile offenders, in both the sending and receiving states are adequately protected;
 - (3) Return juveniles who have run away, absconded, or escaped from supervision or control, or have been accused of an offense to the state requesting their return;
 - (4) Make contracts for the cooperative institutionalization in public facilities in member states for delinquent youth needing special services;
 - (5) Provide for the effective tracking and supervision of juveniles;
 - (6) Equitably allocate the costs, benefits, and obligations of the compacting states;
 - (7) Establish procedures to manage the movement between states of juvenile offenders released to the community under the jurisdiction of courts, juvenile departments, or any other criminal or juvenile justice agency which has jurisdiction over juvenile offenders;
 - (8) Ensure immediate notice to jurisdictions where defined offenders are authorized to travel or to relocate across state lines;
 - (9) Establish procedures to resolve pending charges (detainers) against juvenile offenders prior to transfer or release to the community under the terms of this Compact;
 - (10) Establish a system of uniform data collection on information pertaining to juveniles subject to this Compact that allows access by authorized juvenile justice and criminal justice officials, and regular reporting of Compact activities to heads of state executive, judicial, and legislative branches and juvenile and criminal justice administrators;
 - (11) Monitor compliance with rules governing interstate movement of juveniles and initiate interventions to address and correct noncompliance;
 - (12) Coordinate training and education regarding the regulation of interstate movement of juveniles for officials involved in such activity; and
 - (13) Coordinate the implementation and operation of the Compact with the Interstate Compact for the Placement of Children, the Interstate Compact for Adult Offender Supervision, and other compacts affecting juveniles particularly in those cases where concurrent or overlapping supervision issues arise.
- (c) It is the policy of the compacting states that the activities conducted by the Interstate Commission created herein are the formation of public policies and therefore are public business. Furthermore, the compacting states shall cooperate and observe

1 their individual and collective duties and responsibilities for the prompt return and
2 acceptance of juveniles subject to the provisions of this Compact. The provisions of this
3 Compact shall be reasonably and liberally construed to accomplish the purposes and
4 policies of the Compact.

5 Article II.

6 Definitions.

7 As used in this Compact, unless the context clearly requires a different construction:

- 8 (1) "Bylaws" means those bylaws established by the Interstate
9 Commission for its governance or for directing or controlling its
10 actions or conduct.
- 11 (2) "Compact Administrator" means the individual in each compacting
12 state appointed pursuant to the terms of this Compact responsible for
13 the administration and management of the state's supervision and
14 transfer of juveniles subject to the terms of this Compact, the rules
15 adopted by the Interstate Commission, and policies adopted by the
16 State Council under this Compact.
- 17 (3) "Compacting State" means any state which has enacted the enabling
18 legislation for this Compact.
- 19 (4) "Commissioner" means the voting representative of each compacting
20 state appointed pursuant to Article III of this Compact.
- 21 (5) "Court" means any court having jurisdiction over delinquent,
22 neglected, or dependent children.
- 23 (6) "Deputy Compact Administrator" means the individual, if any, in each
24 compacting state appointed to act on behalf of a Compact
25 Administrator pursuant to the terms of this Compact responsible for
26 the administration and management of the state's supervision and
27 transfer of juveniles subject to the terms of this compact, the rules
28 adopted by the Interstate Commission, and policies adopted by the
29 State Council under this Compact.
- 30 (7) "Interstate Commission" means the Interstate Commission for
31 Juveniles created by Article III of this Compact.
- 32 (8) "Juvenile" means any person defined as a juvenile in any member state
33 or by the rules of the Interstate Commission, including:
- 34 a. Accused Delinquent – A person charged with an offense that, if
35 committed by an adult, would be a criminal offense;
- 36 b. Adjudicated Delinquent – A person found to have committed an
37 offense that, if committed by an adult, would be a criminal
38 offense;
- 39 c. Accused Status Offender – A person charged with an offense
40 that would not be a criminal offense if committed by an adult;
- 41 d. Adjudicated Status Offender – A person found to have
42 committed an offense that would not be a criminal offense if
43 committed by an adult; and

e. Nonoffender – A person in need of supervision who has not been accused or adjudicated a status offender or delinquent.

(9) "Noncompacting State" means any state which has not enacted the enabling legislation for this Compact.

(10) "Probation or Parole" means any kind of supervision or conditional release of juveniles authorized under the laws of the compacting states.

(11) "Rule" means a written statement by the Interstate Commission promulgated pursuant to Article VI of this Compact that is of general applicability, implements, interprets, or prescribes a policy or provision of the Compact, or an organizational, procedural, or practice requirement of the Commission, and has the force and effect of statutory law in a compacting state, and includes the amendment, repeal, or suspension of an existing rule.

(12) "State" means a state of the United States, the District of Columbia, or its designee, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Northern Marianas Islands.

Article III.

Interstate Commission for Juveniles.

(a) The compacting states hereby create the "Interstate Commission for Juveniles." The Commission shall be a body corporate and joint agency of the compacting states. The Commission shall have all the responsibilities, powers, and duties set forth herein, and such additional powers as may be conferred upon it by subsequent action of the respective legislatures of the compacting states in accordance with the terms of this Compact.

(b) The Interstate Commission shall consist of commissioners appointed by the appropriate appointing authority in each state pursuant to the rules and requirements of each compacting state and in consultation with the State Council for Interstate Juvenile Supervision created hereunder. The Commissioner shall be the compact administrator, deputy compact administrator, or designee from that state who shall serve on the Interstate Commission in such capacity under or pursuant to the applicable law of the compacting state.

(c) In addition to the commissioners who are the voting representatives of each state, the Interstate Commission shall include individuals who are not commissioners, but who are members of interested organizations. Such noncommissioner members must include a member of the national organizations of governors, legislators, state chief justices, attorneys general, Interstate Compact for Adult Offender Supervision, Interstate Compact for the Placement of Children, juvenile justice and juvenile corrections officials, and crime victims. All noncommissioner members of the Interstate Commission shall be ex officio, nonvoting, members. The Interstate Commission may provide in its bylaws for such additional ex officio, nonvoting, members, including members of other national organizations, in such numbers as shall be determined by the Commission.

(d) Each compacting state represented at any meeting of the Commission is entitled to one vote. A majority of the compacting states shall constitute a quorum for

1 the transaction of business, unless a larger quorum is required by the bylaws of the
2 Interstate Commission.

3 (e) The Commission shall meet at least once each calendar year. The chairperson
4 may call additional meetings and, upon the request of a simple majority of the
5 compacting states, shall call additional meetings. Public notice shall be given of all
6 meetings, and meetings shall be open to the public.

7 (f) The Interstate Commission shall establish an executive committee, which
8 shall include commission officers, members, and others as determined by the bylaws.
9 The executive committee shall have the power to act on behalf of the Interstate
10 Commission during periods when the Interstate Commission is not in session, with the
11 exception of rule making and/or amendment to the Compact. The executive committee
12 shall oversee the day-to-day activities of the administration of the Compact managed by
13 an executive director and Interstate Commission staff, administer enforcement and
14 compliance with the provisions of the Compact, its bylaws and rules, and perform other
15 duties as directed by the Interstate Commission or set forth in the bylaws.

16 (g) Each member of the Interstate Commission shall have the right and power to
17 cast a vote to which that compacting state is entitled and to participate in the business
18 and affairs of the Interstate Commission. A member shall vote in person and shall not
19 delegate a vote to another compacting state. However, a commissioner, in consultation
20 with the state council, shall appoint another authorized representative, in the absence of
21 the commissioner from that state, to cast a vote on behalf of the compacting state at a
22 specified meeting. The bylaws may provide for members' participation in meetings by
23 telephone or other means of telecommunication or electronic communication.

24 (h) The Interstate Commission's bylaws shall establish conditions and procedures
25 under which the Interstate Commission shall make its information and official records
26 available to the public for inspection or copying. The Interstate Commission may
27 exempt from disclosure any information or official records to the extent they would
28 adversely affect personal privacy rights or proprietary interests.

29 (i) Public notice shall be given of all meetings, and all meetings shall be open to
30 the public, except as set forth in the Rules or as otherwise provided in the Compact. The
31 Interstate Commission and any of its committees may close a meeting to the public
32 where it determines by two-thirds vote that an open meeting would be likely to:

- 33 (1) Relate solely to the Interstate Commission's internal personnel
34 practices and procedures;
- 35 (2) Disclose matters specifically exempted from disclosure by statute;
- 36 (3) Disclose trade secrets or commercial or financial information which is
37 privileged or confidential;
- 38 (4) Involve accusing any person of a crime, or formally censuring any
39 person;
- 40 (5) Disclose information of a personal nature where disclosure would
41 constitute a clearly unwarranted invasion of personal privacy;
- 42 (6) Disclose investigative records compiled for law enforcement purposes;
- 43 (7) Disclose information contained in or related to examination, operating
44 or condition reports prepared by, or on behalf of or for the use of, the

Interstate Commission with respect to a regulated person or entity for the purpose of regulation or supervision of such person or entity;

(8) Disclose information, the premature disclosure of which would significantly endanger the stability of a regulated person or entity; or

(9) Specifically relate to the Interstate Commission's issuance of a subpoena or its participation in a civil action or other legal proceeding.

(j) For every meeting closed pursuant to this provision, the Interstate Commission's legal counsel shall publicly certify that, in the legal counsel's opinion, the meeting may be closed to the public, and shall reference each relevant exemptive provision. The Interstate Commission shall keep minutes which shall fully and clearly describe all matters discussed in any meeting and shall provide a full and accurate summary of any actions taken, and the reasons therefor, including a description of each of the views expressed on any item and the record of any roll call vote (reflected in the vote of each member on the question). All documents considered in connection with any action shall be identified in the minutes.

(k) The Interstate Commission shall collect standardized data concerning the interstate movement of juveniles as directed through its rules which shall specify the data to be collected, the means of collection and data exchange, and reporting requirements. Such methods of data collection, exchange, and reporting shall insofar as is reasonably possible conform to up-to-date technology and coordinate its information functions with the appropriate repository of records.

Article IV.

Powers and Duties of the Interstate Commission.

(a) The Interstate Commission shall have the following powers and duties:

(1) To provide for dispute resolution among compacting states.

(2) To promulgate rules to effect the purposes and obligations as enumerated in this Compact, which shall have the force and effect of statutory law and shall be binding in the compacting states to the extent and in the manner provided in this Compact.

(3) To oversee, supervise, and coordinate the interstate movement of juveniles subject to the terms of this Compact and any bylaws adopted and rules promulgated by the Interstate Commission.

(4) To enforce compliance with the Compact provisions, the rules promulgated by the Interstate Commission, and the bylaws, using all necessary and proper means including, but not limited to, the use of judicial process.

(5) To establish and maintain offices which shall be located within one or more of the compacting states.

(6) To purchase and maintain insurance and bonds.

(7) To borrow, accept, hire, or contract for services of personnel.

(8) To establish and appoint committees and hire staff which it deems necessary for the carrying out of its functions including, but not limited to, an executive committee as required by Article III of this

1 Compact which shall have the power to act on behalf of the Interstate
2 Commission in carrying out its powers and duties hereunder.

- 3 (9) To elect or appoint such officers, attorneys, employees, agents, or
4 consultants, and to fix their compensation, define their duties, and
5 determine their qualifications; and to establish the Interstate
6 Commission's personnel policies and programs relating to, inter alia,
7 conflicts of interest, rates of compensation, and qualifications of
8 personnel.
- 9 (10) To accept any and all donations and grants of money, equipment,
10 supplies, materials, and services, and to receive, utilize, and dispose of
11 it.
- 12 (11) To lease, purchase, accept contributions or donations of, or otherwise
13 to own, hold, improve, or use any property, real, personal, or mixed.
- 14 (12) To sell, convey, mortgage, pledge, lease, exchange, abandon, or
15 otherwise dispose of any property, real, personal, or mixed.
- 16 (13) To establish a budget and make expenditures and levy dues as
17 provided in Article VIII of this Compact.
- 18 (14) To sue and be sued.
- 19 (15) To adopt a seal and bylaws governing the management and operation
20 of the Interstate Commission.
- 21 (16) To perform such functions as may be necessary or appropriate to
22 achieve the purposes of this Compact.
- 23 (17) To report annually to the legislatures, governors, judiciary, and state
24 councils of the compacting states concerning the activities of the
25 Interstate Commission during the preceding year. Such reports shall
26 also include any recommendations that may have been adopted by the
27 Interstate Commission.
- 28 (18) To coordinate education, training, and public awareness regarding the
29 interstate movement of juveniles for officials involved in such activity.
- 30 (19) To establish uniform standards of the reporting, collecting, and
31 exchanging of data.

32 (b) The Interstate Commission shall maintain its corporate books and records in
33 accordance with the bylaws.

34 Article V.

35 Organization and Operation of the Interstate Commission.

36 (a) Bylaws. – The Interstate Commission shall, by a majority of the members
37 present and voting, within 12 months after the first Interstate Commission meeting,
38 adopt bylaws to govern its conduct as may be necessary or appropriate to carry out the
39 purposes of the Compact, including, but not limited to:

- 40 (1) Establishing the fiscal year of the Interstate Commission;
41 (2) Establishing an executive committee and such other committees as
42 may be necessary;

- (3) Providing for the establishment of committees governing any general or specific delegation of any authority or function of the Interstate Commission;
- (4) Providing reasonable procedures for calling and conducting meetings of the Interstate Commission and ensuring reasonable notice of each such meeting;
- (5) Establishing the titles and responsibilities of the officers of the Interstate Commission;
- (6) Providing a mechanism for concluding the operations of the Interstate Commission and the return of any surplus funds that may exist upon the termination of the Compact after the payment and/or reserving of all of its debts and obligations;
- (7) Providing "start-up" rules for initial administration of the Compact; and
- (8) Establishing standards and procedures for compliance and technical assistance in carrying out the Compact.

(b) Officers and Staff. – The Interstate Commission shall, by a majority of the members, elect annually from among its members a chairperson and a vice-chairperson, each of whom shall have such authority and duties as may be specified in the bylaws. The chairperson or, in the chairperson's absence or disability, the vice-chairperson shall preside at all meetings of the Interstate Commission. The officers so elected shall serve without compensation or remuneration from the Interstate Commission; provided that, subject to the availability of budgeted funds, the officers shall be reimbursed for any ordinary and necessary costs and expenses incurred by them in the performance of their duties and responsibilities as officers of the Interstate Commission.

The Interstate Commission shall, through its executive committee, appoint or retain an executive director for such period, upon such terms and conditions and for such compensation as the Interstate Commission may deem appropriate. The executive director shall serve as secretary to the Interstate Commission, but shall not be a member and shall hire and supervise such other staff as may be authorized by the Interstate Commission.

(c) Qualified Immunity, Defense, and Indemnification. – The Commission's executive director and employees shall be immune from suit and liability, either personally or in their official capacity, for any claim for damage to or loss of property or personal injury or other civil liability caused or arising out of or relating to any actual or alleged act, error, or omission that occurred, or that such person had a reasonable basis for believing occurred within the scope of Commission employment, duties, or responsibilities; provided, that any such person shall not be protected from suit or liability for any damage, loss, injury, or liability caused by the intentional or willful and wanton misconduct of any such person.

The liability of any commissioner, or the employee or agent of a commissioner, acting within the scope of such person's employment or duties for acts, errors, or omissions occurring within such person's state may not exceed the limits of liability set forth under the Constitution and laws of that state for state officials, employees, and

agents. Nothing in this subsection shall be construed to protect any such person from suit or liability for any damage, loss, injury, or liability caused by the intentional or willful and wanton misconduct of any such person.

The Interstate Commission shall defend the executive director or the employees or representatives of the Interstate Commission and, subject to the approval of the Attorney General of the state represented by any commissioner of a compacting state, shall defend such commissioner or the commissioner's representatives or employees in any civil action seeking to impose liability arising out of any actual or alleged act, error, or omission that occurred within the scope of Interstate Commission employment, duties, or responsibilities, or that the defendant had a reasonable basis for believing occurred within the scope of Interstate Commission employment, duties, or responsibilities, provided that the actual or alleged act, error, or omission did not result from intentional or willful and wanton misconduct on the part of such person.

The Interstate Commission shall indemnify and hold the commissioner of a compacting state, or the commissioner's representatives or employees, or the Interstate Commission's representatives or employees, harmless in the amount of any settlement or judgment obtained against such persons arising out of any actual or alleged act, error, or omission that occurred within the scope of Interstate Commission employment, duties, or responsibilities, or that such persons had a reasonable basis for believing occurred within the scope of Interstate Commission employment, duties, or responsibilities, provided that the actual or alleged act, error, or omission did not result from intentional or willful and wanton misconduct on the part of such persons.

Article VI.

Rule-Making Functions of the Interstate Commission.

(a) The Interstate Commission shall promulgate and publish rules in order to effectively and efficiently achieve the purposes of the Compact.

(b) Rule making shall occur pursuant to the criteria set forth in this Article and the bylaws and rules adopted pursuant thereto. Such rule making shall substantially conform to the principles of the "Model State Administrative Procedures Act," 1981 Act, Uniform Laws Annotated, Vol. 16, p. 1 (2000), or such other administrative procedures acts, as the Interstate Commission deems appropriate consistent with due process requirements under the United States Constitution as now or hereafter interpreted by the United States Supreme Court. All rules and amendments shall become binding as of the date specified, as published with the final version of the rule as approved by the Commission.

(c) When promulgating a rule, the Interstate Commission shall, at a minimum:

- (1) Publish the proposed rule's entire text stating the reason for that proposed rule;
- (2) Allow and invite any and all persons to submit written data, facts, opinions, and arguments, which information shall be added to the record and be made publicly available;
- (3) Provide an opportunity for an informal hearing if petitioned by 10 or more persons;

- 1 (4) Promulgate a final rule and its effective date, if appropriate, based on
2 input from state or local officials, or interested parties; and
3 (5) Allow, not later than 60 days after a rule is promulgated, any interested
4 person to file a petition in the United States District Court for the
5 District of Columbia or in the Federal District Court where the
6 Interstate Commission's principal office is located for judicial review
7 of such rule.

8 If the court finds that the Interstate Commission's action is not supported by
9 substantial evidence in the rule-making record, the court shall hold the rule unlawful
10 and set it aside. For purposes of this subsection, evidence is substantial if it would be
11 considered substantial evidence under the Model State Administrative Procedures Act.

12 (e) If a majority of the legislatures of the compacting states rejects a rule, those
13 states may, by enactment of a statute or resolution in the same manner used to adopt the
14 Compact, cause that rule to have no further force and effect in any compacting state.

15 (f) The existing rules governing the operation of the Interstate Compact on
16 Juveniles superseded by this act shall be null and void when all states, as defined in the
17 Compact, have adopted The Interstate Compact for Juveniles.

18 (g) Upon determination by the Interstate Commission that a state of emergency
19 exists, it may promulgate an emergency rule which shall become effective immediately
20 upon adoption, provided that the usual rule-making procedures provided hereunder shall
21 be retroactively applied to said rule as soon as reasonably possible but no later than 90
22 days after the effective date of the emergency rule.

23 Article VII.

24 Oversight, Enforcement, and Dispute Resolution by the Interstate Commission.

25 (a) Oversight. – The Interstate Commission shall oversee the administration and
26 operations of the interstate movement of juveniles subject to this Compact in the
27 compacting states and shall monitor such activities being administered in
28 noncompacting states which may significantly affect compacting states.

29 The courts and executive agencies in each compacting state shall enforce this
30 Compact and shall take all actions necessary and appropriate to effectuate the Compact's
31 purposes and intent. The provisions of this Compact and the rules promulgated
32 hereunder shall be received by all the judges, public officers, commissions, and
33 departments of the state government as evidence of the authorized statute and
34 administrative rules, and all courts shall take judicial notice of the Compact and the
35 rules. In any judicial or administrative proceeding in a compacting state pertaining to
36 the subject matter of this Compact which may affect the powers, responsibilities, or
37 actions of the Interstate Commission, it shall be entitled to receive all service of process
38 in any such proceeding and shall have standing to intervene in the proceeding for all
39 purposes.

40 (b) Dispute Resolution. – The compacting states shall report to the Interstate
41 Commission on all issues and activities necessary for the administration of the Compact
42 as well as issues and activities pertaining to compliance with the provisions of the
43 Compact and its bylaws and rules.

1 The Interstate Commission shall attempt, upon the request of a compacting state, to
2 resolve any disputes or other issues which are subject to the Compact and which may
3 arise among compacting states and between compacting and noncompacting states. The
4 Commission shall promulgate a rule providing for both mediation and binding dispute
5 resolution for disputes among the compacting states.

6 The Interstate Commission, in the reasonable exercise of its discretion, shall enforce
7 the provisions and rules of this Compact using any or all means set forth in Article XI of
8 this Compact.

9 Article VIII.

10 Finance.

11 (a) The Interstate Commission shall pay or provide for the payment of the
12 reasonable expenses of its establishment, organization, and ongoing activities.

13 (b) The Interstate Commission shall levy on and collect an annual assessment
14 from each compacting state to cover the cost of the internal operations and activities of
15 the Interstate Commission and its staff which must be in a total amount sufficient to
16 cover the Interstate Commission's annual budget as approved each year. The aggregate
17 annual assessment amount shall be allocated based upon a formula to be determined by
18 the Interstate Commission, taking into consideration the population of each compacting
19 state and the volume of interstate movement of juveniles in each compacting state and
20 shall promulgate a rule binding upon all compacting states which governs said
21 assessment.

22 (c) The Interstate Commission shall not incur any obligations of any kind prior to
23 securing the funds adequate to meet the same; nor shall the Interstate Commission
24 pledge the credit of any of the compacting states, except by and with the authority of the
25 compacting state.

26 (d) The Interstate Commission shall keep accurate accounts of all receipts and
27 disbursements. The receipts and disbursements of the Interstate Commission shall be
28 subject to the audit and accounting procedures established under its bylaws. However,
29 all receipts and disbursements of funds handled by the Interstate Commission shall be
30 audited yearly by a certified or licensed public accountant, and the report of the audit
31 shall be included in and become part of the annual report of the Interstate Commission.

32 Article IX.

33 The State Council.

34 Each member state shall create a State Council for Interstate Juvenile Supervision.
35 While each state may determine the membership of its own state council, its
36 membership must include at least one representative from the legislative, judicial, and
37 executive branches of government, victims groups, and the compact administrator,
38 deputy compact administrator, or designee. Each compacting state retains the right to
39 determine the qualifications of the compact administrator or deputy compact
40 administrator. Each state council will advise and may exercise oversight and advocacy
41 concerning that state's participation in Interstate Commission activities and other duties
42 as may be determined by that state, including, but not limited to, development of policy
43 concerning operations and procedures of the Compact within that state.

44 Article X.

Compacting States, Effective Date, and Amendment.

(a) Any state, the District of Columbia, or its designee, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Northern Marianas Islands, as defined in Article II of this Compact, is eligible to become a compacting state.

(b) The Compact shall become effective and binding upon legislative enactment of the Compact into law by no less than 35 of the states. The initial effective date shall be the later of July 1, 2004, or upon enactment into law by the 35th jurisdiction. Thereafter, it shall become effective and binding as to any other compacting state upon enactment of the Compact into law by that state. The governors of nonmember states or their designees shall be invited to participate in the activities of the Interstate Commission on a nonvoting basis prior to adoption of the Compact by all states and territories of the United States.

(c) The Interstate Commission may propose amendments to the Compact for enactment by the compacting states. No amendment shall become effective and binding upon the Interstate Commission and the compacting states unless and until it is enacted into law by unanimous consent of the compacting states.

Article XI.Withdrawal, Default, Termination, and Judicial Enforcement.

(a) Withdrawal. – Once effective, the Compact shall continue in force and remain binding upon each and every compacting state; provided that a compacting state may withdraw from the Compact by specifically repealing the statute which enacted the Compact into law.

The effective date of withdrawal is the effective date of the repeal.

The withdrawing state shall immediately notify the chairperson of the Interstate Commission in writing upon the introduction of legislation repealing this Compact in the withdrawing state. The Interstate Commission shall notify the other compacting states of the withdrawing state's intent to withdraw within 60 days of its receipt thereof.

The withdrawing state is responsible for all assessments, obligations, and liabilities incurred through the effective date of withdrawal, including any obligations, the performance of which extend beyond the effective date of withdrawal.

Reinstatement following withdrawal of any compacting state shall occur upon the withdrawing state reenacting the Compact or upon such later date as determined by the Interstate Commission.

(b) Technical Assistance, Fines, Suspension, Termination, and Default. – If the Interstate Commission determines that any compacting state has at any time defaulted in the performance of any of its obligations or responsibilities under this Compact, or the bylaws or duly promulgated rules, the Interstate Commission may impose any or all of the following penalties:

- (1) Remedial training and technical assistance as directed by the Interstate Commission;
- (2) Alternative Dispute Resolution;
- (3) Fines, fees, and costs in such amounts as are deemed to be reasonable as fixed by the Interstate Commission; and

(4) Suspension or termination of membership in the Compact, which shall be imposed only after all other reasonable means of securing compliance under the bylaws and rules have been exhausted and the Interstate Commission has therefore determined that the offending state is in default. Immediate notice of suspension shall be given by the Interstate Commission to the Governor, the Chief Justice, or the Chief Judicial Officer of the state, the majority and minority leaders of the defaulting state's legislature, and the state council.

The grounds for default include, but are not limited to, failure of a compacting state to perform such obligations or responsibilities imposed upon it by this Compact, the bylaws, or duly promulgated rules, and any other grounds designated in Commission bylaws and rules. The Interstate Commission shall immediately notify the defaulting state in writing of the penalty imposed by the Interstate Commission and of the default pending a cure of the default. The Commission shall stipulate the conditions and the time period within which the defaulting state must cure its default. If the defaulting state fails to cure the default within the time period specified by the Commission, the defaulting state shall be terminated from the Compact upon an affirmative vote of a majority of the compacting states, and all rights, privileges, and benefits conferred by this Compact shall be terminated from the effective date of termination.

Within 60 days of the effective date of termination of a defaulting state, the Commission shall notify the Governor, the Chief Justice or Chief Judicial Officer, the majority and minority leaders of the defaulting state's legislature, and the state council of the termination.

The defaulting state is responsible for all assessments, obligations, and liabilities incurred through the effective date of termination, including any obligations, the performance of which extends beyond the effective date of termination.

The Interstate Commission shall not bear any costs relating to the defaulting state unless otherwise mutually agreed upon in writing between the Interstate Commission and the defaulting state.

Reinstatement following termination of any compacting state requires both a reenactment of the Compact by the defaulting state and the approval of the Interstate Commission pursuant to the rules.

(c) Judicial Enforcement. – The Interstate Commission may, by majority vote of the members, initiate legal action in the United States District Court for the District of Columbia or, at the discretion of the Interstate Commission, in the federal district where the Interstate Commission has its offices to enforce compliance with the provisions of the Compact and its duly promulgated rules and bylaws, against any compacting state in default. In the event judicial enforcement is necessary, the prevailing party shall be awarded all costs of such litigation, including reasonable attorneys' fees.

(d) Dissolution of Compact. – The Compact dissolves effective upon the date of the withdrawal or default of the compacting state, which reduces membership in the Compact to one compacting state.

Upon the dissolution of this Compact, the Compact becomes null and void and shall be of no further force or effect, and the business and affairs of the Interstate

Commission shall be concluded, and any surplus funds shall be distributed in accordance with the bylaws.

Article XII.

Severability and Construction.

(a) The provisions of this Compact shall be severable, and if any phrase, clause, sentence, or provision is deemed unenforceable, the remaining provisions of the Compact shall be enforceable.

(b) The provisions of this Compact shall be liberally construed to effectuate its purposes.

Article XIII.

Binding Effect of Compact and Other Laws.

(a) Other Laws. – Nothing herein prevents the enforcement of any other law of a compacting state that is not inconsistent with this Compact.

All compacting states' laws, other than state Constitutions and other interstate compacts, conflicting with this Compact are superseded to the extent of the conflict.

(b) Binding Effect of the Compact. – All lawful actions of the Interstate Commission, including all rules and bylaws promulgated by the Interstate Commission, are binding upon the compacting states.

All agreements between the Interstate Commission and the compacting states are binding in accordance with their terms.

Upon the request of a party to a conflict over meaning or interpretation of Interstate Commission actions, and upon a majority vote of the compacting states, the Interstate Commission may issue advisory opinions regarding such meaning or interpretation.

In the event any provision of this Compact exceeds the constitutional limits imposed on the legislature of any compacting state, the obligations, duties, powers, or jurisdiction sought to be conferred by such provision upon the Interstate Commission shall be ineffective, and such obligations, duties, powers, or jurisdiction shall remain in the compacting state and shall be exercised by the agency thereof to which such obligations, duties, powers, or jurisdiction are delegated by law in effect at the time this Compact becomes effective."

"§ 7B-4002. Implementation of the Compact.

(a) The North Carolina State Council for Interstate Juvenile Supervision is hereby established. The Secretary of the Department of Juvenile Justice and Delinquency Prevention, or the Secretary's designee, shall serve as the Compact Administrator for the State of North Carolina and as North Carolina's Commissioner to the Interstate Commission. The Secretary of the Department of Juvenile Justice and Delinquency Prevention, or the Secretary's designee, is a member of the State Council and serves as chairperson of the State Council. In addition to the chairperson, the State Council shall consist of 10 members as follows:

- (1) One member representing the executive branch, to be appointed by the Governor;
- (2) One member from a victim's assistance group, to be appointed by the Governor;
- (3) One at-large member, to be appointed by the Governor;

- 1 (4) One member of the Senate, to be appointed by the President Pro
2 Tempore of the Senate;
3 (5) One member of the House of Representatives, to be appointed by the
4 Speaker of the House of Representatives;
5 (6) A district court judge, to be appointed by the Chief Justice of the
6 Supreme Court; and
7 (7) Four members representing the juvenile court counselors, to be
8 appointed by the Secretary of the Department of Juvenile Justice and
9 Delinquency Prevention.

10 (b) The State Council shall meet at least twice a year and may also hold special
11 meetings at the call of the chairperson. All terms are for three years.

12 (c) The State Council may advise the Compact Administrator on participation in
13 the Interstate Commission activities and administration of the Compact.

14 (d) The members of the State Council shall serve without compensation but shall
15 be reimbursed for necessary travel and subsistence expenses in accordance with the
16 policies of the Office of State Budget and Management.

17 (e) The State Council shall act in an advisory capacity to the Secretary of the
18 Department of Juvenile Justice and Delinquency Prevention concerning this State's
19 participation in Interstate Commission activities and other duties as may be determined
20 by each member state, including recommendations for policy concerning the operations
21 and procedures of the Compact within this State.

22 (f) The Governor shall by executive order provide for any other matters
23 necessary for implementation of the Compact at the time that it becomes effective, and,
24 except as otherwise provided for in this section, the State Council may promulgate rules
25 or regulations necessary to implement and administer the Compact."

26 **SECTION 2.** Article 28 of Chapter 7B of the General Statutes is repealed.

27 **SECTION 3.** The Secretary of the Department of Juvenile Justice and
28 Delinquency Prevention shall notify the Revisor of Statutes when The Interstate
29 Compact for Juveniles becomes effective under the terms of the Compact. The
30 Secretary of the Department of Juvenile Justice and Delinquency Prevention shall notify
31 the Revisor of Statutes when The Interstate Compact for Juveniles has been adopted by
32 all states, as defined in the Compact.

33 **SECTION 4.** This act shall not be construed to obligate the General
34 Assembly to appropriate funds to implement the provisions of this act. The Department
35 of Juvenile Justice and Delinquency Prevention shall implement the provisions of this
36 act with funds that are otherwise appropriated or available to the Department.

37 **SECTION 5.** Section 1 of this act becomes effective only when 35 states
38 have adopted The Interstate Compact for Juveniles, as set forth in the Compact. Section
39 2 of this act becomes effective only when all states, as defined in the Compact, have
40 adopted The Interstate Compact for Juveniles. The remainder of this act is effective
41 when it becomes law.

VISITOR REGISTRATION SHEET

Mental Health and Youth Services

JUNE 15, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE
CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Jack Nichols	Allen + Pinnit
Perry Scavella	States Watch
Jeffrey Walston	DOA-YAIO
Jami Fitzgerald	NC Family Policy Council
Dwayne Patterson	DJJDP
Donn Hargrove	"
Judy Stephens	"
HAROLD CARMEL	NC Psychiatric Assn
Jennifer Sullivan	NABO NC

Senate Mental Health & Youth Services Committee
Wednesday, June 22, 2005, 12:00 Noon
414 LOB

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Bills

HB 1346 Interstate Compact for Juveniles.

Representative Haire

Presentations

Other Business

Adjournment

MENTAL HEALTH & YOUTH SERVICES COMMITTEE
WEDNESDAY, JUNE 22, 2005

MINUTES

Mental Health & Youth Services committee met June 22, 2005 at 12:00 noon in Room 414 of the Legislative Office Building. Ten members were present, including Co-Chair Senator Nesbitt, who presided.

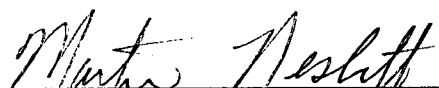
Senator Nesbitt called the meeting to order and introduced Representative Haire.

House Bill 1346 Interstate Compact for Juveniles, was explained by Representative Haire. Representative Haire recognized special guest and speakers John Mountjoy, Council of State Governments Lexington Kentucky, Sherry Pilkington, Department of Corrections, Judy Stevens, Department of Juvenile Justice and Donn Hargraves, Assistant Secretary Department of Juvenile Justice. John Mountjoy explained why the compact needed to be updated.

Senator Dannelly moved to adopt a PCS for discussion purposes at the last meeting. Senator Dannelly moved to adopt the PCS when appropriate. The motion carried unanimously

Unfavorable as to Committee Substitute Bill NO 1, but favorable as to Senate Committee Substitute Bill

Senator Nesbitt thanked the members and adjourned the meeting at 12:30 p. m.



Senator Martin Nesbitt, Co-Chair



Kathie Young, Legislative Assist.

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**MENTAL HEALTH & YOUTH SERVICES COMMITTEE REPORT
Senator Eleanor Kinnaird, Chair**

Thursday, June 23, 2005

Senator KINNAIRD,
submits the following with recommendations as to passage:

**UNFAVORABLE AS TO COMMITTEE SUBSTITUTE BILL NO. 1, BUT FAVORABLE
AS TO SENATE COMMITTEE SUBSTITUTE BILL**

H.B.(CS #1) 1346	Interstate Compact for Juveniles.	
	Draft Number:	PCS 10370
	Sequential Referral:	None
	Recommended Referral:	None
	Long Title Amended:	No

TOTAL REPORTED: 1

Committee Clerk Comments:

PUBLIC BILL

Proposed Committee Substitute For
H.B. 1346

SESSION LAW _____

A BILL TO BE ENTITLED

AN ACT TO ENACT THE INTERSTATE COMPACT FOR JUVENILES.

Introduced by Representative(s): *Haire*

Principal Clerk's Use Only

The Committee on Judiciary
majority being present, having considered
this bill, recommend that it do ☒ pass.

Rep. Sutton
for the Committee

☒ FAVORABLE TO COMM. SUB.
☐ UNFAVORABLE TO BILL

MAY 27 2005

366 AND PLACED ON
CALENDAR FOR

5-31-05

115-02V (adj) vv

PASSED 2nd & 3rd
READING

MAY 31 2005

ORDERED SENT TO SENATE

Sen. Weeks

RECEIVED

JUN 1 2005

From House of Representatives
By Clerk JW 8:35 AM PM

PASSED 1st READING

JUN 1 2005

AND REFERRED TO COMMITTEE

Mental Health

Youth Serv.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

H

2

HOUSE BILL 1346
Committee Substitute Favorable 5/27/05

Short Title: Interstate Compact for Juveniles.

(Public)

Sponsors:

Referred to:

April 21, 2005

A BILL TO BE ENTITLED

AN ACT TO ENACT THE INTERSTATE COMPACT FOR JUVENILES.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 7B of the General Statutes is amended by adding the following new Article to read:

"Article 40.

"Interstate Compact for Juveniles.

"§ 7B-4000. Short title.

This Article may be cited as "The Interstate Compact for Juveniles".

"§ 7B-4001. Governor to execute Compact; form of Compact.

The Governor of North Carolina is authorized and directed to execute a Compact on behalf of the State of North Carolina with any state of the United States legally joining therein in the form substantially as follows:

"Article I.

Purpose.

(a) The compacting states to this Interstate Compact recognize that each state is responsible for the proper supervision or return of juveniles, delinquents, and status offenders who are on probation or parole and who have absconded, escaped, or run away from supervision and control and in so doing have endangered their own safety and the safety of others. The compacting states also recognize that each state is responsible for the safe return of juveniles who have run away from home and in doing so have left their state of residence. The compacting states also recognize that Congress, by enacting the Crime Control Act, 4 U.S.C. § 112 (1965), has authorized and encouraged compacts for cooperative efforts and mutual assistance in the prevention of crime.

(b) It is the purpose of this Compact, through means of joint and cooperative action among the compacting states to:

(1) Ensure that the adjudicated juveniles and status offenders subject to this Compact are provided adequate supervision and services in the

1 receiving state as ordered by the adjudicating judge or parole authority
2 in the sending state;

3 (2) Ensure that the public safety interests of the citizens, including the
4 victims of juvenile offenders, in both the sending and receiving states
5 are adequately protected;

6 (3) Return juveniles who have run away, absconded, or escaped from
7 supervision or control, or have been accused of an offense to the state
8 requesting their return;

9 (4) Make contracts for the cooperative institutionalization in public
10 facilities in member states for delinquent youth needing special
11 services;

12 (5) Provide for the effective tracking and supervision of juveniles;

13 (6) Equitably allocate the costs, benefits, and obligations of the
14 compacting states;

15 (7) Establish procedures to manage the movement between states of
16 juvenile offenders released to the community under the jurisdiction of
17 courts, juvenile departments, or any other criminal or juvenile justice
18 agency which has jurisdiction over juvenile offenders;

19 (8) Ensure immediate notice to jurisdictions where defined offenders are
20 authorized to travel or to relocate across state lines;

21 (9) Establish procedures to resolve pending charges (detainers) against
22 juvenile offenders prior to transfer or release to the community under
23 the terms of this Compact;

24 (10) Establish a system of uniform data collection on information
25 pertaining to juveniles subject to this Compact that allows access by
26 authorized juvenile justice and criminal justice officials, and regular
27 reporting of Compact activities to heads of state executive, judicial,
28 and legislative branches and juvenile and criminal justice
29 administrators;

30 (11) Monitor compliance with rules governing interstate movement of
31 juveniles and initiate interventions to address and correct
32 noncompliance;

33 (12) Coordinate training and education regarding the regulation of interstate
34 movement of juveniles for officials involved in such activity; and

35 (13) Coordinate the implementation and operation of the Compact with the
36 Interstate Compact for the Placement of Children, the Interstate
37 Compact for Adult Offender Supervision, and other compacts affecting
38 juveniles particularly in those cases where concurrent or overlapping
39 supervision issues arise.

40 (c) It is the policy of the compacting states that the activities conducted by the
41 Interstate Commission created herein are the formation of public policies and therefore
42 are public business. Furthermore, the compacting states shall cooperate and observe
43 their individual and collective duties and responsibilities for the prompt return and
44 acceptance of juveniles subject to the provisions of this Compact. The provisions of this

1 Compact shall be reasonably and liberally construed to accomplish the purposes and
2 policies of the Compact.

3 Article II.

4 Definitions.

5 As used in this Compact, unless the context clearly requires a different construction:

- 6 (1) "Bylaws" means those bylaws established by the Interstate
7 Commission for its governance or for directing or controlling its
8 actions or conduct.
- 9 (2) "Compact Administrator" means the individual in each compacting
10 state appointed pursuant to the terms of this Compact responsible for
11 the administration and management of the state's supervision and
12 transfer of juveniles subject to the terms of this Compact, the rules
13 adopted by the Interstate Commission, and policies adopted by the
14 State Council under this Compact.
- 15 (3) "Compacting State" means any state which has enacted the enabling
16 legislation for this Compact.
- 17 (4) "Commissioner" means the voting representative of each compacting
18 state appointed pursuant to Article III of this Compact.
- 19 (5) "Court" means any court having jurisdiction over delinquent,
20 neglected, or dependent children.
- 21 (6) "Deputy Compact Administrator" means the individual, if any, in each
22 compacting state appointed to act on behalf of a Compact
23 Administrator pursuant to the terms of this Compact responsible for
24 the administration and management of the state's supervision and
25 transfer of juveniles subject to the terms of this compact, the rules
26 adopted by the Interstate Commission, and policies adopted by the
27 State Council under this Compact.
- 28 (7) "Interstate Commission" means the Interstate Commission for
29 Juveniles created by Article III of this Compact.
- 30 (8) "Juvenile" means any person defined as a juvenile in any member state
31 or by the rules of the Interstate Commission, including:
- 32 a. Accused Delinquent – A person charged with an offense that, if
33 committed by an adult, would be a criminal offense;
- 34 b. Adjudicated Delinquent – A person found to have committed an
35 offense that, if committed by an adult, would be a criminal
36 offense;
- 37 c. Accused Status Offender – A person charged with an offense
38 that would not be a criminal offense if committed by an adult;
- 39 d. Adjudicated Status Offender – A person found to have
40 committed an offense that would not be a criminal offense if
41 committed by an adult; and
- 42 e. Nonoffender – A person in need of supervision who has not
43 been accused or adjudicated a status offender or delinquent.

- 1 (9) "Noncompacting State" means any state which has not enacted the
2 enabling legislation for this Compact.
- 3 (10) "Probation or Parole" means any kind of supervision or conditional
4 release of juveniles authorized under the laws of the compacting states.
- 5 (11) "Rule" means a written statement by the Interstate Commission
6 promulgated pursuant to Article VI of this Compact that is of general
7 applicability, implements, interprets, or prescribes a policy or
8 provision of the Compact, or an organizational, procedural, or practice
9 requirement of the Commission, and has the force and effect of
10 statutory law in a compacting state, and includes the amendment,
11 repeal, or suspension of an existing rule.
- 12 (12) "State" means a state of the United States, the District of Columbia, or
13 its designee, the Commonwealth of Puerto Rico, the U.S. Virgin
14 Islands, Guam, American Samoa, and the Northern Marianas Islands.

Article III.

Interstate Commission for Juveniles.

17 (a) The compacting states hereby create the "Interstate Commission for
18 Juveniles." The Commission shall be a body corporate and joint agency of the
19 compacting states. The Commission shall have all the responsibilities, powers, and
20 duties set forth herein, and such additional powers as may be conferred upon it by
21 subsequent action of the respective legislatures of the compacting states in accordance
22 with the terms of this Compact.

23 (b) The Interstate Commission shall consist of commissioners appointed by the
24 appropriate appointing authority in each state pursuant to the rules and requirements of
25 each compacting state and in consultation with the State Council for Interstate Juvenile
26 Supervision created hereunder. The Commissioner shall be the compact administrator,
27 deputy compact administrator, or designee from that state who shall serve on the
28 Interstate Commission in such capacity under or pursuant to the applicable law of the
29 compacting state.

30 (c) In addition to the commissioners who are the voting representatives of each
31 state, the Interstate Commission shall include individuals who are not commissioners,
32 but who are members of interested organizations. Such noncommissioner members
33 must include a member of the national organizations of governors, legislators, state
34 chief justices, attorneys general, Interstate Compact for Adult Offender Supervision,
35 Interstate Compact for the Placement of Children, juvenile justice and juvenile
36 corrections officials, and crime victims. All noncommissioner members of the Interstate
37 Commission shall be ex officio, nonvoting, members. The Interstate Commission may
38 provide in its bylaws for such additional ex officio, nonvoting, members, including
39 members of other national organizations, in such numbers as shall be determined by the
40 Commission.

41 (d) Each compacting state represented at any meeting of the Commission is
42 entitled to one vote. A majority of the compacting states shall constitute a quorum for
43 the transaction of business, unless a larger quorum is required by the bylaws of the
44 Interstate Commission.

1 (e) The Commission shall meet at least once each calendar year. The chairperson
2 may call additional meetings and, upon the request of a simple majority of the
3 compacting states, shall call additional meetings. Public notice shall be given of all
4 meetings, and meetings shall be open to the public.

5 (f) The Interstate Commission shall establish an executive committee, which
6 shall include commission officers, members, and others as determined by the bylaws.
7 The executive committee shall have the power to act on behalf of the Interstate
8 Commission during periods when the Interstate Commission is not in session, with the
9 exception of rule making and/or amendment to the Compact. The executive committee
10 shall oversee the day-to-day activities of the administration of the Compact managed by
11 an executive director and Interstate Commission staff, administer enforcement and
12 compliance with the provisions of the Compact, its bylaws and rules, and perform other
13 duties as directed by the Interstate Commission or set forth in the bylaws.

14 (g) Each member of the Interstate Commission shall have the right and power to
15 cast a vote to which that compacting state is entitled and to participate in the business
16 and affairs of the Interstate Commission. A member shall vote in person and shall not
17 delegate a vote to another compacting state. However, a commissioner, in consultation
18 with the state council, shall appoint another authorized representative, in the absence of
19 the commissioner from that state, to cast a vote on behalf of the compacting state at a
20 specified meeting. The bylaws may provide for members' participation in meetings by
21 telephone or other means of telecommunication or electronic communication.

22 (h) The Interstate Commission's bylaws shall establish conditions and procedures
23 under which the Interstate Commission shall make its information and official records
24 available to the public for inspection or copying. The Interstate Commission may
25 exempt from disclosure any information or official records to the extent they would
26 adversely affect personal privacy rights or proprietary interests.

27 (i) Public notice shall be given of all meetings, and all meetings shall be open to
28 the public, except as set forth in the Rules or as otherwise provided in the Compact. The
29 Interstate Commission and any of its committees may close a meeting to the public
30 where it determines by two-thirds vote that an open meeting would be likely to:

- 31 (1) Relate solely to the Interstate Commission's internal personnel
32 practices and procedures;
- 33 (2) Disclose matters specifically exempted from disclosure by statute;
- 34 (3) Disclose trade secrets or commercial or financial information which is
35 privileged or confidential;
- 36 (4) Involve accusing any person of a crime, or formally censuring any
37 person;
- 38 (5) Disclose information of a personal nature where disclosure would
39 constitute a clearly unwarranted invasion of personal privacy;
- 40 (6) Disclose investigative records compiled for law enforcement purposes;
- 41 (7) Disclose information contained in or related to examination, operating
42 or condition reports prepared by, or on behalf of or for the use of, the
43 Interstate Commission with respect to a regulated person or entity for
44 the purpose of regulation or supervision of such person or entity;

- (9) To elect or appoint such officers, attorneys, employees, agents, or consultants, and to fix their compensation, define their duties, and determine their qualifications; and to establish the Interstate Commission's personnel policies and programs relating to, inter alia, conflicts of interest, rates of compensation, and qualifications of personnel.
- (10) To accept any and all donations and grants of money, equipment, supplies, materials, and services, and to receive, utilize, and dispose of it.
- (11) To lease, purchase, accept contributions or donations of, or otherwise to own, hold, improve, or use any property, real, personal, or mixed.
- (12) To sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose of any property, real, personal, or mixed.
- (13) To establish a budget and make expenditures and levy dues as provided in Article VIII of this Compact.
- (14) To sue and be sued.
- (15) To adopt a seal and bylaws governing the management and operation of the Interstate Commission.
- (16) To perform such functions as may be necessary or appropriate to achieve the purposes of this Compact.
- (17) To report annually to the legislatures, governors, judiciary, and state councils of the compacting states concerning the activities of the Interstate Commission during the preceding year. Such reports shall also include any recommendations that may have been adopted by the Interstate Commission.
- (18) To coordinate education, training, and public awareness regarding the interstate movement of juveniles for officials involved in such activity.
- (19) To establish uniform standards of the reporting, collecting, and exchanging of data.

(b) The Interstate Commission shall maintain its corporate books and records in accordance with the bylaws.

Article V.

Organization and Operation of the Interstate Commission.

(a) Bylaws. – The Interstate Commission shall, by a majority of the members present and voting, within 12 months after the first Interstate Commission meeting, adopt bylaws to govern its conduct as may be necessary or appropriate to carry out the purposes of the Compact, including, but not limited to:

- (1) Establishing the fiscal year of the Interstate Commission;
- (2) Establishing an executive committee and such other committees as may be necessary;
- (3) Providing for the establishment of committees governing any general or specific delegation of any authority or function of the Interstate Commission;

- 1 (4) Providing reasonable procedures for calling and conducting meetings
2 of the Interstate Commission and ensuring reasonable notice of each
3 such meeting;
4 (5) Establishing the titles and responsibilities of the officers of the
5 Interstate Commission;
6 (6) Providing a mechanism for concluding the operations of the Interstate
7 Commission and the return of any surplus funds that may exist upon
8 the termination of the Compact after the payment and/or reserving of
9 all of its debts and obligations;
10 (7) Providing "start-up" rules for initial administration of the Compact;
11 and
12 (8) Establishing standards and procedures for compliance and technical
13 assistance in carrying out the Compact.

14 (b) Officers and Staff. – The Interstate Commission shall, by a majority of the
15 members, elect annually from among its members a chairperson and a vice-chairperson,
16 each of whom shall have such authority and duties as may be specified in the bylaws.
17 The chairperson or, in the chairperson's absence or disability, the vice-chairperson shall
18 preside at all meetings of the Interstate Commission. The officers so elected shall serve
19 without compensation or remuneration from the Interstate Commission; provided that,
20 subject to the availability of budgeted funds, the officers shall be reimbursed for any
21 ordinary and necessary costs and expenses incurred by them in the performance of their
22 duties and responsibilities as officers of the Interstate Commission.

23 The Interstate Commission shall, through its executive committee, appoint or retain
24 an executive director for such period, upon such terms and conditions and for such
25 compensation as the Interstate Commission may deem appropriate. The executive
26 director shall serve as secretary to the Interstate Commission, but shall not be a member
27 and shall hire and supervise such other staff as may be authorized by the Interstate
28 Commission.

29 (c) Qualified Immunity, Defense, and Indemnification. – The Commission's
30 executive director and employees shall be immune from suit and liability, either
31 personally or in their official capacity, for any claim for damage to or loss of property or
32 personal injury or other civil liability caused or arising out of or relating to any actual or
33 alleged act, error, or omission that occurred, or that such person had a reasonable basis
34 for believing occurred within the scope of Commission employment, duties, or
35 responsibilities; provided, that any such person shall not be protected from suit or
36 liability for any damage, loss, injury, or liability caused by the intentional or willful and
37 wanton misconduct of any such person.

38 The liability of any commissioner, or the employee or agent of a commissioner,
39 acting within the scope of such person's employment or duties for acts, errors, or
40 omissions occurring within such person's state may not exceed the limits of liability set
41 forth under the Constitution and laws of that state for state officials, employees, and
42 agents. Nothing in this subsection shall be construed to protect any such person from
43 suit or liability for any damage, loss, injury, or liability caused by the intentional or
44 willful and wanton misconduct of any such person.

The Interstate Commission shall indemnify and hold the commissioner of a compacting state, or the commissioner's representatives or employees, or the Interstate Commission's representatives or employees, harmless in the amount of any settlement or judgment obtained against such persons arising out of any actual or alleged act, error, or omission that occurred within the scope of Interstate Commission employment, duties, or responsibilities, or that such persons had a reasonable basis for believing occurred within the scope of Interstate Commission employment, duties, or responsibilities, provided that the actual or alleged act, error, or omission did not result from intentional or willful and wanton misconduct on the part of such persons.

Rule-Making Functions of the Interstate Commission.

(b) Rule making shall occur pursuant to the criteria set forth in this Article and the bylaws and rules adopted pursuant thereto. Such rule making shall substantially conform to the principles of the "Model State Administrative Procedures Act," 1981 Act, Uniform Laws Annotated, Vol. 16, p. 1 (2000), or such other administrative procedures acts, as the Interstate Commission deems appropriate consistent with due process requirements under the United States Constitution as now or hereafter interpreted by the United States Supreme Court. All rules and amendments shall become binding as of the date specified, as published with the final version of the rule as approved by the Commission.

(5) Allow, not later than 60 days after a rule is promulgated, any interested person to file a petition in the United States District Court for the

1 District of Columbia or in the Federal District Court where the
2 Interstate Commission's principal office is located for judicial review
3 of such rule.

4 If the court finds that the Interstate Commission's action is not supported by
5 substantial evidence in the rule-making record, the court shall hold the rule unlawful
6 and set it aside. For purposes of this subsection, evidence is substantial if it would be
7 considered substantial evidence under the Model State Administrative Procedures Act.

8 (e) If a majority of the legislatures of the compacting states rejects a rule, those
9 states may, by enactment of a statute or resolution in the same manner used to adopt the
10 Compact, cause that rule to have no further force and effect in any compacting state.

11 (f) The existing rules governing the operation of the Interstate Compact on
12 Juveniles superceded by this act shall be null and void 12 months after the first meeting
13 of the Interstate Commission created hereunder.

14 (g) Upon determination by the Interstate Commission that a state of emergency
15 exists, it may promulgate an emergency rule which shall become effective immediately
16 upon adoption, provided that the usual rule-making procedures provided hereunder shall
17 be retroactively applied to said rule as soon as reasonably possible but no later than 90
18 days after the effective date of the emergency rule.

19 Article VII.

20 Oversight, Enforcement, and Dispute Resolution by the Interstate Commission.

21 (a) Oversight. – The Interstate Commission shall oversee the administration and
22 operations of the interstate movement of juveniles subject to this Compact in the
23 compacting states and shall monitor such activities being administered in
24 noncompacting states which may significantly affect compacting states.

25 The courts and executive agencies in each compacting state shall enforce this
26 Compact and shall take all actions necessary and appropriate to effectuate the Compact's
27 purposes and intent. The provisions of this Compact and the rules promulgated
28 hereunder shall be received by all the judges, public officers, commissions, and
29 departments of the state government as evidence of the authorized statute and
30 administrative rules, and all courts shall take judicial notice of the Compact and the
31 rules. In any judicial or administrative proceeding in a compacting state pertaining to
32 the subject matter of this Compact which may affect the powers, responsibilities, or
33 actions of the Interstate Commission, it shall be entitled to receive all service of process
34 in any such proceeding and shall have standing to intervene in the proceeding for all
35 purposes.

36 (b) Dispute Resolution. – The compacting states shall report to the Interstate
37 Commission on all issues and activities necessary for the administration of the Compact
38 as well as issues and activities pertaining to compliance with the provisions of the
39 Compact and its bylaws and rules.

40 The Interstate Commission shall attempt, upon the request of a compacting state, to
41 resolve any disputes or other issues which are subject to the Compact and which may
42 arise among compacting states and between compacting and noncompacting states. The
43 Commission shall promulgate a rule providing for both mediation and binding dispute
44 resolution for disputes among the compacting states.

1 The Interstate Commission, in the reasonable exercise of its discretion, shall enforce
2 the provisions and rules of this Compact using any or all means set forth in Article XI of
3 this Compact.

4 Article VIII.

5 Finance.

6 (a) The Interstate Commission shall pay or provide for the payment of the
7 reasonable expenses of its establishment, organization, and ongoing activities.

8 (b) The Interstate Commission shall levy on and collect an annual assessment
9 from each compacting state to cover the cost of the internal operations and activities of
10 the Interstate Commission and its staff which must be in a total amount sufficient to
11 cover the Interstate Commission's annual budget as approved each year. The aggregate
12 annual assessment amount shall be allocated based upon a formula to be determined by
13 the Interstate Commission, taking into consideration the population of each compacting
14 state and the volume of interstate movement of juveniles in each compacting state and
15 shall promulgate a rule binding upon all compacting states which governs said
16 assessment.

17 (c) The Interstate Commission shall not incur any obligations of any kind prior to
18 securing the funds adequate to meet the same; nor shall the Interstate Commission
19 pledge the credit of any of the compacting states, except by and with the authority of the
20 compacting state.

21 (d) The Interstate Commission shall keep accurate accounts of all receipts and
22 disbursements. The receipts and disbursements of the Interstate Commission shall be
23 subject to the audit and accounting procedures established under its bylaws. However,
24 all receipts and disbursements of funds handled by the Interstate Commission shall be
25 audited yearly by a certified or licensed public accountant, and the report of the audit
26 shall be included in and become part of the annual report of the Interstate Commission.

27 Article IX.

28 The State Council.

29 Each member state shall create a State Council for Interstate Juvenile Supervision.
30 While each state may determine the membership of its own state council, its
31 membership must include at least one representative from the legislative, judicial, and
32 executive branches of government, victims groups, and the compact administrator,
33 deputy compact administrator, or designee. Each compacting state retains the right to
34 determine the qualifications of the compact administrator or deputy compact
35 administrator. Each state council will advise and may exercise oversight and advocacy
36 concerning that state's participation in Interstate Commission activities and other duties
37 as may be determined by that state, including, but not limited to, development of policy
38 concerning operations and procedures of the Compact within that state.

39 Article X.

40 Compacting States, Effective Date, and Amendment.

41 (a) Any state, the District of Columbia, or its designee, the Commonwealth of
42 Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Northern
43 Marianas Islands, as defined in Article II of this Compact, is eligible to become a
44 compacting state.

(b) The Compact shall become effective and binding upon legislative enactment of the Compact into law by no less than 35 of the states. The initial effective date shall be the later of July 1, 2004, or upon enactment into law by the 35th jurisdiction. Thereafter, it shall become effective and binding as to any other compacting state upon enactment of the Compact into law by that state. The governors of nonmember states or their designees shall be invited to participate in the activities of the Interstate Commission on a nonvoting basis prior to adoption of the Compact by all states and territories of the United States.

(c) The Interstate Commission may propose amendments to the Compact for enactment by the compacting states. No amendment shall become effective and binding upon the Interstate Commission and the compacting states unless and until it is enacted into law by unanimous consent of the compacting states.

Article XI.

Withdrawal, Default, Termination, and Judicial Enforcement.

(a) Withdrawal. – Once effective, the Compact shall continue in force and remain binding upon each and every compacting state; provided that a compacting state may withdraw from the Compact by specifically repealing the statute which enacted the Compact into law.

The effective date of withdrawal is the effective date of the repeal.

The withdrawing state shall immediately notify the chairperson of the Interstate Commission in writing upon the introduction of legislation repealing this Compact in the withdrawing state. The Interstate Commission shall notify the other compacting states of the withdrawing state's intent to withdraw within 60 days of its receipt thereof.

The withdrawing state is responsible for all assessments, obligations, and liabilities incurred through the effective date of withdrawal, including any obligations, the performance of which extend beyond the effective date of withdrawal.

Reinstatement following withdrawal of any compacting state shall occur upon the withdrawing state reenacting the Compact or upon such later date as determined by the Interstate Commission.

(b) Technical Assistance, Fines, Suspension, Termination, and Default. – If the Interstate Commission determines that any compacting state has at any time defaulted in the performance of any of its obligations or responsibilities under this Compact, or the bylaws or duly promulgated rules, the Interstate Commission may impose any or all of the following penalties:

- (1) Remedial training and technical assistance as directed by the Interstate Commission;
- (2) Alternative Dispute Resolution;
- (3) Fines, fees, and costs in such amounts as are deemed to be reasonable as fixed by the Interstate Commission; and
- (4) Suspension or termination of membership in the Compact, which shall be imposed only after all other reasonable means of securing compliance under the bylaws and rules have been exhausted and the Interstate Commission has therefore determined that the offending state is in default. Immediate notice of suspension shall be given by the

1 Interstate Commission to the Governor, the Chief Justice, or the Chief
2 Judicial Officer of the state, the majority and minority leaders of the
3 defaulting state's legislature, and the state council.

4 The grounds for default include, but are not limited to, failure of a compacting state
5 to perform such obligations or responsibilities imposed upon it by this Compact, the
6 bylaws, or duly promulgated rules, and any other grounds designated in Commission
7 bylaws and rules. The Interstate Commission shall immediately notify the defaulting
8 state in writing of the penalty imposed by the Interstate Commission and of the default
9 pending a cure of the default. The Commission shall stipulate the conditions and the
10 time period within which the defaulting state must cure its default. If the defaulting state
11 fails to cure the default within the time period specified by the Commission, the
12 defaulting state shall be terminated from the Compact upon an affirmative vote of a
13 majority of the compacting states, and all rights, privileges, and benefits conferred by
14 this Compact shall be terminated from the effective date of termination.

15 Within 60 days of the effective date of termination of a defaulting state, the
16 Commission shall notify the Governor, the Chief Justice or Chief Judicial Officer, the
17 majority and minority leaders of the defaulting state's legislature, and the state council
18 of the termination.

19 The defaulting state is responsible for all assessments, obligations, and liabilities
20 incurred through the effective date of termination, including any obligations, the
21 performance of which extends beyond the effective date of termination.

22 The Interstate Commission shall not bear any costs relating to the defaulting state
23 unless otherwise mutually agreed upon in writing between the Interstate Commission
24 and the defaulting state.

25 Reinstatement following termination of any compacting state requires both a
26 reenactment of the Compact by the defaulting state and the approval of the Interstate
27 Commission pursuant to the rules.

28 (c) Judicial Enforcement. – The Interstate Commission may, by majority vote of
29 the members, initiate legal action in the United States District Court for the District of
30 Columbia or, at the discretion of the Interstate Commission, in the federal district where
31 the Interstate Commission has its offices to enforce compliance with the provisions of
32 the Compact and its duly promulgated rules and bylaws, against any compacting state in
33 default. In the event judicial enforcement is necessary, the prevailing party shall be
34 awarded all costs of such litigation, including reasonable attorneys' fees.

35 (d) Dissolution of Compact. – The Compact dissolves effective upon the date of
36 the withdrawal or default of the compacting state, which reduces membership in the
37 Compact to one compacting state.

38 Upon the dissolution of this Compact, the Compact becomes null and void and shall
39 be of no further force or effect, and the business and affairs of the Interstate
40 Commission shall be concluded, and any surplus funds shall be distributed in
41 accordance with the bylaws.

42 Article XII.

43 Severability and Construction.

(a) The provisions of this Compact shall be severable, and if any phrase, clause, sentence, or provision is deemed unenforceable, the remaining provisions of the Compact shall be enforceable.

(b) The provisions of this Compact shall be liberally construed to effectuate its purposes.

Article XIII.

Binding Effect of Compact and Other Laws.

(a) Other Laws. – Nothing herein prevents the enforcement of any other law of a compacting state that is not inconsistent with this Compact.

All compacting states' laws, other than state Constitutions and other interstate compacts, conflicting with this Compact are superceded to the extent of the conflict.

(b) Binding Effect of the Compact. – All lawful actions of the Interstate Commission, including all rules and bylaws promulgated by the Interstate Commission, are binding upon the compacting states.

All agreements between the Interstate Commission and the compacting states are binding in accordance with their terms.

Upon the request of a party to a conflict over meaning or interpretation of Interstate Commission actions, and upon a majority vote of the compacting states, the Interstate Commission may issue advisory opinions regarding such meaning or interpretation.

In the event any provision of this Compact exceeds the constitutional limits imposed on the legislature of any compacting state, the obligations, duties, powers, or jurisdiction sought to be conferred by such provision upon the Interstate Commission shall be ineffective, and such obligations, duties, powers, or jurisdiction shall remain in the compacting state and shall be exercised by the agency thereof to which such obligations, duties, powers, or jurisdiction are delegated by law in effect at the time this Compact becomes effective."

"§ 7B-4002. Implementation of the Compact.

(a) The North Carolina State Council for Interstate Juvenile Supervision is hereby established. The Secretary of the Department of Juvenile Justice and Delinquency Prevention, or the Secretary's designee, shall serve as the Compact Administrator for the State of North Carolina and as North Carolina's Commissioner to the Interstate Commission. The Secretary of the Department of Juvenile Justice and Delinquency Prevention, or the Secretary's designee, is a member of the State Council and serves as chairperson of the State Council. In addition to the chairperson, the State Council shall consist of 10 members as follows:

- (1) One member representing the executive branch, to be appointed by the Governor;
- (2) One member from a victim's assistance group, to be appointed by the Governor;
- (3) One at-large member, to be appointed by the Governor;
- (4) One member of the Senate, to be appointed by the President Pro Tempore of the Senate;
- (5) One member of the House of Representatives, to be appointed by the Speaker of the House of Representatives;

(6) A district court judge, to be appointed by the Chief Justice of the Supreme Court; and

(7) Four members representing the juvenile court counselors, to be appointed by the Secretary of the Department of Juvenile Justice and Delinquency Prevention.

(b) The State Council shall meet at least twice a year and may also hold special meetings at the call of the chairperson. All terms are for three years.

(c) The State Council may advise the Compact Administrator on participation in the Interstate Commission activities and administration of the Compact.

(d) The members of the State Council shall serve without compensation but shall be reimbursed for necessary travel and subsistence expenses in accordance with the policies of the Office of State Budget and Management.

(e) The State Council shall act in an advisory capacity to the Secretary of the Department of Juvenile Justice and Delinquency Prevention concerning this State's participation in Interstate Commission activities and other duties as may be determined by each member state, including recommendations for policy concerning the operations and procedures of the Compact within this State.

(f) The Governor shall by executive order provide for any other matters necessary for implementation of the Compact at the time that it becomes effective, and, except as otherwise provided for in this section, the State Council may promulgate rules or regulations necessary to implement and administer the Compact."

SECTION 2. G.S. 7B-1501(14) reads as rewritten:

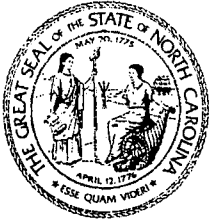
"(14) Interstate Compact ~~on~~ for Juveniles. – An agreement ratified by ~~50~~ 35 ~~or more states and the District of Columbia~~ providing a formal means of returning a juvenile, who is an absconder, escapee, or runaway, to the juvenile's home state, and codified in Article ~~28~~ 40 of this Chapter."

SECTION 3. Article 28 of Chapter 7B of the General Statutes is repealed.

SECTION 4. The Secretary of the Department of Juvenile Justice and Delinquency Prevention shall notify the Revisor of Statutes when The Interstate Compact for Juveniles becomes effective under the terms of the Compact. The Secretary of the Department of Juvenile Justice and Delinquency Prevention shall notify the Revisor of Statutes when The Interstate Compact for Juveniles has been adopted by all states, as defined in the Compact.

SECTION 5. This act shall not be construed to obligate the General Assembly to appropriate funds to implement the provisions of this act. The Department of Juvenile Justice and Delinquency Prevention shall implement the provisions of this act with funds that are otherwise appropriated or available to the Department.

SECTION 6. Sections 1 and 2 of this act become effective only when 35 states have adopted The Interstate Compact for Juveniles, as set forth in the Compact. Section 3 of this act becomes effective only when all states, as defined in the Compact, have adopted The Interstate Compact for Juveniles. The remainder of this act is effective when it becomes law.



HOUSE BILL 1346: Interstate Compact for Juveniles

BILL ANALYSIS

Committee:	Senate Mental Health & Youth Services	Date:	June 15, 2005
Introduced by:	Rep. Haire	Summary by:	Shirley Iorio, Ph D Legislative Analyst
Version:	PCS to the Second Edition H1346-CSSF-27 [v.1]		

SUMMARY: *The Proposed Committee Substitute (PCS) for House Bill 1346 would enact a revised Interstate Compact for Juveniles to provide for the supervision and transfer of juveniles between states.*

The PCS makes technical changes to the Second Edition.

CURRENT LAW: Article 28 of Chapter 7B sets out the provisions of the current Interstate Compact on Juveniles. The original Compact was established in 1955 and adopted in North Carolina in 1963. The Compact provides the procedures to regulate the movement of juveniles across state lines when a juvenile has run away from home without the consent of a parent or guardian, has absconded from probation or parole or escaped from an institution and is located in another state, has a pending hearing and runs away to another state, or is under court supervision and wants to reside in another state.

A Compact Administrator, designated by the Governor, is charged with acting jointly with Administrators in other compacting states and adopting rules and regulations to carry out the terms of the Compact.

BILL ANALYSIS: House Bill 1346 would repeal the current Interstate Compact on Juveniles and enact a new Compact that would include the following provisions:

Purpose. The bill would set out the following purposes of the Compact:

- To ensure that juveniles subject to the Compact are provided adequate supervision and services;
- To ensure the safety of the public;
- To return juveniles who have run away, absconded or escaped from supervision or control, or have been accused of a juvenile offense;
- To provide for the cooperative institutionalization in public facilities in member states for delinquent youth needing special services;
- To effectively track and supervise juveniles;
- To equitably allocate the costs, benefits, and obligations of the compacting states;
- To establish procedures for supervising and transferring juveniles across state lines;
- To establish a system of uniform data collection on juveniles;
- To monitor compliance with the Compact;
- To coordinate training and education for officials involved in activities under the Compact; and
- To coordinate implementation of the Compact with other compacts affecting juveniles.

Definitions. The bill would set out a list of definitions for terms used in the Compact.

House Bill 1346

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Interstate Commission for Juveniles. The bill would create the Interstate Commission for Juveniles to administer the Compact, including adopting rules to carry out the purposes and obligations of the Compact. The Commission would be made up of commissioners from each compacting state and other individuals who are not commissioners but who are members of interested organizations. The noncommissioner members of the Interstate Commission would be ex officio, nonvoting members. Each state represented at a Commission meeting would be entitled to one vote. The Commission would meet at least once a year and would establish an executive committee to oversee the day-to-day administration of the Compact and the enforcement of its provisions. The Commission would also be required to collect and report standardized data on the interstate movement of juveniles and report annually on its activities to compacting states' legislatures, governors, judiciary, and state councils. In order to cover its operating costs, the Commission would collect an annual assessment from each compacting state.

State Councils for Interstate Juvenile Supervision. Each compacting state would be required to create a State Council for Interstate Juvenile Supervision. Membership would have to include at least one representative from the legislative, judicial, and executive branches of government, victims groups, and the Compact Administrator. All terms are for three years. The State Council would oversee the state's participation in Interstate Commission activities. In North Carolina, the State Council would consist of the Contract Administrator and the following ten members:

- One representative of the executive branch, appointed by the Governor;
- One member from a victim's assistance group, appointed by the Governor;
- One at-large member, appointed by the Governor;
- One member of the Senate, appointed by the President Pro Tempore;
- One member of the House of Representatives, appointed by the Speaker;
- A district court judge, appointed by the Chief Justice of the Supreme Court; and
- Four members representing the juvenile court counselors, appointed by the Secretary of the Department of Juvenile Justice and Delinquency Prevention.

The State Council would be required to meet at least twice a year, would advise the Compact Administrator on participation in Interstate Commission activities, and would be authorized to adopt rules necessary to implement and administer the Compact. In North Carolina, the Secretary of the Department of Juvenile Justice and Delinquency Prevention, or the Secretary's designee, would be the Compact Administrator, North Carolina's Commissioner on the Interstate Commission, and the chairperson of the State Council.

Enforcement. The Interstate Commission would be authorized to impose any of the following penalties if it finds that a compacting state has defaulted on its obligations under the Compact:

- Remedial training and technical assistance;
- Alternative Dispute resolution;
- Fines;
- Suspension or termination of membership in the Compact; and
- Initiation of legal action in federal district court against any compacting state to enforce compliance with the provisions of the Compact.

House Bill 1346

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Funding. The bill would provide that the General Assembly would not be obligated to appropriate funds to implement this act. The Department of Juvenile Justice and Delinquency Prevention would be required to implement the act with funds appropriated or available to the Department.

EFFECTIVE DATE: The provisions establishing the new Compact would be effective when and if 35 states have adopted the Compact. The provision repealing the current Compact would be effective when all states have adopted the Compact. The rest of the act would be effective when it becomes law.

BACKGROUND: The Interstate Compact for Juveniles that is proposed in House Bill 1346 has been adopted by 26 states to date. It is awaiting approval by the Governor in one state and is under consideration by legislatures in 8 other states, including North Carolina.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

H

D

HOUSE BILL 1346
Committee Substitute Favorable 5/27/05
PROPOSED COMMITTEE SUBSTITUTE H1346-CSSF-27 [v.1]

6/14/2005 2:40:37 PM

Short Title: Interstate Compact for Juveniles.

(Public)

Sponsors:

Referred to:

April 21, 2005

1 A BILL TO BE ENTITLED
2 AN ACT TO ENACT THE INTERSTATE COMPACT FOR JUVENILES.
3 The General Assembly of North Carolina enacts:
4 **SECTION 1.** Chapter 7B of the General Statutes is amended by adding the
5 following new Article to read:

6 "Article 40.

7 "Interstate Compact for Juveniles.

8 "§ 7B-4000. Short title.

9 This Article may be cited as "The Interstate Compact for Juveniles".

10 "§ 7B-4001. Governor to execute Compact; form of Compact.

11 The Governor of North Carolina is authorized and directed to execute a Compact on
12 behalf of the State of North Carolina with any state of the United States legally joining
13 therein in the form substantially as follows:

14 "Article I.

15 Purpose.

16 (a) The compacting states to this Interstate Compact recognize that each state is
17 responsible for the proper supervision or return of juveniles, delinquents, and status
18 offenders who are on probation or parole and who have absconded, escaped, or run
19 away from supervision and control and in so doing have endangered their own safety
20 and the safety of others. The compacting states also recognize that each state is
21 responsible for the safe return of juveniles who have run away from home and in doing
22 so have left their state of residence. The compacting states also recognize that Congress,
23 by enacting the Crime Control Act, 4 U.S.C. § 112 (1965), has authorized and
24 encouraged compacts for cooperative efforts and mutual assistance in the prevention of
25 crime.

26 (b) It is the purpose of this Compact, through means of joint and cooperative
27 action among the compacting states to:

- (1) Ensure that the adjudicated juveniles and status offenders subject to this Compact are provided adequate supervision and services in the receiving state as ordered by the adjudicating judge or parole authority in the sending state;
 - (2) Ensure that the public safety interests of the citizens, including the victims of juvenile offenders, in both the sending and receiving states are adequately protected;
 - (3) Return juveniles who have run away, absconded, or escaped from supervision or control, or have been accused of an offense to the state requesting their return;
 - (4) Make contracts for the cooperative institutionalization in public facilities in member states for delinquent youth needing special services;
 - (5) Provide for the effective tracking and supervision of juveniles;
 - (6) Equitably allocate the costs, benefits, and obligations of the compacting states;
 - (7) Establish procedures to manage the movement between states of juvenile offenders released to the community under the jurisdiction of courts, juvenile departments, or any other criminal or juvenile justice agency which has jurisdiction over juvenile offenders;
 - (8) Ensure immediate notice to jurisdictions where defined offenders are authorized to travel or to relocate across state lines;
 - (9) Establish procedures to resolve pending charges (detainers) against juvenile offenders prior to transfer or release to the community under the terms of this Compact;
 - (10) Establish a system of uniform data collection on information pertaining to juveniles subject to this Compact that allows access by authorized juvenile justice and criminal justice officials, and regular reporting of Compact activities to heads of state executive, judicial, and legislative branches and juvenile and criminal justice administrators;
 - (11) Monitor compliance with rules governing interstate movement of juveniles and initiate interventions to address and correct noncompliance;
 - (12) Coordinate training and education regarding the regulation of interstate movement of juveniles for officials involved in such activity; and
 - (13) Coordinate the implementation and operation of the Compact with the Interstate Compact for the Placement of Children, the Interstate Compact for Adult Offender Supervision, and other compacts affecting juveniles particularly in those cases where concurrent or overlapping supervision issues arise.
- (c) It is the policy of the compacting states that the activities conducted by the Interstate Commission created herein are the formation of public policies and therefore are public business. Furthermore, the compacting states shall cooperate and observe

1 their individual and collective duties and responsibilities for the prompt return and
2 acceptance of juveniles subject to the provisions of this Compact. The provisions of this
3 Compact shall be reasonably and liberally construed to accomplish the purposes and
4 policies of the Compact.

5 Article II.

6 Definitions.

7 As used in this Compact, unless the context clearly requires a different construction:

- 8 (1) "Bylaws" means those bylaws established by the Interstate
9 Commission for its governance or for directing or controlling its
10 actions or conduct.
- 11 (2) "Compact Administrator" means the individual in each compacting
12 state appointed pursuant to the terms of this Compact responsible for
13 the administration and management of the state's supervision and
14 transfer of juveniles subject to the terms of this Compact, the rules
15 adopted by the Interstate Commission, and policies adopted by the
16 State Council under this Compact.
- 17 (3) "Compacting State" means any state which has enacted the enabling
18 legislation for this Compact.
- 19 (4) "Commissioner" means the voting representative of each compacting
20 state appointed pursuant to Article III of this Compact.
- 21 (5) "Court" means any court having jurisdiction over delinquent,
22 neglected, or dependent children.
- 23 (6) "Deputy Compact Administrator" means the individual, if any, in each
24 compacting state appointed to act on behalf of a Compact
25 Administrator pursuant to the terms of this Compact responsible for
26 the administration and management of the state's supervision and
27 transfer of juveniles subject to the terms of this compact, the rules
28 adopted by the Interstate Commission, and policies adopted by the
29 State Council under this Compact.
- 30 (7) "Interstate Commission" means the Interstate Commission for
31 Juveniles created by Article III of this Compact.
- 32 (8) "Juvenile" means any person defined as a juvenile in any member state
33 or by the rules of the Interstate Commission, including:
- 34 a. Accused Delinquent – A person charged with an offense that, if
35 committed by an adult, would be a criminal offense;
- 36 b. Adjudicated Delinquent – A person found to have committed an
37 offense that, if committed by an adult, would be a criminal
38 offense;
- 39 c. Accused Status Offender – A person charged with an offense
40 that would not be a criminal offense if committed by an adult;
- 41 d. Adjudicated Status Offender – A person found to have
42 committed an offense that would not be a criminal offense if
43 committed by an adult; and

e. Nonoffender – A person in need of supervision who has not been accused or adjudicated a status offender or delinquent.

(9) "Noncompacting State" means any state which has not enacted the enabling legislation for this Compact.

(10) "Probation or Parole" means any kind of supervision or conditional release of juveniles authorized under the laws of the compacting states.

(11) "Rule" means a written statement by the Interstate Commission promulgated pursuant to Article VI of this Compact that is of general applicability, implements, interprets, or prescribes a policy or provision of the Compact, or an organizational, procedural, or practice requirement of the Commission, and has the force and effect of statutory law in a compacting state, and includes the amendment, repeal, or suspension of an existing rule.

(12) "State" means a state of the United States, the District of Columbia, or its designee, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Northern Marianas Islands.

Article III.

Interstate Commission for Juveniles.

(a) The compacting states hereby create the "Interstate Commission for Juveniles." The Commission shall be a body corporate and joint agency of the compacting states. The Commission shall have all the responsibilities, powers, and duties set forth herein, and such additional powers as may be conferred upon it by subsequent action of the respective legislatures of the compacting states in accordance with the terms of this Compact.

(b) The Interstate Commission shall consist of commissioners appointed by the appropriate appointing authority in each state pursuant to the rules and requirements of each compacting state and in consultation with the State Council for Interstate Juvenile Supervision created hereunder. The Commissioner shall be the compact administrator, deputy compact administrator, or designee from that state who shall serve on the Interstate Commission in such capacity under or pursuant to the applicable law of the compacting state.

(c) In addition to the commissioners who are the voting representatives of each state, the Interstate Commission shall include individuals who are not commissioners, but who are members of interested organizations. Such noncommissioner members must include a member of the national organizations of governors, legislators, state chief justices, attorneys general, Interstate Compact for Adult Offender Supervision, Interstate Compact for the Placement of Children, juvenile justice and juvenile corrections officials, and crime victims. All noncommissioner members of the Interstate Commission shall be ex officio, nonvoting, members. The Interstate Commission may provide in its bylaws for such additional ex officio, nonvoting, members, including members of other national organizations, in such numbers as shall be determined by the Commission.

(d) Each compacting state represented at any meeting of the Commission is entitled to one vote. A majority of the compacting states shall constitute a quorum for

1 the transaction of business, unless a larger quorum is required by the bylaws of the
2 Interstate Commission.

3 (e) The Commission shall meet at least once each calendar year. The chairperson
4 may call additional meetings and, upon the request of a simple majority of the
5 compacting states, shall call additional meetings. Public notice shall be given of all
6 meetings, and meetings shall be open to the public.

7 (f) The Interstate Commission shall establish an executive committee, which
8 shall include commission officers, members, and others as determined by the bylaws.
9 The executive committee shall have the power to act on behalf of the Interstate
10 Commission during periods when the Interstate Commission is not in session, with the
11 exception of rule making and/or amendment to the Compact. The executive committee
12 shall oversee the day-to-day activities of the administration of the Compact managed by
13 an executive director and Interstate Commission staff, administer enforcement and
14 compliance with the provisions of the Compact, its bylaws and rules, and perform other
15 duties as directed by the Interstate Commission or set forth in the bylaws.

16 (g) Each member of the Interstate Commission shall have the right and power to
17 cast a vote to which that compacting state is entitled and to participate in the business
18 and affairs of the Interstate Commission. A member shall vote in person and shall not
19 delegate a vote to another compacting state. However, a commissioner, in consultation
20 with the state council, shall appoint another authorized representative, in the absence of
21 the commissioner from that state, to cast a vote on behalf of the compacting state at a
22 specified meeting. The bylaws may provide for members' participation in meetings by
23 telephone or other means of telecommunication or electronic communication.

24 (h) The Interstate Commission's bylaws shall establish conditions and procedures
25 under which the Interstate Commission shall make its information and official records
26 available to the public for inspection or copying. The Interstate Commission may
27 exempt from disclosure any information or official records to the extent they would
28 adversely affect personal privacy rights or proprietary interests.

29 (i) Public notice shall be given of all meetings, and all meetings shall be open to
30 the public, except as set forth in the Rules or as otherwise provided in the Compact. The
31 Interstate Commission and any of its committees may close a meeting to the public
32 where it determines by two-thirds vote that an open meeting would be likely to:

- 33 (1) Relate solely to the Interstate Commission's internal personnel
34 practices and procedures;
- 35 (2) Disclose matters specifically exempted from disclosure by statute;
- 36 (3) Disclose trade secrets or commercial or financial information which is
37 privileged or confidential;
- 38 (4) Involve accusing any person of a crime, or formally censuring any
39 person;
- 40 (5) Disclose information of a personal nature where disclosure would
41 constitute a clearly unwarranted invasion of personal privacy;
- 42 (6) Disclose investigative records compiled for law enforcement purposes;
- 43 (7) Disclose information contained in or related to examination, operating
44 or condition reports prepared by, or on behalf of or for the use of, the

Interstate Commission with respect to a regulated person or entity for the purpose of regulation or supervision of such person or entity;

(8) Disclose information, the premature disclosure of which would significantly endanger the stability of a regulated person or entity; or

(9) Specifically relate to the Interstate Commission's issuance of a subpoena or its participation in a civil action or other legal proceeding.

(j) For every meeting closed pursuant to this provision, the Interstate Commission's legal counsel shall publicly certify that, in the legal counsel's opinion, the meeting may be closed to the public, and shall reference each relevant exemptive provision. The Interstate Commission shall keep minutes which shall fully and clearly describe all matters discussed in any meeting and shall provide a full and accurate summary of any actions taken, and the reasons therefor, including a description of each of the views expressed on any item and the record of any roll call vote (reflected in the vote of each member on the question). All documents considered in connection with any action shall be identified in the minutes.

(k) The Interstate Commission shall collect standardized data concerning the interstate movement of juveniles as directed through its rules which shall specify the data to be collected, the means of collection and data exchange, and reporting requirements. Such methods of data collection, exchange, and reporting shall insofar as is reasonably possible conform to up-to-date technology and coordinate its information functions with the appropriate repository of records.

Article IV.

Powers and Duties of the Interstate Commission.

(a) The Interstate Commission shall have the following powers and duties:

(1) To provide for dispute resolution among compacting states.

(2) To promulgate rules to effect the purposes and obligations as enumerated in this Compact, which shall have the force and effect of statutory law and shall be binding in the compacting states to the extent and in the manner provided in this Compact.

(3) To oversee, supervise, and coordinate the interstate movement of juveniles subject to the terms of this Compact and any bylaws adopted and rules promulgated by the Interstate Commission.

(4) To enforce compliance with the Compact provisions, the rules promulgated by the Interstate Commission, and the bylaws, using all necessary and proper means including, but not limited to, the use of judicial process.

(5) To establish and maintain offices which shall be located within one or more of the compacting states.

(6) To purchase and maintain insurance and bonds.

(7) To borrow, accept, hire, or contract for services of personnel.

(8) To establish and appoint committees and hire staff which it deems necessary for the carrying out of its functions including, but not limited to, an executive committee as required by Article III of this

1 Compact which shall have the power to act on behalf of the Interstate
2 Commission in carrying out its powers and duties hereunder.

- 3 (9) To elect or appoint such officers, attorneys, employees, agents, or
4 consultants, and to fix their compensation, define their duties, and
5 determine their qualifications; and to establish the Interstate
6 Commission's personnel policies and programs relating to, inter alia,
7 conflicts of interest, rates of compensation, and qualifications of
8 personnel.
- 9 (10) To accept any and all donations and grants of money, equipment,
10 supplies, materials, and services, and to receive, utilize, and dispose of
11 it.
- 12 (11) To lease, purchase, accept contributions or donations of, or otherwise
13 to own, hold, improve, or use any property, real, personal, or mixed.
- 14 (12) To sell, convey, mortgage, pledge, lease, exchange, abandon, or
15 otherwise dispose of any property, real, personal, or mixed.
- 16 (13) To establish a budget and make expenditures and levy dues as
17 provided in Article VIII of this Compact.
- 18 (14) To sue and be sued.
- 19 (15) To adopt a seal and bylaws governing the management and operation
20 of the Interstate Commission.
- 21 (16) To perform such functions as may be necessary or appropriate to
22 achieve the purposes of this Compact.
- 23 (17) To report annually to the legislatures, governors, judiciary, and state
24 councils of the compacting states concerning the activities of the
25 Interstate Commission during the preceding year. Such reports shall
26 also include any recommendations that may have been adopted by the
27 Interstate Commission.
- 28 (18) To coordinate education, training, and public awareness regarding the
29 interstate movement of juveniles for officials involved in such activity.
- 30 (19) To establish uniform standards of the reporting, collecting, and
31 exchanging of data.

32 (b) The Interstate Commission shall maintain its corporate books and records in
33 accordance with the bylaws.

34 Article V.

35 Organization and Operation of the Interstate Commission.

36 (a) Bylaws. – The Interstate Commission shall, by a majority of the members
37 present and voting, within 12 months after the first Interstate Commission meeting,
38 adopt bylaws to govern its conduct as may be necessary or appropriate to carry out the
39 purposes of the Compact, including, but not limited to:

- 40 (1) Establishing the fiscal year of the Interstate Commission;
41 (2) Establishing an executive committee and such other committees as
42 may be necessary;

- (3) Providing for the establishment of committees governing any general or specific delegation of any authority or function of the Interstate Commission;
- (4) Providing reasonable procedures for calling and conducting meetings of the Interstate Commission and ensuring reasonable notice of each such meeting;
- (5) Establishing the titles and responsibilities of the officers of the Interstate Commission;
- (6) Providing a mechanism for concluding the operations of the Interstate Commission and the return of any surplus funds that may exist upon the termination of the Compact after the payment and/or reserving of all of its debts and obligations;
- (7) Providing "start-up" rules for initial administration of the Compact; and
- (8) Establishing standards and procedures for compliance and technical assistance in carrying out the Compact.

(b) Officers and Staff. – The Interstate Commission shall, by a majority of the members, elect annually from among its members a chairperson and a vice-chairperson, each of whom shall have such authority and duties as may be specified in the bylaws. The chairperson or, in the chairperson's absence or disability, the vice-chairperson shall preside at all meetings of the Interstate Commission. The officers so elected shall serve without compensation or remuneration from the Interstate Commission; provided that, subject to the availability of budgeted funds, the officers shall be reimbursed for any ordinary and necessary costs and expenses incurred by them in the performance of their duties and responsibilities as officers of the Interstate Commission.

The Interstate Commission shall, through its executive committee, appoint or retain an executive director for such period, upon such terms and conditions and for such compensation as the Interstate Commission may deem appropriate. The executive director shall serve as secretary to the Interstate Commission, but shall not be a member and shall hire and supervise such other staff as may be authorized by the Interstate Commission.

(c) Qualified Immunity, Defense, and Indemnification. – The Commission's executive director and employees shall be immune from suit and liability, either personally or in their official capacity, for any claim for damage to or loss of property or personal injury or other civil liability caused or arising out of or relating to any actual or alleged act, error, or omission that occurred, or that such person had a reasonable basis for believing occurred within the scope of Commission employment, duties, or responsibilities; provided, that any such person shall not be protected from suit or liability for any damage, loss, injury, or liability caused by the intentional or willful and wanton misconduct of any such person.

The liability of any commissioner, or the employee or agent of a commissioner, acting within the scope of such person's employment or duties for acts, errors, or omissions occurring within such person's state may not exceed the limits of liability set forth under the Constitution and laws of that state for state officials, employees, and

agents. Nothing in this subsection shall be construed to protect any such person from suit or liability for any damage, loss, injury, or liability caused by the intentional or willful and wanton misconduct of any such person.

The Interstate Commission shall defend the executive director or the employees or representatives of the Interstate Commission and, subject to the approval of the Attorney General of the state represented by any commissioner of a compacting state, shall defend such commissioner or the commissioner's representatives or employees in any civil action seeking to impose liability arising out of any actual or alleged act, error, or omission that occurred within the scope of Interstate Commission employment, duties, or responsibilities, or that the defendant had a reasonable basis for believing occurred within the scope of Interstate Commission employment, duties, or responsibilities, provided that the actual or alleged act, error, or omission did not result from intentional or willful and wanton misconduct on the part of such person.

The Interstate Commission shall indemnify and hold the commissioner of a compacting state, or the commissioner's representatives or employees, or the Interstate Commission's representatives or employees, harmless in the amount of any settlement or judgment obtained against such persons arising out of any actual or alleged act, error, or omission that occurred within the scope of Interstate Commission employment, duties, or responsibilities, or that such persons had a reasonable basis for believing occurred within the scope of Interstate Commission employment, duties, or responsibilities, provided that the actual or alleged act, error, or omission did not result from intentional or willful and wanton misconduct on the part of such persons.

Article VI.

Rule-Making Functions of the Interstate Commission.

(a) The Interstate Commission shall promulgate and publish rules in order to effectively and efficiently achieve the purposes of the Compact.

(b) Rule making shall occur pursuant to the criteria set forth in this Article and the bylaws and rules adopted pursuant thereto. Such rule making shall substantially conform to the principles of the "Model State Administrative Procedures Act," 1981 Act, Uniform Laws Annotated, Vol. 16, p. 1 (2000), or such other administrative procedures acts, as the Interstate Commission deems appropriate consistent with due process requirements under the United States Constitution as now or hereafter interpreted by the United States Supreme Court. All rules and amendments shall become binding as of the date specified, as published with the final version of the rule as approved by the Commission.

(c) When promulgating a rule, the Interstate Commission shall, at a minimum:

- (1) Publish the proposed rule's entire text stating the reason for that proposed rule;
- (2) Allow and invite any and all persons to submit written data, facts, opinions, and arguments, which information shall be added to the record and be made publicly available;
- (3) Provide an opportunity for an informal hearing if petitioned by 10 or more persons;

- 1 (4) Promulgate a final rule and its effective date, if appropriate, based on
2 input from state or local officials, or interested parties; and
3 (5) Allow, not later than 60 days after a rule is promulgated, any interested
4 person to file a petition in the United States District Court for the
5 District of Columbia or in the Federal District Court where the
6 Interstate Commission's principal office is located for judicial review
7 of such rule.

8 If the court finds that the Interstate Commission's action is not supported by
9 substantial evidence in the rule-making record, the court shall hold the rule unlawful
10 and set it aside. For purposes of this subsection, evidence is substantial if it would be
11 considered substantial evidence under the Model State Administrative Procedures Act.

12 (e) If a majority of the legislatures of the compacting states rejects a rule, those
13 states may, by enactment of a statute or resolution in the same manner used to adopt the
14 Compact, cause that rule to have no further force and effect in any compacting state.

15 (f) The existing rules governing the operation of the Interstate Compact on
16 Juveniles superseded by this act shall be null and void when all states, as defined in the
17 Compact, have adopted The Interstate Compact for Juveniles.

18 (g) Upon determination by the Interstate Commission that a state of emergency
19 exists, it may promulgate an emergency rule which shall become effective immediately
20 upon adoption, provided that the usual rule-making procedures provided hereunder shall
21 be retroactively applied to said rule as soon as reasonably possible but no later than 90
22 days after the effective date of the emergency rule.

23 Article VII.

24 Oversight, Enforcement, and Dispute Resolution by the Interstate Commission.

25 (a) Oversight. – The Interstate Commission shall oversee the administration and
26 operations of the interstate movement of juveniles subject to this Compact in the
27 compacting states and shall monitor such activities being administered in
28 noncompacting states which may significantly affect compacting states.

29 The courts and executive agencies in each compacting state shall enforce this
30 Compact and shall take all actions necessary and appropriate to effectuate the Compact's
31 purposes and intent. The provisions of this Compact and the rules promulgated
32 hereunder shall be received by all the judges, public officers, commissions, and
33 departments of the state government as evidence of the authorized statute and
34 administrative rules, and all courts shall take judicial notice of the Compact and the
35 rules. In any judicial or administrative proceeding in a compacting state pertaining to
36 the subject matter of this Compact which may affect the powers, responsibilities, or
37 actions of the Interstate Commission, it shall be entitled to receive all service of process
38 in any such proceeding and shall have standing to intervene in the proceeding for all
39 purposes.

40 (b) Dispute Resolution. – The compacting states shall report to the Interstate
41 Commission on all issues and activities necessary for the administration of the Compact
42 as well as issues and activities pertaining to compliance with the provisions of the
43 Compact and its bylaws and rules.

1 The Interstate Commission shall attempt, upon the request of a compacting state, to
2 resolve any disputes or other issues which are subject to the Compact and which may
3 arise among compacting states and between compacting and noncompacting states. The
4 Commission shall promulgate a rule providing for both mediation and binding dispute
5 resolution for disputes among the compacting states.

6 The Interstate Commission, in the reasonable exercise of its discretion, shall enforce
7 the provisions and rules of this Compact using any or all means set forth in Article XI of
8 this Compact.

9 Article VIII.

10 Finance.

11 (a) The Interstate Commission shall pay or provide for the payment of the
12 reasonable expenses of its establishment, organization, and ongoing activities.

13 (b) The Interstate Commission shall levy on and collect an annual assessment
14 from each compacting state to cover the cost of the internal operations and activities of
15 the Interstate Commission and its staff which must be in a total amount sufficient to
16 cover the Interstate Commission's annual budget as approved each year. The aggregate
17 annual assessment amount shall be allocated based upon a formula to be determined by
18 the Interstate Commission, taking into consideration the population of each compacting
19 state and the volume of interstate movement of juveniles in each compacting state and
20 shall promulgate a rule binding upon all compacting states which governs said
21 assessment.

22 (c) The Interstate Commission shall not incur any obligations of any kind prior to
23 securing the funds adequate to meet the same; nor shall the Interstate Commission
24 pledge the credit of any of the compacting states, except by and with the authority of the
25 compacting state.

26 (d) The Interstate Commission shall keep accurate accounts of all receipts and
27 disbursements. The receipts and disbursements of the Interstate Commission shall be
28 subject to the audit and accounting procedures established under its bylaws. However,
29 all receipts and disbursements of funds handled by the Interstate Commission shall be
30 audited yearly by a certified or licensed public accountant, and the report of the audit
31 shall be included in and become part of the annual report of the Interstate Commission.

32 Article IX.

33 The State Council.

34 Each member state shall create a State Council for Interstate Juvenile Supervision.
35 While each state may determine the membership of its own state council, its
36 membership must include at least one representative from the legislative, judicial, and
37 executive branches of government, victims groups, and the compact administrator,
38 deputy compact administrator, or designee. Each compacting state retains the right to
39 determine the qualifications of the compact administrator or deputy compact
40 administrator. Each state council will advise and may exercise oversight and advocacy
41 concerning that state's participation in Interstate Commission activities and other duties
42 as may be determined by that state, including, but not limited to, development of policy
43 concerning operations and procedures of the Compact within that state.

44 Article X.

Compacting States, Effective Date, and Amendment.

(a) Any state, the District of Columbia, or its designee, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Northern Marianas Islands, as defined in Article II of this Compact, is eligible to become a compacting state.

(b) The Compact shall become effective and binding upon legislative enactment of the Compact into law by no less than 35 of the states. The initial effective date shall be the later of July 1, 2004, or upon enactment into law by the 35th jurisdiction. Thereafter, it shall become effective and binding as to any other compacting state upon enactment of the Compact into law by that state. The governors of nonmember states or their designees shall be invited to participate in the activities of the Interstate Commission on a nonvoting basis prior to adoption of the Compact by all states and territories of the United States.

(c) The Interstate Commission may propose amendments to the Compact for enactment by the compacting states. No amendment shall become effective and binding upon the Interstate Commission and the compacting states unless and until it is enacted into law by unanimous consent of the compacting states.

Article XI.Withdrawal, Default, Termination, and Judicial Enforcement.

(a) Withdrawal. – Once effective, the Compact shall continue in force and remain binding upon each and every compacting state; provided that a compacting state may withdraw from the Compact by specifically repealing the statute which enacted the Compact into law.

The effective date of withdrawal is the effective date of the repeal.

The withdrawing state shall immediately notify the chairperson of the Interstate Commission in writing upon the introduction of legislation repealing this Compact in the withdrawing state. The Interstate Commission shall notify the other compacting states of the withdrawing state's intent to withdraw within 60 days of its receipt thereof.

The withdrawing state is responsible for all assessments, obligations, and liabilities incurred through the effective date of withdrawal, including any obligations, the performance of which extend beyond the effective date of withdrawal.

Reinstatement following withdrawal of any compacting state shall occur upon the withdrawing state reenacting the Compact or upon such later date as determined by the Interstate Commission.

(b) Technical Assistance, Fines, Suspension, Termination, and Default. – If the Interstate Commission determines that any compacting state has at any time defaulted in the performance of any of its obligations or responsibilities under this Compact, or the bylaws or duly promulgated rules, the Interstate Commission may impose any or all of the following penalties:

- (1) Remedial training and technical assistance as directed by the Interstate Commission;
- (2) Alternative Dispute Resolution;
- (3) Fines, fees, and costs in such amounts as are deemed to be reasonable as fixed by the Interstate Commission; and

(4) Suspension or termination of membership in the Compact, which shall be imposed only after all other reasonable means of securing compliance under the bylaws and rules have been exhausted and the Interstate Commission has therefore determined that the offending state is in default. Immediate notice of suspension shall be given by the Interstate Commission to the Governor, the Chief Justice, or the Chief Judicial Officer of the state, the majority and minority leaders of the defaulting state's legislature, and the state council.

The grounds for default include, but are not limited to, failure of a compacting state to perform such obligations or responsibilities imposed upon it by this Compact, the bylaws, or duly promulgated rules, and any other grounds designated in Commission bylaws and rules. The Interstate Commission shall immediately notify the defaulting state in writing of the penalty imposed by the Interstate Commission and of the default pending a cure of the default. The Commission shall stipulate the conditions and the time period within which the defaulting state must cure its default. If the defaulting state fails to cure the default within the time period specified by the Commission, the defaulting state shall be terminated from the Compact upon an affirmative vote of a majority of the compacting states, and all rights, privileges, and benefits conferred by this Compact shall be terminated from the effective date of termination.

Within 60 days of the effective date of termination of a defaulting state, the Commission shall notify the Governor, the Chief Justice or Chief Judicial Officer, the majority and minority leaders of the defaulting state's legislature, and the state council of the termination.

The defaulting state is responsible for all assessments, obligations, and liabilities incurred through the effective date of termination, including any obligations, the performance of which extends beyond the effective date of termination.

The Interstate Commission shall not bear any costs relating to the defaulting state unless otherwise mutually agreed upon in writing between the Interstate Commission and the defaulting state.

Reinstatement following termination of any compacting state requires both a reenactment of the Compact by the defaulting state and the approval of the Interstate Commission pursuant to the rules.

(c) Judicial Enforcement. – The Interstate Commission may, by majority vote of the members, initiate legal action in the United States District Court for the District of Columbia or, at the discretion of the Interstate Commission, in the federal district where the Interstate Commission has its offices to enforce compliance with the provisions of the Compact and its duly promulgated rules and bylaws, against any compacting state in default. In the event judicial enforcement is necessary, the prevailing party shall be awarded all costs of such litigation, including reasonable attorneys' fees.

(d) Dissolution of Compact. – The Compact dissolves effective upon the date of the withdrawal or default of the compacting state, which reduces membership in the Compact to one compacting state.

Upon the dissolution of this Compact, the Compact becomes null and void and shall be of no further force or effect, and the business and affairs of the Interstate

Commission shall be concluded, and any surplus funds shall be distributed in accordance with the bylaws.

Article XII.

Severability and Construction.

(a) The provisions of this Compact shall be severable, and if any phrase, clause, sentence, or provision is deemed unenforceable, the remaining provisions of the Compact shall be enforceable.

(b) The provisions of this Compact shall be liberally construed to effectuate its purposes.

Article XIII.

Binding Effect of Compact and Other Laws.

(a) Other Laws. – Nothing herein prevents the enforcement of any other law of a compacting state that is not inconsistent with this Compact.

All compacting states' laws, other than state Constitutions and other interstate compacts, conflicting with this Compact are superseded to the extent of the conflict.

(b) Binding Effect of the Compact. – All lawful actions of the Interstate Commission, including all rules and bylaws promulgated by the Interstate Commission, are binding upon the compacting states.

All agreements between the Interstate Commission and the compacting states are binding in accordance with their terms.

Upon the request of a party to a conflict over meaning or interpretation of Interstate Commission actions, and upon a majority vote of the compacting states, the Interstate Commission may issue advisory opinions regarding such meaning or interpretation.

In the event any provision of this Compact exceeds the constitutional limits imposed on the legislature of any compacting state, the obligations, duties, powers, or jurisdiction sought to be conferred by such provision upon the Interstate Commission shall be ineffective, and such obligations, duties, powers, or jurisdiction shall remain in the compacting state and shall be exercised by the agency thereof to which such obligations, duties, powers, or jurisdiction are delegated by law in effect at the time this Compact becomes effective."

"§ 7B-4002. Implementation of the Compact.

(a) The North Carolina State Council for Interstate Juvenile Supervision is hereby established. The Secretary of the Department of Juvenile Justice and Delinquency Prevention, or the Secretary's designee, shall serve as the Compact Administrator for the State of North Carolina and as North Carolina's Commissioner to the Interstate Commission. The Secretary of the Department of Juvenile Justice and Delinquency Prevention, or the Secretary's designee, is a member of the State Council and serves as chairperson of the State Council. In addition to the chairperson, the State Council shall consist of 10 members as follows:

- (1) One member representing the executive branch, to be appointed by the Governor;
- (2) One member from a victim's assistance group, to be appointed by the Governor;
- (3) One at-large member, to be appointed by the Governor;

- 1 (4) One member of the Senate, to be appointed by the President Pro
2 Tempore of the Senate;
3 (5) One member of the House of Representatives, to be appointed by the
4 Speaker of the House of Representatives;
5 (6) A district court judge, to be appointed by the Chief Justice of the
6 Supreme Court; and
7 (7) Four members representing the juvenile court counselors, to be
8 appointed by the Secretary of the Department of Juvenile Justice and
9 Delinquency Prevention.

10 (b) The State Council shall meet at least twice a year and may also hold special
11 meetings at the call of the chairperson. All terms are for three years.

12 (c) The State Council may advise the Compact Administrator on participation in
13 the Interstate Commission activities and administration of the Compact.

14 (d) The members of the State Council shall serve without compensation but shall
15 be reimbursed for necessary travel and subsistence expenses in accordance with the
16 policies of the Office of State Budget and Management.

17 (e) The State Council shall act in an advisory capacity to the Secretary of the
18 Department of Juvenile Justice and Delinquency Prevention concerning this State's
19 participation in Interstate Commission activities and other duties as may be determined
20 by each member state, including recommendations for policy concerning the operations
21 and procedures of the Compact within this State.

22 (f) The Governor shall by executive order provide for any other matters
23 necessary for implementation of the Compact at the time that it becomes effective, and,
24 except as otherwise provided for in this section, the State Council may promulgate rules
25 or regulations necessary to implement and administer the Compact."

26 **SECTION 2.** Article 28 of Chapter 7B of the General Statutes is repealed.

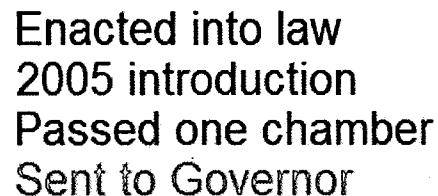
27 **SECTION 3.** The Secretary of the Department of Juvenile Justice and
28 Delinquency Prevention shall notify the Revisor of Statutes when The Interstate
29 Compact for Juveniles becomes effective under the terms of the Compact. The
30 Secretary of the Department of Juvenile Justice and Delinquency Prevention shall notify
31 the Revisor of Statutes when The Interstate Compact for Juveniles has been adopted by
32 all states, as defined in the Compact.

33 **SECTION 4.** This act shall not be construed to obligate the General
34 Assembly to appropriate funds to implement the provisions of this act. The Department
35 of Juvenile Justice and Delinquency Prevention shall implement the provisions of this
36 act with funds that are otherwise appropriated or available to the Department.

37 **SECTION 5.** Section 1 of this act becomes effective only when 35 states
38 have adopted The Interstate Compact for Juveniles, as set forth in the Compact. Section
39 2 of this act becomes effective only when all states, as defined in the Compact, have
40 adopted The Interstate Compact for Juveniles. The remainder of this act is effective
41 when it becomes law.

Update (6/22/05)

Enacted by 26 states, under consideration by 9 other states



**For updates and more information, visit www.csg.org (keyword: juvenile compact)
Contact: John J. Mountjoy – (859) 244-8256 or jmountjoy@csg.org**

VISITOR REGISTRATION SHEET

Mental Health and Youth Services

JUNE 22, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE
CLERK

NAME

FIRM OR AGENCY AND ADDRESS

BRIAN LEWIS

Covenant w/ NC's Children

Vicki Lindsey

UNC - ASG

Jeffrey Watson

DOA - 4470

Mildred Spearman

NCDOC

D HARGROVE

DJJDP

Judy Stephens

DJJDP

Sherry Pulzitan

NC DOC

Wendy Brown

Carol Dwyer

Roz Smith

Wells

Karen George

NCACDS

Senate Mental Health & Youth Services Committee
Wednesday, July 6, 2005, 12:00 Noon
414 LOB

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Bills

HB 661 Substantiation Appeal Process/Juv.
 Abuse/Neg.

Representative Barnhart
Representative Alexander
Representative Glazier

HB 1635 Amend Displaced Homemaker Laws/Up
 Fund Fees.

Representative Adams
Representative
Wainwright

Presentations

Other Business

Adjournment

MENTAL HEALTH & YOUTH SERVICES COMMITTEE
WEDNESDAY, JULY 06, 2005

MINUTES

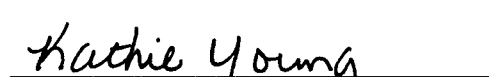
Mental Health & Youth Services committee met July 6, 2005 at 12:00 noon in Room 414 of the Legislative Office Building. Ten members were present, including Senator Ellie Kinnaird, who presided.

Senator Kinnaird called the meeting to order and introduced the pages and her interns.

House Bill 661 Substantiation Appeal/Juv. Abuse/Neg, was explained by Representative Glazier. Senator Malone moved to adopt a PCS for discussion purposes. The motion carried unanimously. Senator Nesbitt offered an amendment to the PCS. Rob Lamme and, Joann Lamb from DHHS answered questions. Ros Savitt, NC Child Care Coalition spoke in support of the bill. Senator Nesbitt offered a second amendment to make a correction to the PCS. Senator Goodall moved to adopt the PCS as amended. The motion carried unanimously. **Unfavorable as to Committee Substitute Bill NO 1, but favorable as to Senate Committee Substitute Bill**

House Bill 1635 Amend Displaced Homemaker Laws/Up Fund Fees, was explained by Representative Adams. Marian Ackerman, Council on the Status of Women. Forsyth County spoke in support of the bill. Representative Adams recognized Teresa Pell, NC Council for Women/Domestic Violence Commissioner. Senator Malone moved a favorable report the motion carried unanimously. The bill has a sequential referral to Finance. **Favorable Report**


Senator Ellie Kinnaird, Co-Chair


Kathie Young, Legislative Assist.

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**MENTAL HEALTH & YOUTH SERVICES COMMITTEE REPORT
Senator Eleanor Kinnaird, Chair**

Wednesday, July 06, 2005

Senator KINNAIRD,
submits the following with recommendations as to passage:

FAVORABLE

H.B.(CS #1) 1635	Amend Displaced Homemaker Laws/Up Fund Fees.
	Sequential Referral: Finance
	Recommended Referral: None

TOTAL REPORTED: 1

Committee Clerk Comments:

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**MENTAL HEALTH & YOUTH SERVICES COMMITTEE REPORT
Senator Eleanor Kinnaird, Chair**

Tuesday, July 12, 2005

Senator KINNAIRD,
submits the following with recommendations as to passage:

**UNFAVORABLE AS TO COMMITTEE SUBSTITUTE BILL NO. 1, BUT FAVORABLE
AS TO SENATE COMMITTEE SUBSTITUTE BILL**

H.B.(CS #1) 661	Substantiation Appeal Process/Juv. Abuse/Neg.
	Draft Number: PCS30343
	Sequential Referral: None
	Recommended Referral: None
	Long Title Amended: No

TOTAL REPORTED: 1

Committee Clerk Comments:

PUBLIC BILL

Title change

Proposed Committee Substitute For
H.B. 661

SESSION LAW _____

A BILL TO BE ENTITLED

AN ACT AUTHORIZING THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO ESTABLISH A LIST OF INDIVIDUALS RESPONSIBLE FOR ABUSE OR NEGLECT OF A JUVENILE UNDER THE LAWS REGULATING JUVENILE ABUSE, NEGLECT, AND DEPENDENCY AND ESTABLISHING A PROCESS FOR EXPUNCTION FROM THAT LIST.

Introduced by Representative(s): *Glazier, Alexander, Barnhart (Primary sponsors)*

Principal Clerk's Use Only

The Committee on Judiciary
majority being present, having considered
this bill, recommend that it do pass.

Rep. Weiss

For the Committee

FAVORABLE TO COMM. SUB
UNFAVORABLE TO BILL

MAY 25 2005 **TITLE CHANGE**

366 AND PLACED ON
CALENDAR FOR

5-26-05

On motion of Rep. *Glazier*

POSTPONED
UNTIL 5-31-05

MAY 26 2005

AMENDMENT NO. 1 JUN 1 2005
ADOPTED 119-0 EV

III-8 EV VV
Passed 2nd & 3rd Readings
JUN 1 2005
AND ORDERED ENGROSSED
AND SENT TO SENATE

Special Message

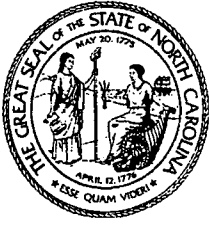
Denise Weeks

RECEIVED

JUN 2 2005

From House of Representatives
By Clerk JW 9:53 AM PM

PASSED 1st READING
JUN 8 2005
AND REFERRED TO COMMITTEE
*Mental Health
Youth Services*



HOUSE BILL 661: Substantiation Appeal Process/Juv. Abuse/Neg

BILL ANALYSIS

Committee:	Senate Mental Health & Youth Services	Date:	July 6, 2005
Introduced by:	Reps. Glazier, Alexander, Barnhart	Summary by:	Kory Goldsmith
Version:	PCS to Third Edition		Committee Counsel
	H661-CSRC-73		

SUMMARY: *HB 661 authorizes the Department of Health and Human Services (DHHS) place the name of individuals who have been identified by county departments of social services as responsible in cases of abuse or serious neglect of juveniles on a list and to release those names to providers of child care, foster care, or adoption services that need to determine the fitness of individuals to care for or adopt children. A person whose name is placed on the list is provided with a process to have his or her name expunged from the list if the person is determined to not be a "responsible individual".*

The PCS differs from the 3rd Edition as follows:

- *Makes it a Class 3 misdemeanor for a person to give, pass along, or attempt to access information contained on the central registry or the responsible persons list unless authorized to do so.*
- *Places the expunction process in its own Article under Chapter 7B.*
- *Makes other technical changes.*

The act would become effective October 1, 2005, and would apply to investigative assessment responses initiated on or after that date.

CURRENT LAW: G.S. 7B-311 creates the Central Registry of child abuse and neglect cases that is maintained by the Department of Health and Human Services (DHHS). Directors of county social services must report to the Central Registry all cases of child abuse, neglect, and dependency accepted for investigative assessment. The information in the registry is confidential and access to the information is restricted county directors who need the information in order to identify whether a child who has been previously reported abused, neglected or dependent, a member of a family in which a child fatality has occurred if there was a suspicion the death resulted from abuse, neglect or dependency, or whether an adult suspected of abuse, neglect or dependency has had previous substantiations. The director may share certain information from the registry with law enforcement and licensed physicians.

BILL ANALYSIS:

Section 1 adds definitions for "responsible individual," "substantial evidence," and "working day" to G.S. 7B-101. A responsible individual is a person identified by the director as the person who is responsible for rendering a juvenile abused or seriously neglected. Substantial evidence is relevant evidence a reasonable mind would accept as adequate to support a conclusion.

Section 2 amends G.S. 7B-311 (Central registry) to create a "responsible individuals list" to be maintained by the Department of Health and Human Services (DHHS). County directors would submit the names of individuals to DHHS for placement on the list if the individual is found, during an

House Bill 661

Page 2

investigative assessment response¹, to have rendered a juvenile abused or seriously neglected. The Department may provide information from the list to child caring institutions, child placing agencies, group home facilities, and other providers of foster care, child care, or adoption services that need to determine the fitness of individuals to care for or adopt children.

It also makes it a Class 3 misdemeanor for a public official or public employee to release information from the registry or the list to an unauthorized person, for any person to release information obtained from the registry or list to an unauthorized person, and for any unauthorized person to attempt to access or access the information on the registry or the list. The presumptive minimum sentence for a Class 3 misdemeanor for a person with no prior convictions is 1-10 days of community punishment. The court may also impose a fine of not more than \$200.

Finally, the section directs the Social Services Commission to adopt rules regarding the registry and the responsible persons list as well as a definition of "serious neglect"²

Section 3 creates a new Article 3A in Chapter 7B regarding the process for notifying a person that their name has been placed on the responsible individuals list and the procedure for having it expunged.

G.S. 7B-312 provides for notification by the director of the county social services department to an individual who has been identified as a responsible individual in an abuse or neglect case. Notification must be in writing and delivered by the sheriff to the responsible individual. If the sheriff is not able to deliver the notice in person, the sheriff may send to via certified or registered mail, but only the responsible individual may receive the notice. The notice must include a summary of the evidence, information that the person has been placed on the responsible individuals list, the effect this might have on employment involving child care and applying as a foster parent or to adopt, and the actions the person must take to seek expunction from the list.

G.S. 7B-313 creates a process by which the person may request that the director review the determination. The person has 30 days from the receipt of the notice to send a written request to the director. Upon receipt of the notice, the director must review information gathered during the investigative assessment response to determine whether there is substantial evidence to support the determination and the placement of the person's name on the responsible individuals list. The director has 15 days from the receipt of the request to reach a determination. If the director determines that there is not substantial evidence, the director must notify DHHS and the person requesting the review. DHHS must remove the name from the list immediately. If the director finds there is substantial evidence to support the determination, the director must notify the person in writing. The person may then request a review of the director's decision under G.S. 7B-314 or file a petition for expunction with the district court under G.S. 7B-315.

G.S. 7B-314 gives the person 30 days after receipt of the director's determination to request that the district attorney review the director's decision. The director must provide the DA with all information the director reviewed. The DA has 30 days to review the information and make a finding. If the DA finds there is not substantial evidence to support the director's determination, the DA must notify the director and the person, and the director must notify DHHS to remove the person's name from the

¹ G.S. 7B-101(11c) defines an investigative assessment as a response to reports of child abuse and selected reports of child neglect and dependency as determined by the director using a formal information gathering process to determine whether a juvenile is abused, neglected, or dependent.

² The terms "abused juvenile" and "neglected juvenile" are both defined in G.S. 7B-101. "Serious neglect" is not statutorily defined.

House Bill 661

Page 3

responsible individuals list. If the DA agrees with the director's determination, the DA must notify the director and the person in writing.

G.S. 7B-315 provides the process for a person to file a petition for expunction with the district court. The person may proceed directly to the district court after the director's review, or after the DA's review. The clerk would schedule the hearing at a session of district court hearing juvenile matters. Both parties would have the right to present sworn evidence, be represented by an attorney, subpoena and cross examine witnesses, and make closing arguments. The director would have the burden of proving by a preponderance of the evidence the correctness of the determination. If the court finds that the director did have sufficient evidence to make the determination, the court will order the name expunged, and the director will notify DHHS of the same. If the court finds that the director had sufficient evidence to support the determination, the person may appeal the decision to the Court of Appeals.

G.S. 7B-316 lists the grounds that would preclude a person from requesting an expunction. These include if the individual is criminally convicted of the behavior that was the basis of the finding, if the individual is the respondent in a criminal proceeding that arises out of the same circumstances, if the person does not request the various reviews in a timely manner, or if the person does not keep the director informed of the person's address during the investigative assessment response or the expunction process. Any expunction process will be stayed if the person requesting the expunction is the respondent in a juvenile court case resulting from the same incidents until that case is resolved.

Section 4 give the district court exclusive jurisdiction over petitions for expunctions.

EFFECTIVE DATE: The act is effective October 1, 2005 and applies to investigative assessment responses initiated on or after that date.

H0661e3-SMRC-CSRC-73

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

H

3

HOUSE BILL 661
Committee Substitute Favorable 5/25/05
Third Edition Engrossed 6/1/05

Short Title: Substantiation Appeal Process/Juv. Abuse/Neg.

(Public)

Sponsors:

Referred to:

March 16, 2005

1 A BILL TO BE ENTITLED
2 AN ACT AUTHORIZING THE DEPARTMENT OF HEALTH AND HUMAN
3 SERVICES TO ESTABLISH A LIST OF INDIVIDUALS RESPONSIBLE FOR
4 ABUSE OR NEGLECT OF A JUVENILE UNDER THE LAWS REGULATING
5 JUVENILE ABUSE, NEGLECT, AND DEPENDENCY AND ESTABLISHING A
6 PROCESS FOR EXPUNCTION FROM THAT LIST.

7 The General Assembly of North Carolina enacts:

8 SECTION 1. G.S. 7B-101 is amended by adding the following new
9 subdivisions to read:

10 "§ 7B-101. Definitions.

11 As used in this Subchapter, unless the context clearly requires otherwise, the
12 following words have the listed meanings:

13 ...

14 (18a) Responsible individual. – The individual identified by the director as
15 the person responsible for rendering a juvenile abused or seriously
16 neglected.

17 ...

18 (21) Substantial evidence. – Relevant evidence a reasonable mind would
19 accept as adequate to support a conclusion.

20 (22) Working day. – Any day other than a Saturday, Sunday, or a legal
21 holiday when the courthouse is closed for transactions."

22 SECTION 2. G.S. 7B-200(a) reads as rewritten:

23 "§ 7B-200. Jurisdiction.

24 (a) The court has exclusive, original jurisdiction over any case involving a
25 juvenile who is alleged to be abused, neglected, or dependent. This jurisdiction does not
26 extend to cases involving adult defendants alleged to be guilty of abuse or neglect.

27 The court also has exclusive original jurisdiction of the following proceedings:

- (1) Proceedings under the Interstate Compact on the Placement of Children set forth in Article 38 of this ~~Chapter~~; Chapter.
- (2) Proceedings involving judicial consent for emergency surgical or medical treatment for a juvenile when the juvenile's parent, guardian, custodian, or other person who has assumed the status and obligation of a parent without being awarded legal custody of the juvenile by a court refuses to consent for treatment to be ~~rendered~~; rendered.
- (3) Proceedings to determine whether a juvenile should be ~~emancipated~~; emancipated.
- (4) Proceedings to terminate parental ~~rights~~; rights.
- (5) Proceedings to review the placement of a juvenile in foster care pursuant to an agreement between the juvenile's parents or guardian and a county department of social ~~services~~; services.
- (6) Proceedings in which a person is alleged to have obstructed or interfered with an investigation required by ~~G.S. 7B-302~~; G.S. 7B-302.
- (7) Proceedings involving consent for an abortion on an unemancipated minor pursuant to Article 1A, Part 2 of Chapter 90 of the General ~~Statutes~~; and Statutes.
- (8) Proceedings by an underage party seeking judicial authorization to marry, pursuant to Article 1 of Chapter 51 of the General Statutes.
- (9) Proceedings for the expunction of an individual's name from the responsible individuals list pursuant to G.S. 7B-312."

SECTION 3. G.S. 7B-302 reads as rewritten:

"§ 7B-302. **Investigation by director; access to confidential information; notification of person making the ~~report~~; report; notification to individual responsible for abuse or neglect.**

...

(g1) Within five working days after completion of an investigative assessment response that results in a determination of abuse or serious neglect, the director shall give written notice to the responsible individual by delivering the notice to the sheriff of the county in which the responsible individual is believed to be located for service upon the individual. Service may only be made upon the individual. If the individual entitled to notice cannot be served by the sheriff, then the written notice shall be delivered to the responsible individual by certified mail, return receipt requested. Certified mail notice may only be received by the responsible individual. The notice shall:

- (1) Inform the individual of the nature of the report and whether the director determined abuse or serious neglect or both.
- (2) Summarize the substantial evidence underlying the director's determination without identifying the reporter or collateral contacts.
- (3) Inform the individual that his name has been placed on the responsible individuals list as provided in G.S. 7B-311, and the effect the listing could have on the individual's employment involving child care, applying to be a foster parent, or seeking to adopt a child.

(4) Describe clearly what actions the individual must take to request expunction by the director of the individual's name from the responsible individuals list and procedures for seeking review by the District Attorney and for seeking judicial review of the director's decision not to remove the individual's name from the list.

...."

SECTION 4. G.S. 7B-311 reads as rewritten:

"§ 7B-311. Central registry.

The Department of Health and Human Services shall maintain a central registry of abuse, neglect, and dependency cases and child fatalities that are the result of alleged maltreatment that are reported under this Article in order to compile data for appropriate study of the extent of abuse and neglect within the State and to identify repeated abuses of the same juvenile or of other juveniles in the same family. The Department of Health and Human Services shall also maintain a list of responsible individuals identified by county directors of social services. This data shall be furnished by county directors of social services to the Department of Health and Human Services and shall be confidential, except as specifically provided otherwise by statute or by rules subject to policies adopted by the Social Services Commission providing for its use for study and research and for other appropriate disclosure. Data shall not be used at any hearing or court proceeding unless based upon a final judgment of a court of law. The Social Services Commission may adopt rules pertaining to the operation of the central registry and responsible individuals list, including the following:

- (1) Procedures for filing data.
- (2) Procedures for notifying a responsible individual of a determination of abuse or serious neglect.
- (3) Procedures for correcting and expunging information.
- (4) Determining persons who are authorized to receive information from the responsible individuals list.
- (5) Releasing information from the responsible individuals list to authorized requestors.
- (6) Gathering statistical information.
- (7) Keeping and maintaining information placed in the registry and on the responsible individuals list.
- (8) Development of penalties for unlawful dissemination of the central registry information."

SECTION 5. Article 3 of Subchapter I of Chapter 7B of the General Statutes is amended by adding the following new section to read:

"§ 7B-312. Requests for expunction, review, and appeal.

(a) Any individual who has been identified as a responsible individual in an abuse or serious neglect case may, within 30 days after receipt of notice pursuant to G.S. 7B-302(g1) or by any other means, request the director who determined the abuse or serious neglect and identified the individual as a responsible individual to expunge the individual's name from the responsible individuals list. The request for expunction shall be in writing, addressed to the director who determined the abuse or serious

1 neglect and identified the individual as a responsible individual, and delivered in person
2 or by certified mail, return receipt requested, within 30 days after receipt of notice.

3 (b) After receipt of a timely request for the expunction of an individual's name
4 from the responsible individuals list, the director shall, within 15 working days, review
5 all records, reports, and other case documentation pertaining to the determination. The
6 director shall determine whether there is substantial evidence to support the
7 determination and the placement of the individual's name on the responsible individuals
8 list, and proceed as follows:

9 (1) If the director decides that there is not substantial evidence in the
10 records, reports, or other case documentation of the county department
11 of social services to support a determination of abuse or serious
12 neglect and to support the identification of the individual as a
13 responsible individual, the director shall notify the Department of
14 Health and Human Services to expunge the individual's name from the
15 responsible individuals list, and prepare and send the individual
16 seeking expunction, by personal delivery or first-class mail, a written
17 statement of the director's decision.

18 (2) If the director decides that there is substantial evidence in the records,
19 reports, or other case documentation of the county department of social
20 services to support a determination of abuse or serious neglect and to
21 support the identification of the individual as a responsible individual,
22 the director may uphold or modify the director's prior decision
23 accordingly and shall prepare and send the individual seeking
24 expunction, by personal delivery or first-class mail, a written statement
25 of the director's decision, the reasons for the decision, a clear statement
26 that it is a final decision, and the time by which the individual must file
27 a petition for expunction with the district court. The director shall also
28 include a second notice containing the information required by
29 G.S. 7B-302(g1) and a copy of a petition for expunction form. If the
30 director modifies the prior decision, the director shall notify the
31 Department of Health and Human Services, which shall change its
32 records accordingly.

33 (c) If, on review, the director determines that there is substantial evidence to
34 support a determination of abuse or serious neglect and to support the identification of
35 the individual as a responsible individual, the individual seeking expunction may,
36 within 30 days after receipt of notice pursuant to subsection (b) of this section, request a
37 review of the director's decision by either the District Attorney of the prosecutorial
38 district or district court of the county in which the abuse or serious neglect report arose
39 in accordance with subdivisions (1) and (2) of this subsection. If the director fails to act
40 on the request for expunction within 30 working days after its receipt, this failure will
41 function as a refusal to expunge the individual's name, and the individual seeking
42 expunction may request a review of the director's decision not to expunge the
43 individual's name either by the District Attorney of the prosecutorial district or the

1 district court of the county in which the abuse or serious neglect report arose in
2 accordance with subdivisions (1) and (2) of this subsection.

3 (1) Within 30 days of the receipt of notice of the director's decision, the
4 individual may request a review by the District Attorney of the
5 prosecutorial district in which the abuse or serious neglect report arose.
6 The request for review by the District Attorney shall be by a letter
7 directed to the attention of the District Attorney and shall contain the
8 name, date of birth, address of the individual seeking expunction, and
9 the name of the juvenile who was the subject of the determination of
10 abuse or serious neglect. Within 30 days of a request to review, the
11 District Attorney shall review the director's decision that an
12 individual's name should not be expunged and the District Attorney
13 shall make a determination of agreement or disagreement with the
14 director's decision. The District Attorney shall have access to all
15 information the director used in making the determination. Failure to
16 make a timely request to the District Attorney to review the director's
17 decision shall constitute a waiver of the individual's right to make the
18 request for review by the District Attorney. If the District Attorney
19 agrees with the determination of the director, the individual shall have
20 30 days from the date of the decision by the District Attorney to file a
21 petition for expunction with the district court as provided in
22 subdivision (2) of this subsection.

23 (2) Within 30 days of the receipt of notice of the director's decision, or
24 within 30 days from the date of a determination by the District
25 Attorney as provided in subdivision (1) of this subsection, whichever
26 is later, an individual may file a petition for expunction with the
27 district court of the county in which the abuse or serious neglect report
28 arose. The request shall be by a petition for expunction filed with the
29 appropriate clerk of court's office with a copy delivered in person or by
30 certified mail, return receipt requested, to the director. The petition for
31 expunction shall contain the name, date of birth, and address of the
32 individual seeking expunction, the name of the juvenile who was the
33 subject of the determination of abuse or serious neglect, and facts that
34 invoke the jurisdiction of the court. Failure to timely file a petition for
35 expunction constitutes a waiver of the individual's right to file a
36 petition for expunction and to a district court hearing.

37 (d) The clerk of court shall maintain a separate docket for such expunction
38 actions and upon receipt of a filed petition for expunction shall calendar the matter for
39 hearing at a session of district court hearing juvenile matters and send notice of the
40 hearing to the petitioner and the director. Upon the request of a party, the court shall
41 close the hearing to all persons, except officers of the court, the parties, and their
42 witnesses. At the hearing, the director shall have the burden of proving by a
43 preponderance of the evidence the correctness of the director's decision determining
44 abuse or serious neglect and identifying the individual seeking expunction as a

1 responsible individual. The hearing shall be before a judge without a jury. The rules of
2 evidence applicable in civil cases shall apply. However, the court shall have discretion
3 to permit the admission of any reliable and relevant evidence if the general purposes of
4 the rules of evidence will be served and the interests of justice will best be served by its
5 admission. At the hearing, the following rights of the parties shall be preserved:

6 (1) The right to present sworn evidence, law, or rules that bear upon the
7 case.

8 (2) The right to represent themselves or obtain the services of an attorney
9 at their own expense.

10 (3) The right to subpoena witnesses, cross-examine witnesses of the other
11 party, and make a closing argument summarizing the party's view of
12 the case and the law.

13 (e) After the hearing, the court shall enter a written order containing findings of
14 fact and conclusions of law. The order shall be reduced to writing, signed, and entered
15 no later than 30 days following the completion of the hearing. A copy of the order shall
16 be served on each party or the party's attorney of record. If the court concludes that the
17 director has not established by a preponderance of the evidence the correctness of the
18 determination of abuse or serious neglect or the identification of the responsible
19 individual, the court shall reverse the director's decision and order the director to notify
20 the Department of Health and Human Services to expunge the individual's name from
21 the responsible individual list. If the court concludes that sufficient evidence has not
22 been presented to support a determination of abuse, but there is sufficient evidence to
23 support a determination of serious neglect and the identification of the individual
24 seeking expunction as a responsible individual, the court shall modify the director's
25 decision and order the director to notify the Department of Health and Human Services
26 to change the entry on the responsible individuals list to that of neglect. Any appeal
27 shall be in accordance with G.S. 7A-27(c).

28 (f) Any individual who has been identified as a responsible individual in an
29 abuse or serious neglect case shall no longer be entitled to challenge the placement of
30 the individual's name on the responsible individuals list pursuant to this section if:

31 (1) That individual is criminally convicted as a result of the same incident.
32 The prosecutor shall inform the director of the result of the criminal
33 proceeding and the director shall immediately notify the Department of
34 Health and Human Services of this information for consideration by
35 the Department of Health and Human Services as to whether to
36 expunge the individual's name from the responsible individuals list.

37 (2) That individual is a respondent in a juvenile court proceeding
38 regarding abuse or neglect resulting from the same incident. The
39 director shall immediately notify the Department of Health and Human
40 Services of this information for consideration by the Department of
41 Health and Human Services as to whether to expunge the individual's
42 name from the responsible individuals list.

43 (3) That individual fails to make a timely request to the director who made
44 the determination of abuse or serious neglect and identified the

1 individual as a responsible individual for the expunction of the
2 individual's name from the responsible individuals list.

3 (4) That individual fails to file a petition for expunction in a timely
4 manner.

5 (5) That individual fails to keep the county department of social services
6 informed of his current address throughout an investigative assessment
7 response and any request for expunction so that the individual may
8 receive notification of the director's decisions.

9 If prior to or during any proceeding provided for in this section, an individual seeking
10 expunction is named as a respondent in a juvenile court case resulting from the same
11 incident, the director, the district court judge, or the Court of Appeals shall stay any
12 further proceedings for the expunction of that individual's name from the responsible
13 individuals list until the juvenile court case is concluded or dismissed. If a juvenile court
14 case resulting from the same determination of abuse or serious neglect is dismissed, or
15 concludes without an adjudication of abuse or neglect, or with an adjudication that
16 differs from the prior determination, the director shall notify the Department of Health
17 and Human Services to expunge the individual's name from the responsible individuals
18 list or modify the prior decision of the director accordingly.

19 (g) Notwithstanding any time limitations contained in this section, in the interests
20 of justice or for extraordinary circumstances, a district court may review a
21 determination of abuse or serious neglect at any time."

22 **SECTION 6.** This act becomes effective October 1, 2005, and applies to
23 abuse or neglect reports received by county departments of social services on or after
24 that date.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

H

D

HOUSE BILL 661
Committee Substitute Favorable 5/25/05
Third Edition Engrossed 6/1/05
PROPOSED SENATE COMMITTEE SUBSTITUTE H661-CSRC-73 [v.2]

7/5/2005 8:26:18 PM

Short Title: Substantiation Appeal Process/Juv. Abuse/Neg.

(Public)

Sponsors:

Referred to:

March 16, 2005

A BILL TO BE ENTITLED

AN ACT AUTHORIZING THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO ESTABLISH A LIST OF INDIVIDUALS RESPONSIBLE FOR ABUSE OR SERIOUS NEGLECT OF A JUVENILE UNDER THE LAWS REGULATING JUVENILE ABUSE, NEGLECT, AND DEPENDENCY AND ESTABLISHING A PROCESS FOR EXPUNCTION FROM THAT LIST.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 7B-101 is amended by adding the following new subdivisions to read:

"§ 7B-101. Definitions.

As used in this Subchapter, unless the context clearly requires otherwise, the following words have the listed meanings:

...
(18a) Responsible individual. – An individual identified by the director as the person who is responsible for rendering a juvenile abused or seriously neglected.

...
(21) Substantial evidence. – Relevant evidence a reasonable mind would accept as adequate to support a conclusion.

(22) Working day. – Any day other than a Saturday, Sunday, or a legal holiday when the courthouse is closed for transactions."

SECTION 2. G.S. 7B-311 reads as rewritten:

"§ 7B-311. Central ~~registry~~ registry; responsible individuals list.

(a) The Department of Health and Human Services shall maintain a central registry of abuse, neglect, and dependency cases and child fatalities that are the result of alleged maltreatment that are reported under this Article in order to compile data for

appropriate study of the extent of abuse and neglect within the State and to identify repeated abuses of the same juvenile or of other juveniles in the same family. This data shall be furnished by county directors of social services to the Department of Health and Human Services and shall be confidential, subject to policies rules adopted by the Social Services Commission providing for its use for study and research and for other appropriate disclosure. Data shall not be used at any hearing or court proceeding unless based upon a final judgment of a court of law.

(b) The Department shall also maintain a list of responsible individuals identified by county directors of social services as a result of an investigative assessment response. The Department may provide information from this list to child caring institutions, child placing agencies, group home facilities, and other providers of foster care, child care, or adoption services that need to determine the fitness of individuals to care for or adopt children.

(c) It is unlawful for any public official or public employee to knowingly and willfully release information from either the central registry or the responsible individuals list to a person who is not authorized to receive the information. It is unlawful for any person who is authorized to receive information from the central registry or the responsible individuals list to release that information to an unauthorized person. It is unlawful for any person who is not authorized to receive information from the central registry or the responsible individuals list to access or attempt to access that information. A person who commits an offense described in this subsection is guilty of a Class 3 misdemeanor.

(d) The Social Services Commission shall adopt rules regarding the operation of the central registry and responsible individuals list, including:

(1) Procedures for filing data.

(2) Procedures for notifying a responsible individual of a determination of abuse or serious neglect.

(3) Procedures for correcting and expunging information.

(4) Determining persons who are authorized to receive information from the responsible individuals list.

(5) Releasing information from the responsible individuals list to authorized requestors.

(6) Gathering statistical information.

(7) Keeping and maintaining information placed in the registry and on the responsible individuals list.

(8) A definition of 'serious neglect'."

SECTION 3. Subchapter I of Chapter 7B of the General Statutes is amended by adding a new Article to read:

"Article 3A.

"Expunction; Responsible Individuals List.

"§ 7B-312. Notification to individual responsible for abuse or substantial neglect.

(a) Within five working days after the completion of an investigative assessment response that results in a determination of abuse or serious neglect, the director shall

1 notify the Department of the results of the assessment, and shall give written notice to
2 the responsible individual of the determination.

3 (b) The director shall notify the responsible individual of the determination by
4 delivering the notice to the sheriff of the county in which the responsible individual is
5 believed to be located. The sheriff shall attempt to serve the notice upon the individual
6 by delivering the notice to the individual. The sheriff shall not deliver the notice to any
7 person other than the responsible individual. If the sheriff is not able to deliver the
8 notice to the responsible individual the sheriff shall send the notice to the responsible
9 individual by registered or certified mail, return receipt requested and addressed to the
10 responsible individual. Only the responsible individual may receive the notice.

11 (c) The notice shall include all of the following:

12 (1) A statement informing the individual of the nature of the investigative
13 assessment response and whether the director determined abuse or
14 serious neglect or both.

15 (2) A statement summarizing the substantial evidence supporting the
16 director's determination without identifying the reporter or collateral
17 contacts.

18 (3) A statement informing the individual that the individual's name has
19 been placed on the responsible individuals list as provided in
20 G.S. 7B-311, and that the Department of Health and Human Services
21 may provide information from this list to child caring institutions,
22 child placing agencies, group home facilities, and other providers of
23 foster care, child care, or adoption services that need to determine the
24 fitness of individuals to care for or adopt children.

25 (4) A clear description of the actions the individual must take to have his
26 or her name removed from the responsible individuals list. The
27 description shall include information regarding how to request an
28 expunction by the director of the individual's name from the
29 responsible individuals list and procedures for seeking review by the
30 District Attorney and for seeking judicial review of the director's
31 decision not to remove the individual's name from the list.

32 **"§ 7B-313. Requests for expunction; director review.**

33 (a) An individual who has been identified as a responsible individual as the result
34 of an investigative assessment response may, within 30 days after receipt of the notice
35 under G.S. 7B-312(c) or notice by any other means, request that the director who
36 determined the abuse or serious neglect and identified the individual as a responsible
37 individual expunge the individual's name from the responsible individuals list. A
38 request for expunction under this subsection shall be in writing, addressed to the
39 director who determined the abuse or serious neglect and identified the individual as a
40 responsible individual, and delivered in person or by certified mail, return receipt
41 requested, within 30 days after receipt of notice.

42 (b) Upon receipt of a timely request for expunction under subsection (a) of this
43 section, the director shall review all records, reports, and other information gathered
44 during the investigative assessment response. The purpose of the review is to determine

whether there is substantial evidence to support the determination and the placement of the individual's name on the responsible individuals list. Within 15 working days of receipt of the request for expunction, the director shall proceed as follows:

- (1) If the director decides that there is not substantial evidence in the records, reports, and other information gathered during the investigative assessment response to support a determination of abuse or serious neglect and to support the identification of the individual as a responsible individual, the director shall notify the Department of Health and Human Services to expunge the individual's name from the responsible individuals list. The director shall also prepare a written statement of the director's decision and send the statement to the individual seeking expunction, by personal delivery or first-class mail.
- (2) If the director decides that there is substantial evidence in the records, reports, and other information gathered during the investigative assessment response to support a determination of abuse or serious neglect and to support the identification of the individual as a responsible individual, the director may uphold or modify the director's prior decision accordingly and refuse the request for an expunction. The director shall prepare a written statement of the director's decision including the reasons for the decision. The statement shall clearly indicate that it is a final decision and include information regarding the amount of time the individual has to request a review by the district attorney or to file a petition for expunction with the district court. The director shall send the statement to the individual seeking expunction by personal delivery or first-class mail. The director shall also include a second notice containing the information required by G.S. 7B-312(c) and a copy of a petition for expunction form.

(c) If the director does not provide a written response to a request for expunction within 15 working days after its receipt, the failure shall be considered a refusal to expunge the individual's name, and the individual may request a review of the decision by the district attorney or file a petition for expunction with the district court.

(d) If the director modifies the prior determination, the director shall notify the Department of Health and Human Services, which shall change its records upon receipt of the notification.

(e) An individual whose request for expunction has been refused by a director under G.S. 7B-313 may, within 30 days after receipt of the notice of refusal, request a review of the director's decision by the District Attorney under G.S. 7B-314 or file a petition requesting expunction with the district court under G.S. 7B-315.

"§ 7B-314. District attorney review expunction request.

(a) Within 30 days of the receipt of notice of the director's refusal to expunge the individual's name under G.S. 7B-313(b) or (c), the individual may request a review of the director's decision by the district attorney of the prosecutorial district in which the abuse or serious neglect report arose. The individual shall request a review under this

1 section by submitting a letter directed to the attention of the district attorney. The letter
2 shall contain the name, date of birth, address of the individual seeking expunction, and
3 the name of the juvenile who was the subject of the determination of abuse or serious
4 neglect. Failure to make a timely request to the district attorney to review the director's
5 decision shall constitute a waiver of the individual's right of review by the district
6 attorney, but shall not bar the individual from filing a petition for expunction under G.S.
7 7B-315.

8 (b) The director shall provide the district attorney all the information the director
9 used in making the determination. The district attorney shall review the director's
10 decision to refuse to expunge the individual's name from the responsible individuals list,
11 and within 30 days receipt of the request to review, make a determination of agreement
12 or disagreement with the director's decision.

13 (c) If the district attorney determines that there is not substantial evidence to
14 support a determination of abuse or serious neglect and to support the identification of
15 an individual as a responsible individual, the district attorney shall notify the individual
16 and director in writing. The director shall notify the Department of Health and Human
17 Services within five working days of the district attorney's determination and the
18 Department shall change its records upon receipt of the notification.

19 (d) If the district attorney determines that there is substantial evidence to support
20 a determination of abuse or serious neglect and to support the identification of an
21 individual as a responsible individual, the district attorney shall notify the director and
22 the individual in writing.

23 **"§ 7B-315. Petition for expunction; district court.**

24 (a) Within 30 days of the receipt of notice of the director's decision under G.S.
25 7B-313(b) or (c), or within 30 days from the date of a determination by the district
26 attorney under G.S. 7B-314, whichever is later, an individual may file a petition for
27 expunction with the district court of the county in which the abuse or serious neglect
28 report arose. The request shall be by a petition for expunction filed with the appropriate
29 clerk of court's office with a copy delivered in person or by certified mail, return receipt
30 requested, to the director. The petition for expunction shall contain the name, date of
31 birth, and address of the individual seeking expunction, the name of the juvenile who
32 was the subject of the determination of abuse or serious neglect, and facts that invoke
33 the jurisdiction of the court. Failure to timely file a petition for expunction constitutes a
34 waiver of the individual's right to file a petition for expunction and to a district court
35 hearing.

36 (b) The clerk of court shall maintain a separate docket for expunction actions and
37 upon receipt of a filed petition for expunction shall calendar the matter for hearing at a
38 session of district court hearing juvenile matters and send notice of the hearing to the
39 petitioner and to the director. Upon the request of a party, the court shall close the
40 hearing to all persons, except officers of the court, the parties, and their witnesses. At
41 the hearing, the director shall have the burden of proving by a preponderance of the
42 evidence the correctness of the director's decision determining abuse or serious neglect
43 and identifying the individual seeking expunction as a responsible individual. The
44 hearing shall be before a judge without a jury. The rules of evidence applicable in civil

1 cases shall apply. However, the court shall have discretion to permit the admission of
2 any reliable and relevant evidence if the general purposes of the rules of evidence and
3 the interests of justice will best be served by its admission.

4 (c) At the hearing, the following rights of the parties shall be preserved:

5 (1) The right to present sworn evidence, law, or rules that bear upon the
6 case.

7 (2) The right to represent themselves or obtain the services of an attorney
8 at their own expense.

9 (3) The right to subpoena witnesses, cross-examine witnesses of the other
10 party, and make a closing argument summarizing the party's view of
11 the case and the law.

12 (d) Within 30 days after completion of the hearing, the court shall enter a signed,
13 written order containing findings of fact and conclusions of law. A copy of the order
14 shall be served on each party or the party's attorney of record. If the court concludes that
15 the director has not established by a preponderance of the evidence the correctness of
16 the determination of abuse or serious neglect or the identification of the responsible
17 individual, the court shall reverse the director's decision and order the director to notify
18 the Department of Health and Human Services to expunge the individual's name from
19 the responsible individual list. If the court concludes that sufficient evidence has not
20 been presented to support a determination of abuse, but there is sufficient evidence to
21 support a determination of serious neglect and the identification of the individual
22 seeking expunction as a responsible individual, the court shall modify the director's
23 decision and order the director to notify the Department of Health and Human Services
24 to change the entry on the responsible individuals list to that of neglect.

25 (e) Notwithstanding any time limitations contained in this section or the
26 provisions of G.S. 7B-316(a)(3) or (4), a district court may review a determination of
27 abuse or serious neglect at any time if the review serves the interests of justice or for
28 extraordinary circumstances.

29 (f) A party may appeal the district court's decision under G.S. 7A-27(c).

30 **"§ 7B-316. Persons ineligible to request expunction; stay of expunction proceeding**
31 **pending juvenile court case.**

32 (a) Any individual who has been identified as a responsible individual in an
33 abuse or serious neglect case is not entitled to challenge the placement of the
34 individual's name on the responsible individuals list if any of the following apply:

35 (1) The individual is criminally convicted as a result of the same incident.
36 The prosecutor shall inform the director of the result of the criminal
37 proceeding and the director shall immediately notify the Department of
38 Health and Human Services. The Department shall consider this
39 information when determining whether the individual's name should
40 remain on or be expunged from the responsible individuals list.

41 (2) The individual is a respondent in a juvenile court proceeding regarding
42 abuse or neglect resulting from the same incident. The director shall
43 immediately notify the Department of Health and Human Services.
44 The Department shall consider this information when determining

whether the individual's name should remain on or be expunged from the responsible individuals list.

(3) That individual fails to make a timely request for expunction with the director who made the determination of abuse or serious neglect and identified the individual as a responsible individual.

(4) That individual fails to file a petition for expunction with the district court in a timely manner.

(5) That individual fails to keep the county department of social services informed of the individual's current address throughout an investigative assessment response and during any request for expunction so that the individual may receive notification of the director's decisions.

(b) If, prior to or during any proceeding provided for in this section, an individual seeking expunction is named as a respondent in a juvenile court case resulting from the same incident, the director, the district court judge, or the Court of Appeals shall stay any further proceedings for the expunction of that individual's name from the responsible individuals list until the juvenile court case is concluded or dismissed. If a juvenile court case resulting from the same determination of abuse or serious neglect is dismissed, or concludes without an adjudication of abuse or neglect, or with an adjudication that differs from the prior determination, the director shall notify the Department of Health and Human Services to expunge the individual's name from the responsible individuals list or modify the prior decision of the director accordingly."

SECTION 4. G.S. 7B-200(a) reads as rewritten:

"§ 7B-200. Jurisdiction.

(a) The court has exclusive, original jurisdiction over any case involving a juvenile who is alleged to be abused, neglected, or dependent. This jurisdiction does not extend to cases involving adult defendants alleged to be guilty of abuse or neglect.

The court also has exclusive original jurisdiction of the following proceedings:

(1) Proceedings under the Interstate Compact on the Placement of Children set forth in Article 38 of this ~~Chapter~~;Chapter.

(2) Proceedings involving judicial consent for emergency surgical or medical treatment for a juvenile when the juvenile's parent, guardian, custodian, or other person who has assumed the status and obligation of a parent without being awarded legal custody of the juvenile by a court refuses to consent for treatment to be ~~rendered~~;rendered.

(3) Proceedings to determine whether a juvenile should be ~~emancipated~~;emancipated.

(4) Proceedings to terminate parental ~~rights~~;rights.

(5) Proceedings to review the placement of a juvenile in foster care pursuant to an agreement between the juvenile's parents or guardian and a county department of social ~~services~~;services.

(6) Proceedings in which a person is alleged to have obstructed or interfered with an investigation required by G.S. 7B-302;G.S. 7B-302.

1 (7) Proceedings involving consent for an abortion on an unemancipated
2 minor ~~pursuant to~~ under Article 1A, Part 2 of Chapter 90 of the
3 ~~General Statutes; and~~ Statutes.

4 (8) Proceedings by an underage party seeking judicial authorization to
5 ~~marry, pursuant to~~ marry under Article 1 of Chapter 51 of the General
6 Statutes.

7 (9) Petitions for expunction of an individual's name from the responsible
8 individuals list under Article 3A of this Chapter."

9 **SECTION 5.** This act becomes effective October 1, 2005, and applies to
10 investigative assessment responses initiated by county departments of social services on
11 or after that date.
12

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE BILL 661
Committee Substitute Favorable 5/25/05
Third Edition Engrossed 6/1/05
PROPOSED SENATE COMMITTEE SUBSTITUTE H661-PCS30343-RC-73

Short Title: Resp. Individuals List/Expunction Process.

(Public)

Sponsors:

Referred to:

March 16, 2005

A BILL TO BE ENTITLED

AN ACT AUTHORIZING THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO ESTABLISH A LIST OF INDIVIDUALS RESPONSIBLE FOR ABUSE OR SERIOUS NEGLECT OF A JUVENILE UNDER THE LAWS REGULATING JUVENILE ABUSE, NEGLECT, AND DEPENDENCY AND ESTABLISHING A PROCESS FOR EXPUNCTION FROM THAT LIST.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 7B-101 is amended by adding the following new subdivisions to read:

"§ 7B-101. Definitions.

As used in this Subchapter, unless the context clearly requires otherwise, the following words have the listed meanings:

...

(18a) Responsible individual. – An individual identified by the director as the person who is responsible for rendering a juvenile abused or seriously neglected.

...

(21) Substantial evidence. – Relevant evidence a reasonable mind would accept as adequate to support a conclusion.

(22) Working day. – Any day other than a Saturday, Sunday, or a legal holiday when the courthouse is closed for transactions."

SECTION 2. G.S. 7B-311 reads as rewritten:

"§ 7B-311. Central ~~registry~~-registry; responsible individuals list.

(a) The Department of Health and Human Services shall maintain a central registry of abuse, neglect, and dependency cases and child fatalities that are the result of alleged maltreatment that are reported under this Article in order to compile data for

appropriate study of the extent of abuse and neglect within the State and to identify repeated abuses of the same juvenile or of other juveniles in the same family. This data shall be furnished by county directors of social services to the Department of Health and Human Services and shall be confidential, subject to ~~polieies~~ rules adopted by the Social Services Commission providing for its use for study and research and for other appropriate disclosure. Data shall not be used at any hearing or court proceeding unless based upon a final judgment of a court of law.

(b) The Department shall also maintain a list of responsible individuals identified by county directors of social services as the result of investigative assessment responses. The Department may provide information from this list to child caring institutions, child placing agencies, group home facilities, and other providers of foster care, child care, or adoption services that need to determine the fitness of individuals to care for or adopt children.

(c) It is unlawful for any public official or public employee to knowingly and willfully release information from either the central registry or the responsible individuals list to a person who is not authorized to receive the information. It is unlawful for any person who is authorized to receive information from the central registry or the responsible individuals list to release that information to an unauthorized person. It is unlawful for any person who is not authorized to receive information from the central registry or the responsible individuals list to access or attempt to access that information. A person who commits an offense described in this subsection is guilty of a Class 3 misdemeanor.

(d) The Social Services Commission shall adopt rules regarding the operation of the central registry and responsible individuals list, including:

- (1) Procedures for filing data.
- (2) Procedures for notifying a responsible individual of a determination of abuse or serious neglect.
- (3) Procedures for correcting and expunging information.
- (4) Determining persons who are authorized to receive information from the responsible individuals list.
- (5) Releasing information from the responsible individuals list to authorized requestors.
- (6) Gathering statistical information.
- (7) Keeping and maintaining information placed in the registry and on the responsible individuals list.
- (8) A definition of 'serious neglect'."

SECTION 3. Subchapter I of Chapter 7B of the General Statutes is amended by adding a new Article to read:

"Article 3A.

"Expunction; Responsible Individuals List.

"§ 7B-312. Notification to individual responsible for abuse or substantial neglect.

(a) Within five working days after the completion of an investigative assessment response that results in a determination of abuse or serious neglect, the director shall

1 notify the Department of the results of the assessment and shall give written notice to
2 the responsible individual of the determination.

3 (b) The director shall notify the responsible individual of the determination by
4 delivering the notice to the sheriff of the county in which the responsible individual is
5 believed to be located. The sheriff shall attempt to serve the notice upon the individual
6 by delivering the notice to the individual. The sheriff shall not deliver the notice to any
7 person other than the responsible individual. If the sheriff is not able to deliver the
8 notice to the responsible individual, the director shall send the notice to the responsible
9 individual by registered or certified mail, return receipt requested, and addressed to the
10 responsible individual. Only the responsible individual may receive the notice.

11 (c) The notice shall include all of the following:

12 (1) A statement informing the individual of the nature of the investigative
13 assessment response and whether the director determined abuse or
14 serious neglect or both.

15 (2) A statement summarizing the substantial evidence supporting the
16 director's determination without identifying the reporter or collateral
17 contacts.

18 (3) A statement informing the individual that the individual's name has
19 been placed on the responsible individuals list as provided in
20 G.S. 7B-311, and that the Department of Health and Human Services
21 may provide information from this list to child caring institutions,
22 child placing agencies, group home facilities, and other providers of
23 foster care, child care, or adoption services that need to determine the
24 fitness of individuals to care for or adopt children.

25 (4) A clear description of the actions the individual must take to have his
26 or her name removed from the responsible individuals list. The
27 description shall include information regarding how to request an
28 expunction by the director of the individual's name from the
29 responsible individuals list and procedures for seeking review by the
30 district attorney and for seeking judicial review of the director's
31 decision not to remove the individual's name from the list.

32 **"§ 7B-313. Requests for expunction; director review.**

33 (a) An individual who has been identified as a responsible individual as the result
34 of an investigative assessment response may, within 30 days after receipt of the notice
35 under G.S. 7B-312(c), request that the director who determined the abuse or serious
36 neglect and identified the individual as a responsible individual expunge the individual's
37 name from the responsible individuals list. A request for expunction under this
38 subsection shall be in writing, addressed to the director who determined the abuse or
39 serious neglect and identified the individual as a responsible individual, and delivered in
40 person or by certified mail, return receipt requested, within 30 days after receipt of
41 notice.

42 (b) Upon receipt of a timely request for expunction under subsection (a) of this
43 section, the director shall review all records, reports, and other information gathered
44 during the investigative assessment response. The purpose of the review is to determine

1 whether there is substantial evidence to support the determination and the placement of
2 the individual's name on the responsible individuals list. Within 15 working days of
3 receipt of the request for expunction, the director shall proceed as follows:

4 (1) If the director decides that there is not substantial evidence in the
5 records, reports, and other information gathered during the
6 investigative assessment response to support a determination of abuse
7 or serious neglect and to support the identification of the individual as
8 a responsible individual, the director shall notify the Department of
9 Health and Human Services to expunge the individual's name from the
10 responsible individuals list. The director shall also prepare a written
11 statement of the director's decision and send the statement to the
12 individual seeking expunction, by personal delivery or first-class mail.

13 (2) If the director decides that there is substantial evidence in the records,
14 reports, and other information gathered during the investigative
15 assessment response to support a determination of abuse or serious
16 neglect and to support the identification of the individual as a
17 responsible individual, the director may uphold or modify the
18 director's prior decision accordingly and refuse the request for an
19 expunction. The director shall prepare a written statement of the
20 director's decision including the reasons for the decision. The
21 statement shall clearly indicate that it is a final decision and include
22 information regarding the amount of time the individual has to request
23 a review by the district attorney or to file a petition for expunction with
24 the district court. The director shall send the statement to the
25 individual seeking expunction by personal delivery or first-class mail.
26 The director shall also include a second notice containing the
27 information required by G.S. 7B-312(c) and a copy of a petition for
28 expunction form.

29 (c) If the director does not provide a written response to a request for expunction
30 within 15 working days after its receipt, the failure shall be considered a refusal to
31 expunge the individual's name, and the individual may request a review of the decision
32 by the district attorney or file a petition for expunction with the district court.

33 (d) If the director modifies the prior determination, the director shall notify the
34 Department of Health and Human Services, which shall change its records upon receipt
35 of the notification.

36 (e) An individual whose request for expunction has been refused by a director
37 under this section may, within 30 days after receipt of the notice of refusal, request a
38 review of the director's decision by the district attorney under G.S. 7B-314 or file a
39 petition requesting expunction with the district court under G.S. 7B-315.

40 **"§ 7B-314. District attorney review expunction request.**

41 (a) Within 30 days of the receipt of notice of the director's refusal to expunge the
42 individual's name under G.S. 7B-313(b) or (c), the individual may request a review of
43 the director's decision by the district attorney of the prosecutorial district in which the
44 abuse or serious neglect report arose. The individual shall request a review under this

1 section by submitting a letter directed to the attention of the district attorney. The letter
2 shall contain the name, date of birth, address of the individual seeking expunction, and
3 the name of the juvenile who was the subject of the determination of abuse or serious
4 neglect. Failure to make a timely request to the district attorney to review the director's
5 decision shall constitute a waiver of the individual's right of review by the district
6 attorney, but shall not bar the individual from filing a petition for expunction under
7 G.S. 7B-315.

8 (b) The director shall provide the district attorney all the information the director
9 used in making the determination. The district attorney shall review the director's
10 decision to refuse to expunge the individual's name from the responsible individuals list,
11 and within 30 days' receipt of the request to review, make a determination of agreement
12 or disagreement with the director's decision.

13 (c) If the district attorney determines that there is not substantial evidence to
14 support a determination of abuse or serious neglect and to support the identification of
15 an individual as a responsible individual, the district attorney shall notify the individual
16 and the director in writing. The director shall notify the Department of Health and
17 Human Services within five working days of the district attorney's determination, and
18 the Department shall change its records upon receipt of the notification.

19 (d) If the district attorney determines that there is substantial evidence to support
20 a determination of abuse or serious neglect and to support the identification of an
21 individual as a responsible individual, the district attorney shall notify the director, and
22 the individual in writing.

23 **"§ 7B-315. Petition for expunction; district court.**

24 (a) Within 30 days of the receipt of notice of the director's decision under
25 G.S. 7B-313(b) or (c), or within 30 days from the date of a determination by the district
26 attorney under G.S. 7B-314, whichever is later, an individual may file a petition for
27 expunction with the district court of the county in which the abuse or serious neglect
28 report arose. The request shall be by a petition for expunction filed with the appropriate
29 clerk of court's office with a copy delivered in person or by certified mail, return receipt
30 requested, to the director. The petition for expunction shall contain the name, date of
31 birth, and address of the individual seeking expunction, the name of the juvenile who
32 was the subject of the determination of abuse or serious neglect, and facts that invoke
33 the jurisdiction of the court. Failure to timely file a petition for expunction constitutes a
34 waiver of the individual's right to file a petition for expunction and to a district court
35 hearing.

36 (b) The clerk of court shall maintain a separate docket for expunction actions and
37 upon receipt of a filed petition for expunction shall calendar the matter for hearing at a
38 session of district court hearing juvenile matters and send notice of the hearing to the
39 petitioner and to the director. Upon the request of a party, the court shall close the
40 hearing to all persons, except officers of the court, the parties, and their witnesses. At
41 the hearing, the director shall have the burden of proving by a preponderance of the
42 evidence the correctness of the director's decision determining abuse or serious neglect
43 and identifying the individual seeking expunction as a responsible individual. The
44 hearing shall be before a judge without a jury. The rules of evidence applicable in civil

1 cases shall apply. However, the court shall have discretion to permit the admission of
2 any reliable and relevant evidence if the general purposes of the rules of evidence and
3 the interests of justice will best be served by its admission.

4 (c) At the hearing, the following rights of the parties shall be preserved:

5 (1) The right to present sworn evidence, law, or rules that bear upon the
6 case.

7 (2) The right to represent themselves or obtain the services of an attorney
8 at their own expense.

9 (3) The right to subpoena witnesses, cross-examine witnesses of the other
10 party, and make a closing argument summarizing the party's view of
11 the case and the law.

12 (d) Within 30 days after completion of the hearing, the court shall enter a signed,
13 written order containing findings of fact and conclusions of law. A copy of the order
14 shall be served on each party or the party's attorney of record. If the court concludes that
15 the director has not established by a preponderance of the evidence the correctness of
16 the determination of abuse or serious neglect or the identification of the responsible
17 individual, the court shall reverse the director's decision and order the director to notify
18 the Department of Health and Human Services to expunge the individual's name from
19 the responsible individuals list. If the court concludes that sufficient evidence has not
20 been presented to support a determination of abuse, but there is sufficient evidence to
21 support a determination of serious neglect and the identification of the individual
22 seeking expunction as a responsible individual, the court shall modify the director's
23 decision and order the director to notify the Department of Health and Human Services
24 to change the entry on the responsible individuals list to that of neglect.

25 (e) Notwithstanding any time limitations contained in this section or the
26 provisions of G.S. 7B-316(a)(3) or (4), a district court may review a determination of
27 abuse or serious neglect at any time if the review serves the interests of justice or for
28 extraordinary circumstances.

29 (f) A party may appeal the district court's decision under G.S. 7A-27(c).

30 **"§ 7B-316. Persons ineligible to request expunction; stay of expunction proceeding**
31 **pending juvenile court case.**

32 (a) Any individual who has been identified as a responsible individual in an
33 abuse or serious neglect case is not entitled to challenge the placement of the
34 individual's name on the responsible individuals list if any of the following apply:

35 (1) The individual is criminally convicted as a result of the same incident.
36 The prosecutor shall inform the director of the result of the criminal
37 proceeding, and the director shall immediately notify the Department
38 of Health and Human Services. The Department shall consider this
39 information when determining whether the individual's name should
40 remain on or be expunged from the responsible individuals list.

41 (2) The individual is a respondent in a juvenile court proceeding regarding
42 abuse or neglect resulting from the same incident. The director shall
43 immediately notify the Department of Health and Human Services.
44 The Department shall consider this information when determining

whether the individual's name should remain on or be expunged from the responsible individuals list.

(3) That individual fails to make a timely request for expunction with the director who made the determination of abuse or serious neglect and identified the individual as a responsible individual.

(4) That individual fails to file a petition for expunction with the district court in a timely manner.

(5) That individual fails to keep the county department of social services informed of the individual's current address during any request for expunction so that the individual may receive notification of the director's decisions.

(b) If, prior to or during any proceeding provided for in this section, an individual seeking expunction is named as a respondent in a juvenile court case resulting from the same incident, the director, the district court judge, or the Court of Appeals shall stay any further proceedings for the expunction of that individual's name from the responsible individuals list until the juvenile court case is concluded or dismissed. If a juvenile court case resulting from the same determination of abuse or serious neglect is dismissed, or concludes without an adjudication of abuse or neglect, or with an adjudication that differs from the prior determination, the director shall notify the Department of Health and Human Services to expunge the individual's name from the responsible individuals list or modify the prior decision of the director accordingly."

SECTION 4. G.S. 7B-200(a) reads as rewritten:

"§ 7B-200. Jurisdiction.

(a) The court has exclusive, original jurisdiction over any case involving a juvenile who is alleged to be abused, neglected, or dependent. This jurisdiction does not extend to cases involving adult defendants alleged to be guilty of abuse or neglect.

The court also has exclusive original jurisdiction of the following proceedings:

(1) Proceedings under the Interstate Compact on the Placement of Children set forth in Article 38 of this ~~Chapter~~; Chapter.

(2) Proceedings involving judicial consent for emergency surgical or medical treatment for a juvenile when the juvenile's parent, guardian, custodian, or other person who has assumed the status and obligation of a parent without being awarded legal custody of the juvenile by a court refuses to consent for treatment to be ~~rendered~~; rendered.

(3) Proceedings to determine whether a juvenile should be ~~emancipated~~; emancipated.

(4) Proceedings to terminate parental ~~rights~~; rights.

(5) Proceedings to review the placement of a juvenile in foster care pursuant to an agreement between the juvenile's parents or guardian and a county department of social ~~services~~; services.

(6) Proceedings in which a person is alleged to have obstructed or interfered with an investigation required by ~~G.S. 7B-302~~; G.S. 7B-302.

1 (7) Proceedings involving consent for an abortion on an unemancipated
2 minor ~~pursuant to under~~ Article 1A, Part 2 of Chapter 90 of the
3 General Statutes; ~~and Statutes.~~

4 (8) Proceedings by an underage party seeking judicial authorization to
5 ~~marry, pursuant to marry under~~ Article 1 of Chapter 51 of the General
6 Statutes.

7 (9) Petitions for expunction of an individual's name from the responsible
8 individuals list under Article 3A of this Chapter."

9 **SECTION 5.** This act becomes effective October 1, 2005, and applies to
10 investigative assessment responses initiated by county departments of social services on
11 or after that date.



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 661

H661-ARC-30 [v.1]

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)

Page 1 of 1

Date _____, 2005

Comm. Sub. [YES]
Amends Title [NO]
H661-CSRC-73[v.2]

Senator _____

- 1 moves to amend the bill on page 3, line 35, by deleting the phrase "or notice by any
- 2 other means";
- 3
- 4 and on page 7, lines 9-10 by deleting the phrase "throughout an investigative assessment
- 5 response and".
- 6

SIGNED _____

Amendment Sponsor

SIGNED _____

Committee Chair if Senate Committee Amendment

ADOPTED _____

FAILED _____

TABLED _____

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

EDITION No. _____

H. B. No. 661

DATE _____

S. B. No. 7

Amendment No. _____

COMMITTEE SUBSTITUTE X

(to be filled in by
Principal Clerk)

Rep.)

Sen.)

1 moves to amend the bill on page 3, line 8

2 () WHICH CHANGES THE TITLE

3 by deleting the word "sheriff"

4 and substitute the word

5 "director".

6 _____

7 _____

8 _____

9 _____

10 _____

11 _____

12 _____

13 _____

14 _____

15 _____

16 _____

17 _____

18 _____

19 _____

SIGNED Mark Nesbitt

ADOPTED _____ FAILED _____ TABLED _____

ROLL CALL

Referred Committee Substitute For
H.B. 1635

Title Change

SESSION LAW

A BILL TO BE ENTITLED

AN ACT AMENDING THE LAWS PERTAINING TO DISPLACED HOMEMAKERS AND INCREASING THE FEE WHICH FUNDS THE NORTH CAROLINA FUND FOR DISPLACED HOMEMAKERS.

Introduced by Representative(s): Adams, Wainwright (Primary Sponsors)

Principal Clerk's Use Only

The Committee on Finance
a majority being present, having considered
this bill, recommend that it do ☒ pass.
Reps. Alexander, Gibson, Howard, Luebke, McCamas,
and Wainwright.

For the Committee

☒ FAVORABLE TO COMM. SUB
☐ UNFAVORABLE TO BILL

JUN 14 2005

366 AND PLACED ON
CALENDAR FOR

6-21-05

PASSED 2nd READING
Ayes 69 Noes 45
JUN 21 2005
AND PLACED ON THE
CALENDAR

PASSED 3rd READING
Ayes 68 Noes 50

JUN 22 2005

AND ORDERED SENT
TO SENATE

Adams, Wainwright

RECEIVED

JUN 23 2005

From House of Representatives
By Clerk 2:30 AM PM

PASSED 1st READING

JUN 23 2005

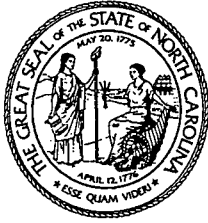
AND REFERRED TO COMMITTEE

on Mental Health

Youth Services

SEQUENTIAL REFERRAL:

Finance



HOUSE BILL 1635: Amend Displaced Homemaker Laws/Up Fund Fees

BILL ANALYSIS

Committee:	Senate Ref to Mental Health & Youth Services. If fav, re-ref to Finance	Date:	July 6, 2005
Introduced by:	Reps. Adams, Wainwright	Summary by:	Kory Goldsmith Committee Counsel
Version:	Second Edition		

SUMMARY: House Bill 1635 amends the laws pertaining to displaced homemakers and increases the amount of money flowing to the North Carolina Fund for Displaced Homemakers by increasing the filing fee for absolute divorce from \$90.00 to \$125.00.

The act becomes effective October 1, 2005. The fee increase becomes effective that same date and applies to actions for absolute divorce filed on or after that date.

The bill must be re-referred to Senate Finance.

CURRENT LAW: Part 10B of Chapter 143 sets out the definition of a displaced homemaker. A displaced homemaker is an individual who (1) has worked in his or her household for at least five years and has provided unpaid household services, (2) is unable to secure employment due to lack of training or experience, (3) and is unemployed or underemployed, and has been dependent on the income of another, but no longer has access to that income or is within two years of losing support or eligibility for public assistance. The statute directs the North Carolina Council for Women to establish a pilot center or centers for displaced homemakers and dictates the types of services to be provided. The law was amended in 1998 to establish the NC Fund for Displaced Homemakers, which makes grants to programs for displaced homemakers.

G.S. 7A-305(a2) provides that in every final action for absolute divorce filed in district court, a cost of \$20 shall be assessed against the person filing the action and the revenue shall be deposited into the Displaced Homemakers Fund. This cost is in addition to the \$70 fee imposed for filing an action in district court (\$16 judicial facility fee plus \$54 support of General Court of Justice fee).

BILL ANALYSIS:

Section 1 amends the definitions in 143B-394.4 of "center" and "displaced homemaker." Displaced homemakers are no longer required to work in the home a minimum of five years to be eligible for services.

Section 2 amends provisions relating to the establishment of a pilot program, by deleting the factors to be considered in determining where to locate a center.

Section 3 adds a new section that details factors the Council must consider in establishing new programs and the grant criteria for funding new or existing programs.

Section 4 amends the provisions of the North Carolina Fund for Displaced Homemakers by capping the number of grants to be provided at 35 and changing the term "program" to "center" to conform to other language in this Part. It also requires organizations be operable for at least two years to be eligible for the grant.

Section 5 increases the filing fee for absolute divorce in GS 7A-305(a2) from \$20 to \$55, which continues to be remitted to NC Fund for Displaced Homemakers. This raises the total filing fee for divorce from \$90 to \$125.

House Bill 1635

Page 2

BACKGROUND: The North Carolina Council for Women is an advocacy agency housed in the Department of Administration. In 1979, the Council began assisting displaced homemakers, and, in 1993, it received the first state funding for the displaced homemaker pilot project. The NC Council for Women and Domestic Violence Commission website lists over 30 agencies or organizations that were part of the displaced homemaker state-funded program in 2003-2004.

Ashley Huffstetler, counsel to House Finance Committee, substantially contributed to this summary.

H1635e2-SMRC

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

H

2

HOUSE BILL 1635
Committee Substitute Favorable 6/14/05

Short Title: Amend Displaced Homemaker Laws/Up Fund Fees. (Public)

Sponsors:

Referred to:

May 11, 2005

A BILL TO BE ENTITLED

AN ACT AMENDING THE LAWS PERTAINING TO DISPLACED
HOMEMAKERS AND INCREASING THE FEE WHICH FUNDS THE NORTH
CAROLINA FUND FOR DISPLACED HOMEMAKERS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 143B-394.4 reads as rewritten:

"§ 143B-394.4. Definitions.

As used in this Part, unless the context otherwise requires:

- (1) "Center" means any multi-purpose ~~service~~ facility for or program
serving displaced homemakers—established pursuant to this
Part;homemakers.
- (2) "Council" means the North Carolina Council for ~~Women;~~Women.
- (3) "Department" means the Department of
~~Administration;~~Administration.
- (4) "Displaced homemaker" means an individual who:
 - a. Has worked in his or her own household ~~for at least five years~~
~~and during which period~~ and has provided unpaid household
services; and
 - b. Is unable to secure gainful employment due to the lack of
required ~~training~~ training, age, or experience; or is unemployed,
or underemployed; and
 - c. Has been dependent on the income of another household
member but is no longer adequately supported by that income,
or is receiving support ~~from a spouse~~ but is within two years of
losing ~~such the~~ such support, or has been supported by public
assistance as the parent of minor children ~~but and~~ and is no longer
~~eligible, or is within two years of losing such~~
eligibility.eligible."

SECTION 2. G.S. 143B-394.5 reads as rewritten:

1 **"§ 143B-394.5. Establishment of center; location.**

2 The Council shall establish or contract for the establishment of a pilot center for
3 displaced homemakers. ~~In determining where to locate the center, the Council shall~~
4 ~~consider, with respect to each proposed location, the probable number of displaced~~
5 ~~homemakers in the area and the availability of resources for training and education."~~

6 **SECTION 3.** Part 10B of Article 9 of Chapter 143B of the General Statutes
7 is amended by adding a new section to read:

8 **"§ 143B-394.5A. Location of displaced homemaker centers; grant criteria.**

9 (a) The Council shall consider the location of displaced homemaker centers
10 based on the probable number of displaced homemakers in an area, the availability of
11 resources for training and education, and viable living wage job opportunities.

12 (b) The Council shall make grants to displaced homemaker centers in accordance
13 with this section and G.S. 143B-394.10. The Council shall establish criteria, including a
14 baseline cost of basic center operations, to determine grant award categories. The grant
15 criteria shall incorporate displaced homemaker program operational costs based on the
16 location, program delivery capacities, and the probable number of displaced
17 homemakers served in an area."

18 **SECTION 4.** G.S. 143B-394.10 reads as rewritten:

19 **"§ 143B-394.10. North Carolina Fund for Displaced Homemakers.**

20 (a) There is established in the Department of Administration the North Carolina
21 Fund for Displaced Homemakers. The Fund shall be administered by the North Carolina
22 Council for Women in accordance with Article 1 of Chapter 143 of the General Statutes
23 and shall be used to make grants to ~~programs~~ up to 35 centers for displaced
24 homemakers. The Council shall make quarterly grants to ~~each~~ no more than 35 eligible
25 ~~program centers.~~ Grants shall be awarded according to criteria established by the
26 ~~Council.~~ Council pursuant to G.S. 143B-394.4(4) and G.S. 143B-394.5A. No more than
27 ~~ten percent (10%) of these funds shall be used for administrative costs by the~~
28 ~~Council.~~ The Council shall use no more than ten percent (10%) of these funds for
29 administrative costs. In order to To be eligible to receive grant funds under this section,
30 a displaced homemaker program center shall fulfill all of the criteria established by the
31 ~~Council.~~ Council and shall have been operational for at least two years. The Council
32 shall report annually to the Joint Legislative Commission on Governmental Operations
33 on the revenues credited to the Fund, the programs receiving grants from the Fund, the
34 success of those programs, and the costs associated with administering the Fund.

35 (b) The Department, upon recommendations by the Council, shall adopt rules to
36 implement the North Carolina Fund for Displaced Homemakers."

37 **SECTION 5.** G.S. 7A-305(a2) reads as rewritten:

38 "(a2) In every final action for absolute divorce filed in the district court, a cost of
39 ~~twenty dollars (\$20.00)~~ fifty-five dollars (\$55.00) shall be assessed against the person
40 filing the divorce action. Costs collected by the clerk pursuant to this subsection shall be
41 remitted to the State Treasurer for deposit to the North Carolina Fund for Displaced
42 Homemakers established under G.S. 143B-394.10. Costs assessed under this subsection
43 shall be in addition to any other costs assessed under this section."

1 **SECTION 6.** Section 5 of this act becomes effective October 1, 2005, and
2 applies to actions for absolute divorce filed on or after that date. The remainder of this
3 act becomes effective October 1, 2005.

VISITOR REGISTRATION SHEET

Mental Health and Youth Services

JULY 06, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE
CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Sam Watts

NC Center for Public Policy Research

KATHERINE DUNN

NC Center for Public Policy Research

Roz Smith

NC Child Care Coalition

Shanny

HMA

Teresa Pell

NC Council for Women / DV Commission

Donley Wooten, Jr.

NC DOA

Kevin Leonard

DCSR

Mark Smoot

Capital Group

Jeffy Weston

DOA-4410

Jo McCants

AOC

Ken T. Long

NCAC & SS

VISITOR REGISTRATION SHEET

Mental Health and Youth Services

JULY 06, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE
CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Luis Look Steele

Ymca of Lower Cape Fear

Marian McKenna

u/s / PC Council of the Fetus of Women

John & Joan

Powers CC. President Homeless program

JoAnn Lamm

DHHS / DSS

Chris Sinha

NCAG / DHHS / DSS

JANE SMITH

DHHS / DSS

Jennifer Sullivan

NASW. NC

Ray Scavell

State Watch

Senate Mental Health & Youth Services Committee
Wednesday, August 10, 2005, 12:00 Noon
414 LOB

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Bills

HB 1517 Clarify Definition of Child Care.

Representative Carney
Representative Vinson

Presentations

Other Business

Adjournment

MENTAL HEALTH & YOUTH SERVICES COMMITTEE
WEDNESDAY, AUGUST 10, 2005

MINUTES

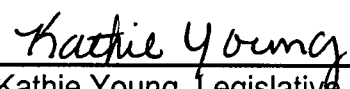
Mental Health & Youth Services committee met August 10, 2005 at 12:00 noon in Room 414 of the Legislative Office Building. Nine members were present. Senator Charlie Dannelly presided.

Senator Charlie Dannelly called the meeting to order and asked the pages to introduce themselves and to state their hometown and sponsoring Senator.

House Bill 1517, Clarify Definition of Child Care was explained by Representative Carney. Senator Harry Brown moved to adopt a PCS for discussion purposes. The motion carried unanimously. Cynthia Flynn YMCA, Charlotte, and June Locklear, Division of Child Development answered questions. Ros Savitt, lobbyist for NC Child Care Coalition spoke in support of the bill. Glenn Jernigan, lobbyist for NC License Association suggested that the bill could be stronger. Kevin Leonard, lobbyist for YMCAs of North Carolina spoke in support of the bill. Senator Andrew Brock moved an unfavorable vote on the bill but favorable as to Senate Committee Substitute. The motion carried unanimously. **Unfavorable as to Committee Substitute Bill NO 1, but favorable as to Senate Committee Substitute Bill**



Senator Charlie Dannelly, Presiding



Kathie Young, Legislative Assist.

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**MENTAL HEALTH & YOUTH SERVICES COMMITTEE REPORT
Senator Eleanor Kinnaird, Chair**

Wednesday, August 10, 2005

Senator KINNAIRD,
submits the following with recommendations as to passage:

**UNFAVORABLE AS TO COMMITTEE SUBSTITUTE BILL NO. 1, BUT FAVORABLE
AS TO SENATE COMMITTEE SUBSTITUTE BILL**

H.B.(CS #1) 1517	Clarify Definition of Child Care.	
	Draft Number:	PCS 10392
	Sequential Referral:	None
	Recommended Referral:	None
	Long Title Amended:	Yes

TOTAL REPORTED: 1

Committee Clerk Comments:

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

H

2

HOUSE BILL 1517
Committee Substitute Favorable 6/1/05

Short Title: Clarify Definition of Child Care.

(Public)

Sponsors:

Referred to:

April 21, 2005

A BILL TO BE ENTITLED
AN ACT TO CLARIFY THE DEFINITION OF CHILD CARE AS RELATED TO
DROP-IN OR SHORT-TERM CARE UNDER THE LAWS PERTAINING TO
CHILD CARE FACILITIES, SO AS TO CLARIFY THAT FACILITIES MAY
ALSO OFFER CARE TO CHILDREN OF PART-TIME EMPLOYEES OF THE
FACILITY.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 110-86(2) reads as rewritten:

"§ 110-86. Definitions.

Unless the context or subject matter otherwise requires, the terms or phrases used in this Article shall be defined as follows:

- ...
- (2) Child care. – A program or arrangement where three or more children less than 13 years old, who do not reside where the care is provided, receive care on a regular basis of at least once per week for more than four hours but less than 24 hours per day from persons other than their guardians or full-time custodians, or from persons not related to them by birth, marriage, or adoption. Child care does not include the following:
- a. Arrangements operated in the home of any child receiving care if all of the children in care are related to each other and no more than two additional children are in care;
 - b. Recreational programs operated for less than four consecutive months in a year;
 - c. Specialized activities or instruction such as athletics, dance, art, music lessons, horseback riding, gymnastics, or organized clubs for children, such as Boy Scouts, Girl Scouts, 4-H groups, or boys and girls clubs;

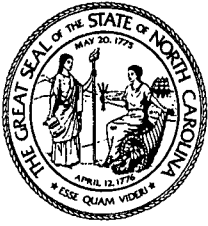
- 1 d. Drop-in or short-term care provided while parents participate in
2 activities that are not employment related and where the parents
3 are on the premises or otherwise easily accessible, such as
4 drop-in or short-term care provided in health spas, bowling
5 alleys, shopping malls, resort hotels, or churches;
6 d1. Drop-in or short-term care provided by an employer for its
7 part-time employees where (i) the child is provided care not to
8 exceed two and one-half hours during that day, and (ii) the
9 parents are on the premises. Where care is provided under this
10 exception in this subdivision, there may not be more than 25
11 children in any one group in any one room. If an employer
12 offers drop-in care for employees under this subdivision, it shall
13 register with the Division of Child Development;
14 e. Public schools;
15 f. Nonpublic schools described in Part 2 of Article 39 of Chapter
16 115C of the General Statutes that are accredited by the Southern
17 Association of Colleges and Schools and that operate a child
18 care facility as defined in subdivision (3) of this section for less
19 than six and one-half hours per day either on or off the school
20 site;
21 g. Bible schools conducted during vacation periods;
22 h. Care provided by facilities licensed under Article 2 of Chapter
23 122C of the General Statutes;
24 i. Cooperative arrangements among parents to provide care for
25 their own children as a convenience rather than for
26 employment; and
27 j. Any child care program or arrangement consisting of two or
28 more separate components, each of which operates for four
29 hours or less per day with different children attending each
30 component.

31"

32 **SECTION 2.** The Director of the Division of Child Development shall
33 report to the General Assembly no later than May 1, 2006, the number of drop-in and
34 short-term facilities that have registered under G.S. 110-86(2)d1., as enacted by this act.

35 **SECTION 2.1.** The Director of the Division of Child Development, in
36 coordination with other child care stakeholder organizations and advocates, shall study
37 current policies, practices, and laws related to drop-in and short-term care and shall
38 make recommendations to ensure the health and safety of children who utilize this type
39 of care. The Division shall report its findings and recommendations to the General
40 Assembly by April 30, 2006.

41 **SECTION 3.** This act is effective when it becomes law.



HOUSE BILL 1517: Clarify Definition of Child Care

BILL ANALYSIS

Committee:	Senate Mental Health & Youth Services	Date:	August 10, 2005
Introduced by:	Reps. Carney, Vinson	Summary by:	Shirley Iorio, Ph D
Version:	PCS to the Second Edition		Legislative Analyst
	H1517-CSSF-31 [v.5]		

SUMMARY: *The Proposed Committee Substitute (PCS) to House bill 1517 would add drop-in or short-term care provided by an employer for its part-time employees to the exceptions from the statutory definition of child care.*

The PCS would require an employer who provides drop-in or short-term care for its employees to register with the Department of Health and Human Services and to display a notice that the child care provided is not regulated by the Department.

The Director of the Division of Child Development would report to the General Assembly on the number of drop-in and short-term care facilities that have registered with the Department, and would also coordinate a study of the current policies, practices, and laws related to drop-in and short-term care.

CURRENT LAW: Article 7 of Chapter 110 of the General Statutes sets out requirements for the provision of child care in North Carolina. Child care facilities must meet certain minimum standards to be licensed to operate, and it is unlawful to operate a child care facility without being licensed. The definition of "child care facility" includes child care centers, family child care homes, and other child care arrangements. However, the definition of "child care" under G.S. 110-86 specifically excludes a number of arrangements, including drop-in or short-term care provided while parents participate in non-employment related activities and where the parents are on the premises or otherwise easily accessible. There is no exception that pertains to drop-in or short-term care provided by employers for their employees.

BILL ANALYSIS:

Section 1. G.S. 110-86(2) would be amended to add an exception from the definition of child care for drop-in or short-term care provided by an employer for its part-time employees under the following circumstances:

- The care is provided for no more than two and a half hours a day.
- The parents are on the premises.
- There are no more than 25 children in any one group in any one room.

Section 2. G.S. 110-99(b) would be amended to require an employer to do the following:

- Register with the Department of Health and Human Services (Department).
- Display a notice that the drop-in child care is not regulated by the Department.

Sections 3 and 3.1. The Director of the Division of Child Development (Division) would be required to do the following:

House Bill 1517

Page 2

- report to the General Assembly no later than May 1, 2006 on the number of drop-in and short-term care facilities that have registered with the Department; and
- study, in coordination with other child care stakeholder organizations and advocates, current policies, practices, and laws related to drop-in and short-term care. The Division must report its findings and recommendations to the General Assembly by April 30, 2006.

EFFECTIVE DATE: The bill would be effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

H

D

HOUSE BILL 1517

Committee Substitute Favorable 6/1/05

PROPOSED SENATE COMMITTEE SUBSTITUTE H1517-CSSF-31 [v.5]

8/9/2005 8:39:08 AM

Short Title: Clarify Definition of Child Care.

(Public)

Sponsors:

Referred to:

April 21, 2005

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THE DEFINITION OF CHILD CARE AS RELATED TO
DROP-IN OR SHORT-TERM CARE UNDER THE LAWS PERTAINING TO
CHILD CARE FACILITIES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 110-86(2) reads as rewritten:

"§ 110-86. Definitions.

Unless the context or subject matter otherwise requires, the terms or phrases used in
this Article shall be defined as follows:

- ...
- (2) Child care. – A program or arrangement where three or more children less than 13 years old, who do not reside where the care is provided, receive care on a regular basis of at least once per week for more than four hours but less than 24 hours per day from persons other than their guardians or full-time custodians, or from persons not related to them by birth, marriage, or adoption. Child care does not include the following:
- a. Arrangements operated in the home of any child receiving care if all of the children in care are related to each other and no more than two additional children are in care;
 - b. Recreational programs operated for less than four consecutive months in a year;
 - c. Specialized activities or instruction such as athletics, dance, art, music lessons, horseback riding, gymnastics, or organized clubs for children, such as Boy Scouts, Girl Scouts, 4-H groups, or boys and girls clubs;

- 1 d. Drop-in or short-term care provided while parents participate in
2 activities that are not employment related and where the parents
3 are on the premises or otherwise easily accessible, such as
4 drop-in or short-term care provided in health spas, bowling
5 alleys, shopping malls, resort hotels, or churches;
6 d1. Drop-in or short-term care provided by an employer for its
7 part-time employees where (i) the child is provided care not to
8 exceed two and one-half hours during that day, (ii) the parents
9 are on the premises, and (iii) there are no more than 25 children
10 in any one group in any one room;
11 e. Public schools;
12 f. Nonpublic schools described in Part 2 of Article 39 of Chapter
13 115C of the General Statutes that are accredited by the Southern
14 Association of Colleges and Schools and that operate a child
15 care facility as defined in subdivision (3) of this section for less
16 than six and one-half hours per day either on or off the school
17 site;
18 g. Bible schools conducted during vacation periods;
19 h. Care provided by facilities licensed under Article 2 of Chapter
20 122C of the General Statutes;
21 i. Cooperative arrangements among parents to provide care for
22 their own children as a convenience rather than for
23 employment; and
24 j. Any child care program or arrangement consisting of two or
25 more separate components, each of which operates for four
26 hours or less per day with different children attending each
27 component.

28"

29 **SECTION 2.** G.S. 110-99(b) reads as rewritten:

30 "(b) A person who provides only drop in or short term child care as described in
31 ~~G.S. 110-86(2)(d)~~, G.S. 110-86(2)d, and G.S. 110-86(2)d1, excluding drop-in or short
32 term child care provided in churches, shall ~~notify~~ register with the Department that the
33 person is providing only drop in or short term child care. Any person providing only
34 drop in or short term child care as described in ~~G.S. 110-86(2)(d)~~, G.S. 110-86(2)d, and
35 G.S. 110-86(2)d1, excluding drop-in or short term child care provided in churches, shall
36 display in a prominent place at all times a notice that the child care arrangement is not
37 required to be licensed and regulated by the Department and is not licensed and
38 regulated by the Department."

39 **SECTION 3.** The Director of the Division of Child Development shall
40 report to the General Assembly no later than May 1, 2006, the number of drop-in and
41 short-term facilities that have registered under G.S. 110-99(b), as enacted by this act.

42 **SECTION 3.1.** The Director of the Division of Child Development, in
43 coordination with other child care stakeholder organizations and advocates, shall study
44 current policies, practices, and laws related to drop-in and short-term care and shall

1 make recommendations to ensure the health and safety of children who utilize this type
2 of care. The Division shall report its findings and recommendations to the General
3 Assembly by April 30, 2006.

4 **SECTION 4.** This act is effective when it becomes law.

VISITOR REGISTRATION SHEET

Mental Health and Youth Services

AUGUST 10, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE
CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Jamie Fitzgerald	NC Family Policy Council
Roz Sawitt	NC Child Care Coalition
Kevin G. Leonard	DCSR
Cynthia Flynn	YMCA of Charlotte
Sandy Sands	DCSR
Kary Lawrence	Division of Child Development
June Rockwell	Division of Child Dev.
Molly Flynn	NCSBA
BRIAN LEWIS	Covenant with NC's Children
Dennis Dwyer	^{President} N.C. Child Care Association
Cristina Hopson	Covenant with NC's Children