



Legislative Update

#0003 for Feb. 13, 2007

The Medicaid Dance Begins Again – Rep. Julia C. Howard (R-Davie-Iredell) has introduced HB 57, probably the first of many bills aimed at eliminating the county portion of the non-federal share of Medicaid costs. Rep. Howard has another Republican and two Democrats as co-sponsors, but because her party is in the minority this session, it will be interesting to see whether hers or *any* Medicaid relief measure will gather a large enough following to be enacted. Dan Gerlach, Senior Advisor to Gov. Mike Easley, has told the Association’s leaders that the Governor is not likely to support any such measure unless it includes some form of tax swap that would enable the state to recoup the millions that county Medicaid relief would cost the state. (In 2006 the counties paid \$426 million for Medicaid services and \$92.7 million for Medicaid administration. Last session the General Assembly approved a Medicaid cap for counties funded with \$27.4 million. This move has eased but not eliminated the counties’ burden.) Some of the fine points remain in dispute, but it’s undeniably true that no other state requires counties to make the same level of Medicaid contribution as North Carolina. Rep. Howard’s bill would phase out the county share of service costs over a five-year period scheduled to end on July 1, 2011, but the counties would continue to pay administrative costs. When the NCACDSS polled its members last autumn, they listed Medicaid relief for the counties as their top legislative priority.

The Big Chairs – House Speaker Hackney has named eight legislators as the “Big Chairs” of the powerful House Appropriations Committee. They are representatives: Alma Adams (D-Guilford), Martha Alexander (D-Mecklenburg), Jim Crawford (D-Granville), Phil Haire (D-Swain), Maggie Jeffus (D-Guilford), Mickey Michaux (D-Durham), Joe Tolson (D-Edgecombe/Wilson), and Doug Yongue (D-Scotland).

We know the “when,” maybe – How big will it be? And who gets what? Those who know aren’t telling. The Governor’s recommendations for the 2007-2008 state fiscal year remain shrouded in mystery. As of last Friday, Senior Advisor Dan Gerlach compared the current stage of state budget preparation to stuffing the last items into a suitcase and trying to close the lid – while resisting the urge to add one more thing. Rumor has it that the unveiling will take place on February 21. If last year’s practice is followed, the budget will emerge in two volumes: a *Recommended Continuation Budget* and a separate *Summary of Recommendations* that outlines new spending. Taken together, they will be about two inches thick, weigh approximately four pounds and generate more rumors than Anna Nicole Smith’s sad and untimely demise. The similarities don’t end there. As is the case with Ms. Smith’s estate, there will be a scramble to get a piece of the action, and one will witness the wiles of publicity, the claims of science and the vigorous play of elbows and knees. Tune in for more as the winter of our discontent turns into – we hope – glorious summer.

TANF Money Eyed – Several of the hundreds of bills already introduced this session would take a pinch of dough off the TANF loaf that the General Assembly will be kneading. Rep. Marian N. McLawhorn (D-Pitt) has offered **HB43** “An Act to Appropriate Funds for Domestic Violence Programs to Meet Increased Demands for Services,” which includes a call to earmark \$1 million in TANF Block Grant funds to be used for domestic violence prevention and awareness and to support local domestic violence prevention programs. “The Department [DHHS] shall,” the bill reads, “award grants to community-based organizations that demonstrate the ability to collaborate and coordinate services with other local human services agencies and organizations in order to serve children and families where domestic violence has occurred or is occurring.” **SB40** “TANF Block Grant Funds / Boys & Girls Clubs” introduced by Sen. Davie Hoyle (D- Gaston) would appropriate \$3 million for the clubs to do things like improving the youths’ self-esteem and preventing unintended pregnancies. **SB 31** “DV Appropriations” introduced by Sen. Julia Boseman (D-New Hanover) would take \$1 million in TANF money to “support local domestic violence [prevention] programs.” Though these earmarks promote worthy objectives, their success means that less TANF money would be available for everything else the program is expected to accomplish.

Proposed Federal Budget – Courtesy of our friends at NACHSA, we have an outline of the budget President Bush has sent to a Congress now controlled by the other party. Some salient features of particular interest to us include: (01) a ten percent increase in the defense budget for a total of \$716.5 billion with \$235.1 billion of that for the wars in Iraq and Afghanistan, (02) a freeze on TANF funding for both the child care entitlement, \$2.9 billion, and the Child Care and Development Block grant, \$2.052 billion, (03) proposed elimination of the Community Services Block Grant, (04) new eligibility restrictions on the Food Stamps program that would save the feds \$700 million over five years, and (05) a set of Medicaid cuts that would reduce funding by \$25 billion over the next five years. For more details, go to www.hhs.gov/budget/docbudget.htm.

Nothing fishy here. Dogs are dearer than deer. Last legislative session county DSS directors discovered that they’d been saddled with a new unfunded mandate: issuing fishing licenses. It could be worse. You could be doing hunting licenses too, and the demand for those may soon grow. Sen. Jerry W. Tillman (R-Montgomery/Randolph) has introduced SB-79 “An Act to Extend the Deer Season and Remove Bag Limits on Deer in Order to Reduce the Deer Population in the State.” Don’t panic. Sen. Tillman’s bill says *nothing* about county departments of social services. Though Bambi and his kin may soon be at greater risk, animal lovers need not despair. Rep. Angela R. Bryant (D-Halifax/Nash) has introduced HB-74 “An Act to Make It a Class H Felony to Willfully Kill or Attempt to Kill a Law Enforcement or Assistance Animal.” I don’t know about the deer bill, but I’d bet serious money on HB-74. Think of Lassie – with a badge – dying in the line of duty. Who would *dare* vote against that?



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