

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2003**

**SESSION LAW 2003-285  
SENATE BILL 786**

AN ACT TO PROVIDE THAT WHEN THE PROPERTY OF A RESIDENT OF A STATE INSTITUTION UNDER THE DEPARTMENT OF HEALTH AND HUMAN SERVICES IS LOST, DESTROYED, OR OTHERWISE DAMAGED THROUGH NEGLIGENT HANDLING BY THE INSTITUTION, THE INSTITUTION MAY MAKE DIRECT PAYMENT OR PROVIDE REPLACEMENT OF THE ITEM TO THE RESIDENT WITHOUT RECOURSE TO THE TORT CLAIMS PROCESS IF THE AMOUNT OF DAMAGES IS LESS THAN FIVE HUNDRED DOLLARS.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 31 of Chapter 143 of the General Statutes is amended by adding a new section to read:

**"§ 143-295.1. Settlement of small claims against institutions of the Department of Health and Human Services.**

When the property of a resident of a State institution under the Department of Health and Human Services is lost, destroyed, or otherwise damaged through negligent handling by the institution, and the amount of damages is less than five hundred dollars (\$500.00), the institution may make direct payment or provide replacement of the item to the resident without recourse to the procedures otherwise provided by this Article."

**SECTION 2.** This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 23<sup>rd</sup> day of June, 2003.

s/ Beverly E. Perdue  
President of the Senate

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

s/ Michael F. Easley  
Governor

Approved 4:30 p.m. this 4<sup>th</sup> day of July, 2003