



# Membership News

## Covenant with North Carolina's Children

Legislative Update - 5/26/09

Hey Folks,

In this update:

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### BUDGET UPDATE

The House released a large list of proposed budget cuts this week. I sent out brief updates on these cuts last week - if you'd like me to resend them please let me know, [info@nccovenant.org](mailto:info@nccovenant.org).

Also, Action for Children put together a nice, concise list of the proposed cuts, which is pasted below:

### **Proposed Health and Human Services Cuts**

In addition to the cuts proposed in the Governor and Senate budgets, the House subcommittee on HHS appropriations has been instructed to find another \$726M in cuts. The following cuts were proposed:

- **Medicaid:** All state Medicaid optional services are on the table. Major optional services that affect children include mental health, including community support (\$217M), intermediate care facilities for mental retardation (\$115M), various clinics (\$67M in state dollars), medical transportation to and from doctor visits and services (\$11M), home and community-based

THANK YOU FOR  
YOUR CONTINUED  
SUPPORT AND  
DEDICATION TO THE  
CHILDREN OF NORTH  
CAROLINA

services for medically fragile children (\$10M), prosthetic and orthotic coverage (\$2M).

- **Health Choice (\$15M each year):** Freeze enrollment as of June 30, 2009. Also eliminate vision, audiology and hearing benefits and increase co-pays for certain services.
- **Public Health (\$16M each year):** Eliminate Healthy Carolinians program, second dose of chicken pox vaccine, oral health program and certain contracts in the chronic disease program, and reduce contracts and the Health Disparities initiative.
- **Social Services (about \$23M each year):** Eliminate the foster care/adoption assistance rate increase that was given last year. Reduce the state/county special assistance. Eliminate all TANF funding for programs outside of TANF's core mission and use those dollars to supplant missing state service dollars. These cuts could include Boys and Girls Clubs, Boy Scouts, after-school programs, family violence prevention and more. Eliminate NC Reach, a post-high school education program for children aging out of foster care. Division-wide contract reduction would reduce direct services in the community. Eliminate funding for children's advocacy centers.
- **MH/DD/SAS:** Consolidate local management entities (LMEs), eliminate fund balances at LMEs, reduce funding for state-funded services by \$50M (out of \$450M).
- **Child Development:** Reduce child care subsidy reimbursement rates for child care providers, reduce funds for child care subsidies to current year level (\$15M cut), reduce Smart Start funding to current year spending level (\$15M cut).
- **Central Management:** Eliminate funding for NC CARE Line and all nonprofits funded through HHS.

### **Proposed Public Education Cuts**

The spending target for the Education subcommittee is 11% below the continuation budget for FY2009-10 and 14% below for 2010-11.

Proposals the subcommittee is considering include, but are not limited to:

- **Shortening the school year** by 5 days in 2009-10 and 5 more days in 2010-11;
- **Increasing class size** by two students (same as Senate), which means **reducing teaching staff** (6,000 positions);
- **Eliminating teacher assistant positions** in the third grade (4,663 positions);
- **Eliminating some instructional support and assistant principals** (530 positions) and non-instructional support;
- **Reducing low-wealth county and small county supplemental**

**funding;**

- **Reducing More at Four** by 10%;
- **Cutting funding to all non-profits** that provide educational services.

The House expects to pass its budget by June 18<sup>th</sup>.

### **BUDGET ACTION NEEDED!**

Even though the state is looking at a **\$5 billion** revenue shortfall, the House has indicated that they will not include ANY additional revenue in their budget proposal. If state leaders choose to address this shortfall with cuts alone, we will experience unprecedented cuts in the public investments that support our families and communities (as you can see from the above list). The consequences would be dire.

**Many House members have told us directly that they need to hear from their constituents in order to support raising revenues - that's where you come in.**

**1) Please ask your members and constituents to email or call their state legislators and the governor to encourage them to take a balanced approach to the budget crisis. That means raising a significant amount of revenues to help mitigate the impact of potentially devastating budget cuts.**

### ON THE MOVE

Last week, the budget dominated the legislature and very few other bills moved. Though the budget will continue to be a major story this week, we expect to see some movement on key legislative agenda items.

#### H1414 - Youth Accountability Act

This bill would raise the age of juvenile court jurisdiction from 16 to 18, so that the state doesn't automatically prosecute 16 and 17 year-olds as adults (we're the only state in the country that still does this).

This bill will be heard in the full Appropriations Committee today (Tuesday), and we expect a close vote.

#### H88 - Healthy Youth Act (Sex-ed)

This bill was supposed to come up in the Senate Mental Health

Committee last week, but was pulled at the last minute. It could come up this week, but we think it's more likely to be heard the week after this.

#### S526 / H548 - School Violence Prevention Act (Bullying Bill)

After passing through the Senate unscathed, the House Education committee will be the next stop for the Bullying Bill. It is scheduled to be heard today (Tuesday). We know there will be a lot of debate and bad amendments, but we're optimistic that we've got the votes.

H218 / S737 - Parental and Student Educational Involvement Act (Due process for long-term suspensions and expulsions).

This bill passed the House and has been referred to the Senate Education Committee. The Senate Education Committee should move this bill on Wednesday.

H442 - Parental Involvement in School Discipline (corporal punishment)

The full House passed this bill by a whopping 91-24 vote. The Senate Education Committee could hear this bill as soon as this week, but we think it will be the week after next.

#### PASSED BILLS

##### Financial Literacy Bill Passes Both Chambers

H817 / S1019, Establish NC Financial Literacy Council, have passed their respective chambers and seem likely to become law very soon. Kudos to Action for Children for its leadership on this issue.

##### Anti-Smoking Bill Wins Final Passage

The House voted to approve the Senate's version of the secondhand smoking bill, which would ban smoking in all restaurants and bars across the state. This is a great victory for the health of children and families in North Carolina. The Governor is expected to sign the bill into law on Tuesday morning. Cheers to the NC Alliance for Health, the American Cancer Society, and the American Heart Association for the hard (and smart) work on this bill.

#### OTHER COVENANT AGENDA BILLS

H177, Healthy Families and Healthy Workplaces Act (Paid sick-days)

didn't pass the House, but we think we might be able to get a study commission on the issue.

H539 - Merge Smart Start / More at Four (NOTE - this is not a Covenant agenda bill, but it is extremely important to the future of early childhood care in the state). This bill has been referred to the Education Committee. After significant push back from local DPIs and others, bill sponsors are working to accommodate stakeholders and advocates. UPDATE: In its budget, the Senate proposed a nearly incomprehensible transfer of More at Four to DCD. Still unclear where this is going.

H656 / S666 - MH Proceedings / No Restraint - This bill would prevent the shackling of youth during MH hearings. It's been referred to the House Judiciary II Committee and the Senate Judiciary I Committee.

H658 / S603 - Funds for JCPC - This bill would allocate an additional \$500,000 to JCPCs across the state. The bill has been referred to the Appropriations Committee. (JCPC funding will not be determined by this bill; it will be worked out in the overall budget process).

**S 732. Est. Study Comm./Early Childhood Programs.** (Preston). The bill proposes a study commission to (1) assess the feasibility and desirability of consolidating NCPC and More at Four, (2) consider any needed adjustments and the necessary reprioritization of funds to realize the maximum benefit to the State's children and families and to (3) review any other matters the commission deems relevant. Senate Rules. **Status:** no action. **(Courtesy of Roz Savitt, NC Child Care Coalition)**

H783 - Study Comm. / Youth Aging Out of Foster Care (Adams, M. Alexander, Earle, Wiley). This bill passed out of the Juvenile Justice Committee last week and will move the House Rules Committee.

H804, an Act to Amend the Personal Education Plan Statute, passed the House the week before last. In short, this legislation would facilitate greater parental involvement in the education of their children. Thanks to Angella Dunston at the NC Justice Center for her work getting this bill passed.

**H 818. Child Care Subsidy Funds.** (Insko, Bordsen, M. Alexander, Earle). Appropriates \$11 million to reduce the waiting list. The bill is a recommendation from the Joint Legislative Study Commission on Children and Youth. **Status:** House Appropriations. No action. **(Courtesy of Roz Savitt, NC Child Care Coalition).**

## ANNOUNCEMENTS

Weekly Child Advocate Call  
Friday, 5/29, 11 am  
1-866-210-1669  
7160625

## TOGETHER NC TOWN HALL MEETINGS

Together NC partners are organizing a series of Town Hall discussions across the state. The purpose of the discussions is to let elected officials hear from folks in their communities about the importance of public programs and services, so they can make budget decisions that support communities and families and do not undermine the state's economic recovery.

To find a town hall meeting near you, go to [www.togethernc.org](http://www.togethernc.org).

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