Proposed Amendments to First Engrossment of Engrossed Senate Bill 2029, 3/18/25 Senator Judy Lee

This bill is a hoghouse amendment on a very important subject, which is the establishment of an office of guardianship and conservatorship. It would oversee assignment of guardians to those individuals who are incapable of managing their own affairs, monitor the activity, and assure quality guardians are serving the vulnerable residents of North Dakota.

Section 1 creates a registry on which a guardian who has been removed for good cause would be listed and who would be disqualified from acting as a guardian and lists details.

Section 2 addresses conservators who could be placed on a registry, if removed for good cause.

Section 3 has definitions and also establishes the Office of guardianship and conservatorship. It will be a division of the Department of Health and Human Services to administer programs assigned by state law. The Office's responsibilities are listed, including establishing rules, providing reports, training, and monitoring services. Funds will be distributed and other financial services are listed.

Subsection 3 lists additional duties, including, on request from a district court judge, reviewing cases to identify deficiencies, examine reports, and report back to the court.

It also states that the Office's officers and employees may not act as a public guardian or conservator, but that other employees of DHHS outside of the Office of guardianship and conservatorship may act as a guardian or conservator in a personal capacity. The office is subject to audits by the State Auditor.

The Guardianship and Conservatorship Support Fund will be created in the state treasury and all funds will be appropriated on a continuing basis to DHHS to defray expenses of the office for supporting guardianship and conservatorship services, including training and monitoring.

It also discusses records, confidentiality and disclosure.

Guardianship and conservatorship limitations are described, including that an individual (not "person") may not serve as a guardian or conservator for 3 or more adults at the same time, unless that person is licensed or has an agency permit.

St. 1 ... 31

It states that the section does not apply to a human service one director as an addition.

Immunity of an individual providing information regarding misconduct or lack of professionalism is not subject to civil liability.

The district court has jurisdiction to revoke or suspend a guardian or a conservator license. The Office of Guardianship and Conservatorship must establish a process to appeal license denials and board orders.

Other statements about court actions are listed.

A guardianship and conservatorship review board is established to investigate and conduct disciplinary proceedings. The requirements for the membership area listed.

The office has a preferred claim against the estate for recovery of funds. It includes the order of claims.

Chapter 27-27 is repealed, which is the task force on guardianship monitoring.

The appropriation to DHHS Office of Guardianship and Conservatorship includes establishment cosets for indigents and for those with developmental disabilities. Total general funds are \$18,446,400 which used to be split between the Office of Management and Budget for indigent guardianships and Department of Health and Human Services for e DHHS. 4 FTE's are requested.

This version of the guardian and conservatorship work and oversight is the result of many months of discussions with guardians and the task force members who were also involved in the efforts to provide more appropriate organization and oversight.

It is removed from the courts, because of the conflict of interest. The courts take away the rights of the ward, assign a guardian to handle the ward's affairs, finances, health decisions, and more, and it would be inappropriate for them to also be the overseer without any accountability on their part.

This amendment makes the Office of Guardianship and Conservatorship a separate division of DHHS, similar to the divisions of behavioral health, Medicaid, developmental disabilities, and more.

In my opinion and that of the guardians who do this work, it is an appropriate way for this important service to be overseen. It also will permit legislative involvement through policy and appropriations. It applies only to professional guardians, not family guardians.

These professional guardians are wonderful, caring custodians of the affairs of the people whom they serve. Including financial affairs and health care decisions in combination with other appropriate parties. They make less than \$20/day, something we need to address also.

The people who will follow me will go through more of the details of the bill, and they are the experts. I encourage you to look favorably on this collaborative recommendation to manage the guardianship and conservatorship programs and support these amendments.

25.0224.04003 Title. Prepared by the Legislative Council staff for Senator Lee
March 13, 2025

Sixty-ninth Legislative Assembly of North Dakota

PROPOSED AMENDMENTS TO SECOND ENGROSSMENT

REENGROSSED SENATE BILL NO. 2029

Introduced by

10

11

12

13

14

15

16

17

18

19

Legislative Management

(Government Finance Committee)

1 A BILL for an Act to create and enact chapter 27-27.1 and a new subsection to section 2 30.1-28-07 and a new chapter to title 50 of the North Dakota Century Code, relating to an office-3 of quardianship and conservatorship and the removal of a guardian and an office of 4 quardianship and conservatorship; to amend and reenact section 30.1-29-15 and subsection 1 5 of section 50-24.1-07 of the North Dakota Century Code, relating to the removal of a 6 conservator and the recovery of medical assistance expenses; to repeal chapter 27-27 of the 7 North Dakota Century Code, relating to the task force on guardianship monitoring; to provide a-8 penalty; to provide for a legislative management report; to provide a penalty; to provide an 9 appropriation; and to provide a continuing appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new subsection to section 30.1-28-07 of the North Dakota Century Code is created and enacted as follows:

The court may order a guardian to be listed on a registry if the court removed the guardian for good cause. A guardian listed on the registry is disqualified from acting as a guardian in any guardianship proceeding. The court shall send a copy of the order to the state court administrator, who shall maintain and administer the registry. This subsection does not apply to a licensed guardian. For purposes of this subsection, a licensed guardian includes a guardian whose license has been suspended but excludes a guardian whose license is revoked.

1	SECTION 2. AMENDMENT. Section 30.1-29-15 of the North Dakota Century Code is		
2	amended and reenacted as follows:		
3	30.1-29-15. (5-415) Death, resignation, or removal of conservator.		
4	<u>1. </u>	_The court may remove a conservator for good cause, upon notice and hearing, or	
5		accept the resignation of a conservator. After a conservator's death, resignation, or	
6		removal, the court may appoint another conservator. A conservator so appointed	
7		succeeds to the title and powers of the predecessor.	
8	2.	The court may order a conservator to be listed on a registry if the court removed the	
9		conservator for good cause. A conservator listed on the registry is disqualified from	
10		acting as a conservator in any conservatorship proceeding. The court shall send a	
11		copy of the order to the state court administrator, who shall maintain and administer	
12	10.7	the registry. This subsection does not apply to a licensed conservator. For purposes of	
13		this subsection, a "licensed conservator" includes a conservator whose license has	
14		been suspended but excludes a conservator whose license is revoked.	
15			
16	follows:		
17	SEC	CTION 3. A new chapter to title 50 of the North Dakota Century Code is created and	
18	enacted as follows:		
19	27-27.1-01. Definitions.		
20	<u>As u</u>	ised in this chapter:	
21	<u>1.</u>	"Agency permit" means temporary authorization given by the office to an employee of	
22		a professional guardianship or professional conservatorship entity which allows the	
23		permitholder to provide quardianship or conservatorship services as an agent of the	
24		entity.	
25	<u>2.</u>	"Board" means the guardianship and conservatorship review board.	
26	<u>3.</u>	"Identifiable information" means an individual's personal details, including the	
27		individual's name, address, telephone number, facsimile number, social	
28		securityemployment identification number, electronic mail address, program	
29		identification number, or any other unique identifying number, characteristic, or code,	
30	ľ	and any demographic information collected about the individual.	
31	4.	"Investigation counsel" means the guardianship and conservatorship counsel.	

	Sixty-nin Legislati	th ve Assembly
1	<u>5.</u>	- <u>"Licensed conservator" means a person licensed by the office to provide</u>
2		conservatorship services.
3	6. 5.	"Licensed guardian" means a person licensed by the office to provide guardianship
4		services.
5	7. 6.	"Office" means the office of guardianship and conservatorship.
6	8. 7.	"Public conservator" means a conservator under contract with the office to provide
7		conservatorship services for an individual eligible for public services.
8	9. 8.	"Public guardian" means a guardian under contract with the office to provide
9		guardianship services for an individual eligible for public services.
10	10. 9.	"Public services" means state or federally funded programs administered by the office
11	rs.	available to eligible individuals.
12	11. 10.	"Unlicensed conservator" means a person providing conservatorship services without
13	î	a conservator license.
14	12. 11.	"Unlicensed guardian" means a person providing guardianship services without a
15	I ^e	guardian license.
16	27-2	7.1-02. Office of guardianship and conservatorship - Purpose - Powers and
17	<u>duties -</u>	Report - Audit.
18	<u>1.</u>	The office of guardianship and conservatorship is created as a division under the
19		supreme court department of health and human services to administer the programs
20		assigned by state law or the supreme court.
21	<u>2.</u>	The office must consist of an executive director, a court monitor, an accountant, and
22		an ethical standards coordinator. however designated.
23	3	The office shall:
24		a. Develop rules, training, and policies and procedures, including eligibility criteria,
25		<u>for:</u>
26		(1) Receiving public services;
27		(2) A public guardian or a public conservator;
28		(3) A licensed guardian or a licensed conservator; and
29		(4) <u>Distribution of funding for direct payments and expense reimbursements for</u>
30		public services.
21		h Davidon athical standards for:

Sixty-ninth Legislative Assembly

1		(1) A licensed guardian or a licensed conservator; and		
2		(2) An unlicensed guardian or an unlicensed conservator.		
3	<u>C.</u>	Develop policies and procedures for proceedings when a guardian or a		
4		conservator is unable to fulfill the duties of a guardian or a conservator.		
5	<u>d.</u>	Keep accurate records of all financial transactions performed under this chapter		
6		in the manner required by the office of management and budget.		
7	<u>e.</u>	Provide a report each biennium to the legislative management regarding the		
8		operations of the office, including the cost of public guardians and public		
9		conservators, and any other information requested by the legislative		
10		management.		
11	— <u>3.—The</u>	office may:		
12	a. f.	Recommend rules applicable to a licensed guardian or a licensed conservator.		
13	b. g.	Grant licenses to a guardian or conservator and agency permits, including		
14		revoking or suspending an agency permit.		
15	<u>e.h.</u>	Require insurance or bond coverage for a licensed guardian or a licensed		
16	1	conservator as a condition for licensure.		
17	<u>d.i.</u>	Establish mandatory disclosure and reporting requirements for a licensed		
18		guardian or a licensed conservator, including a process to disclose information or		
19	1	submit reports to the office.		
20	<u>e.j.</u>	Provide training for guardians and conservators.		
21	<u>f.k.</u>	Monitor guardianship and conservatorship services.		
22		Provide annual reports to the supreme court.		
23	h. l.	Distribute funding for direct payments, expense reimbursements, or other public		
24		services including funding for public administrators.		
25	i. m.	Establish and collect fees to support guardianship and conservatorship services		
26		and the duties of the office, which must be deposited in the guardianship and		
27	ï	conservatorship support fund.		
28	<u>j.n.</u>	Seek and apply for private, federal, or other funds to help support guardians and		
29		conservators and to safeguard the rights of individuals who receive public		
30		services.		

1	<u> </u>	.o. Accept private funds for deposit in the guardianship and conservatorship support	
2		fund.	
3		p. Be available, as resources permit, on request from a district court judge, to	
4		review guardianship cases to identify reporting deficiencies, examine annual	
5		reports and accounting, and report findings back to the district court,	
6	-	q. Be available. as resources permit, on request from a district court judge, licensed	
7		conservator, public conservator. licensed guardian, or public guardian to review	
8		information regarding possible financial abuse or exploitation.	
9	(r. Report findings regarding financial abuse or exploitation to the attorney general	
10		or bureau of criminal investigation.	
11	<u>4.</u>	The office may not authorize payment for services for any public guardian or public	
12		conservator that provides services for more individuals than allowed through statute.	
13		regulation, court rule, or policy adopted by the office.	
14	<u>5.</u>	The office, its officers, or its employees, may not act as a public guardian or a public	
15	ı	conservator or act in any other representative capacity for any individual. This	
16		subsection does not apply to employees of the department of health and human_	
17		services outside of the office of guardianship and conservatorship and does not	
18		prohibit an officer or employee from acting as a guardian or conservator in a personal	
19		capacity apart from any duties as an officer or employee.	
20	<u>6.</u>	The office is subject to audits by the state auditor under chapter 54-10.	
21	27-2	7.1-03. Guardianship and conservatorship support fund - Continuing	
22	appropriation.		
23	<u>The</u>	re is created in the state treasury the guardianship and conservatorship support fund.	
24	The fun	d consists of all moneys transferred to the fund by the legislative assembly, interest	
25	upon m	oneys in the fund, fee collections, donations, grants, and other contributions received for	
26	deposit	in the fund. All moneys in the fund are appropriated on a continuing basis to the judicial	
27	branch c	epartment of health and human services to defray the expenses of the office for	
28	support	ng guardianship and conservatorship services, including guardianship and	
29	conserv	atorship training and monitoring.	

1	27-	27.1-	<u> 94. Records - Confidentiality - Disclosure - Penalty.</u>	
2	<u>1.</u>	<u>lde</u>	Identifiable information concerning an individual who is applying for or receiving public	
3		ser	vices under this chapter is confidential and may be disclosed only:	
4		<u>a.</u>	In the administration of any program under the supervision or administration of	
5			the office.	
6		<u>b.</u>	When authorized by a policy or procedure of the office.	
7		<u>c.</u>	When allowed or required by rule or law.	
8	<u>2.</u>	Are	eport concerning an applicant, provider, or recipient of public services is confidential	
9		if th	ne report is made in good faith and may be disclosed only to:	
10		<u>a.</u>	Authorized staff and agents of the office, who may further disclose the	
11			information to a person that has a definite interest in the well-being of the	
12			individual concerned, is in a position to serve the individual's interests, and that	
13			needs to know the contents of the records to assure the well-being and interests	
14			of the individual concerned.	
15		<u>b.</u>	An individual who is the subject of the report, if the identity of the person	
16			reporting or supplying information under this chapter is protected until the	
17			information is needed for use in an administrative, legal, or disciplinary.	
18			proceeding arising out of the report.	
19		<u>C.</u>	A public official and the public official's authorized agent who requires the	
20			information in connection with the discharge of official duties.	
21		<u>d.</u>	A court when the court determines the information is necessary for the	
22	I		determination of an issue before the court.	
23		<u>e.</u>	The investigation counsel.	
24	<u>3.</u>	The	e investigation counseloffice may disclose information uncovered during a	
25		dis	ciplinary investigation to the attorney general or bureau of criminal investigation	
26		rela	ated to a criminal investigation when the investigation counsel suspects the subject	
27		of t	he investigation has committed a crime.	
28	<u>4.</u>	Αp	erson that discloses, authorizes, or knowingly allows, participates in, or acquiesces	
29		in t	he disclosure of confidential information in violation of this section is guilty of a	
30		clas	ss C felony.	

1	27 - 2	7.1-05. Guardianship and conservatorship limitations - Representation to the
2	<u>public -</u>	Exemption.
3	<u>1.</u>	A person may not serve as a guardian or a conservator for three or more adult
4		individuals at the same time unless that person is a licensed guardian or a licensed
5		conservator or has an agency permit.
6	<u>2.</u>	A public guardian or a public conservator may not provide services to a minor unless
7		authorized by a proceeding under section 30.1-28-03.3.
8	<u>3.</u>	A person must be a licensed guardian or a licensed conservator to offer guardianship
9		or conservatorship services to the public.
10	<u>4.</u>	This section does not apply to:
11		a. A federal or state agency.
12		b. A financial institution under section 6-08.1-01 when appointed as a conservator.
13		c. An individual appointed as a guardian or conservator for a family member.
14		d. A human service zone director.
15	<u>5.</u>	A person who violates this section after August 1, 2026, is guilty of a class B
16	n	misdemeanor.
17	27-2	7.1-06. Immunity.
18	A pe	erson who in good faith provides information or testimony regarding a guardian's or
19	conserv	ator's misconduct or lack of professionalism is not subject to civil liability.
20	27-2	7.1-07. Jurisdiction - Waiver of court costs - Applicability.
21	<u>1.</u>	The supremedistrict court has original jurisdiction to revoke or suspend a guardian or a
22		conservator license.
23	2.	The supreme courtoffice of guardianship and conservatorship must establish a
24		process to appeal license denials and board orders.
25	<u>3.</u>	The courts shall waive court costs and filing fees in any proceeding in which a person
26		is receiving public services under this chapter.
27	4.	A guardian or conservator subject to the jurisdiction of a court of this state shall follow
28		the applicable policies, procedures, and standards of the office, or other approval
29		authority authorized by court rule, if the guardian or the conservator serves an adult
30		ward, adult protected person, or incapacitated person, as defined in title 30.1.

1	27-27.1-08. Guardianship and conservatorship review board—Guardianship and
2	conservatorship counsel—Guardianship and conservatorship operations committee.
3	1. The supreme court mayoffice of guardianship and conservatorship shall establish a
4	guardianship and conservatorship review board to investigate and conduct disciplinary.
5	proceedings for a guardian or conservator. The review board must consist of:
6	1. A licensed guardian who provides services to individuals with developmental
7	disabilities;
8	2. A licensed guardian who provides services to indigent individuals;
9	3. An unlicensed family guardian;
10	4. A retired judge:
11	5. An attorney with experience in guardianship;
12	6. A representative from adult protective services:
13	7. A representative from the protection and advocacy project: and
14	8. A member of the public.
15	— 2. The supreme court may establish a guardianship and conservatorship counsel to
16	investigate noncompliance reported under this chapter. The director of the office is the
17	hiring authority for the investigation counsel.
18	3. The supreme court must create a guardianship and conservatorship operations-
19	committee to supervise the operations of the office and investigation counsel. The
20	operations-committee:
21	a. Must develop and submit budgets for the office, board, and investigation counsel.
22	b. Is the hiring authority for the office director.
23	e. May adopt policies recommended by the office.
24	27-27.1-09. Supreme court - Discretionary powers.
25	The supreme court may:
26	—_1. Grant immunity to a member of the board and the board's agents if a district court or
27	the supreme court would have immunity in performing the same functions.
28	2. Establish confidentiality and disclosure standards for disciplinary proceedings.
29	3. Authorize officials, officers, agents, and designees of the office, the board, and the
30	investigation counsel to:
31	Administer oaths

1	b. Order and otherwise provide for the inspection of books and records.
2	<u>c. Issue subpoenas for the attendance of witnesses and the production of the attendance of the a</u>
3	designated documents, electronically stored information, or tangible things in
4	accordance with the North Dakota Rules of Civil Procedure.
5	d. Order the deposition of a person residing within or outside the state to be taken in
6	accordance with the North Dakota Rules of Civil Procedure.
7	4. Adopt rules to effectuate the powers and duties under this chapter;
8	27-27.1-10. Attorney general - Counsel - Bureau of criminal investigation - Primary
9	authority for investigations.
10	1. The attorney general shall act as legal counsel in any particular investigation or
11	proceeding under section 54-12-02. The attorney general shall appear and defend any
12	officer or employee of the office and any member of the board in any action founded:
13	on an act or omission arising out of performance of an official duty consistent with
14	section 54-12-01.3.
15	2. In accordance with chapter 54-12, the attorney general and bureau of criminal-
16	investigation have primary authority to investigate criminal cases related to a
17	guardianship or conservatorship.
18	27-27.1-11. Duty to disclose and cooperate.
19	1. A state-and-local governmental entity and its officers and employees, and the officials,
20	officers, and employees of the courts of this state shall disclose records and
21	information-requested by the board or investigation counsel or any authorized
22	representative of the board or investigation counsel and shall cooperate with and give-
23	reasonable assistance to the board or investigation counsel and any authorized
24	representative of the board or counsel unless prohibited by federal regulation or law.
25	2. The service of process extends to all parts of the state in any investigation or
26	disciplinary proceeding under this chapter. A sheriff or police officer shall serve
27	process and execute all lawful orders upon request of the office, its authorized-
28	representative, the board, or the investigation counsel.
29	27-27.1-12. Duties of witnesses - Penalty.
30	1. An individual is obliged to attend as a witness in any investigation or disciplinary:
31	proceeding commenced under this chapter:

- If an individual refuses to attend, testify, or produce any writings or things required by subpoena, the office, board, or investigation counsel that issued the subpoena may petition the district court of the district in which the attendance or production is required for an order compelling the individual to attend and testify or produce the writings or things required by the subpoena. The court shall order the individual to appear before the court at a specified time and place to show cause why the individual has not attended, testified, or produced the writings or things as required. A copy of the order must be served on the individual. If the court determines the subpoena was regularly issued, the court shall order the individual to appear at the time and place fixed in the order and testify or produce the required writings or things.
- 3. An individual who fails to obey an order under this section is guilty of a class A misdemeanor.

27-27.1-13. Preferred claim.

- 1. The office has a preferred claim against the estate of an individual or an individual's spouse for recovery of funds expended under this chapter for the care of that individual or the individual's spouse. All funds recovered under this chapter must be deposited in the general fund.
- 2. A claim may not be required to be paid and interest may not begin to accrue during the lifetime of the decedent's surviving spouse, if any.
- 3. A statute of limitation or similar statute or the doctrine of laches may not bar a claim under this chapter.

SECTION 2. A new subsection to section 30.1-28-07 of the North Dakota Century Code is created and enacted as follows:

The court may order a guardian to be listed on a registry if the court removed the guardian for good cause. A guardian listed on the registry is disqualified from acting as a guardian in any guardianship proceeding. The court shall send a copy of the order to the state court administrator, who shall maintain and administer the registry. This subsection does not apply to a licensed guardian. For purposes of this subsection, a licensed guardian includes a guardian whose license has been suspended but excludes a guardian whose license is revoked.

— SECTION 4. AMENDMENT. Section 30.1-29-15 of the North-Dakota Century Code isamended and reenacted as follows:

30.1-29-15. (5-415) Death, resignation, or removal of conservator.

- The court may remove a conservator for good cause, upon notice and hearing, or accept the resignation of a conservator. After a conservator's death, resignation, or removal, the court may appoint another conservator. A conservator so appointed succeeds to the title and powers of the predecessor.
- 2. The court may order a conservator to be listed on a registry if the court removed the conservator for good cause. A conservator listed on the registry is disqualified from acting as a conservator in any conservatorship proceeding. The court shall send a copy of the order to the state court administrator, who shall maintain and administer the registry. This subsection does not apply to a licensed conservator. For purposes of this subsection, a licensed conservator includes a conservator whose license has been suspended but excludes a conservator whose license is revoked.

SECTION 4. AMENDMENT. Subsection 1 of section 50-24.1-07 of the North Dakota Century Code is amended and reenacted as follows:

- 1. On the death of any recipient of medical assistance who was a resident of a nursing facility, intermediate care facility for individuals with intellectual disabilities, or other medical institution and with respect to whom the department determined that resident reasonably was not expected to be discharged from the medical institution and to return home, or who was fifty-five years of age or older when the recipient received the assistance, and on the death of the spouse of the deceased recipient, the total amount of medical assistance paid on behalf of the recipient following the institutionalization of the recipient who cannot reasonably be expected to be discharged from the medical institution, or following the recipient's fifty-fifth birthday, as the case may be, must be allowed as a preferred claim against the decedent's estate after payment, in the following order, of:
 - Recipient liability expense applicable to the month of death for nursing home or basic care services:
 - b. Funeral expenses not in excess of three thousand five hundred dollars;
 - c. Expenses of the last illness, other than those incurred by medical assistance;

Sixty-ninth Legislative Assembly

1	d.	Expenses of administering the estate, including attorney's fees	approved by the
2		court;	
3	e.	Claims made under chapter 50-01;	
4	f.	Claims made under chapter 50-24.5;	
5	g.	Claims made under chapter 50-06.3 and on behalf of the state	hospital; and
6	h.	Claims made under chapter 27-27.1 section 3 of this Act: and	
7	<u>i.</u>	Claims made under subsection 4.	
8	SECTION	5. REPEAL. Chapter 27-27 of the North Dakota Century Code	is repealed.
9	SECTION 6. APPROPRIATION - JUDICIAL BRANCHDEPARTMENT OF HEALTH AND		
10	HUMAN SERVICES - OFFICE OF GUARDIANSHIP AND CONSERVATORSHIP. The funds		
11	provided in this section, or so much of the funds as may be necessary, are appropriated out of		
12	any moneys in the general fund in the state treasury, not otherwise appropriated, to the judicial-		
13	branchdepartment of health and human services for the purpose of defraying the expenses of		
14	the office of guardianship and conservatorship, for the biennium beginning July 1, 2025, and		
15	ending June 30, 2027, as follows:		
16	Establishmen	t costs - indigents	\$1,550,000
17	Office of guar	dianship and conservatorship	1,200,000
18	Establishmen	t costs - developmentally disabled	1,096,400
19	Public guardi	an and conservator fees—indigents————————————————————————————————————	7,100,000
20	Public guardi	an and conservator fees - indigents	9,100,000
21	Guardianship	contracts - developmentally disabled	5,500,000
22	Total general	fund	\$1 5,246,400
23	Total general	fund	<u>\$18,446,400</u>
24	Full-time equ	ivalent positions	4.0