

**Sixty-sixth Legislative Assembly of North Dakota
In Regular Session Commencing Thursday, January 3, 2019**

SENATE BILL NO. 2124
(Human Services Committee)
(At the request of the Department of Human Services)

AN ACT to create and enact five new sections to chapter 50-01.1 and chapter 50-35 of the North Dakota Century Code, relating to creation of human service zones; to amend and reenact sections 11-16-01 and 11-23-01, subdivision c of subsection 1 of section 14-02.1-02.1, sections 14-08.1-01, 14-09-06.3, 14-09-06.4, 14-09-12, 14-09-19, 14-10-05, and 14-15-01, subdivision i of subsection 1 of section 14-15-09, sections 14-15-11, 14-15-12, and 14-15-12.1, subsection 3 of section 14-15-13, sections 23-06-03, 23-41-01, 23-41-06, 25-04-08.1, and 25-04-11, subsection 2 of section 25-04-16, sections 26.1-45-13, 27-20-02, 27-20-11, 27-20-20.1, 27-20-30, and 27-20-30.1, subsection 2 of section 27-20-31, sections 27-20-38, 27-20-44, 27-20-45, 27-20-47, 27-20-49, and 27-20-54, subsection 2 of section 27-21-12, section 30-16-04, subsection 1 of section 30.1-26-01, subsection 3 of section 30.1-28-11, subdivision h of subsection 1 of section 40-01.1-04, sections 50-01-01, 50-01-01.1, 50-01-02, 50-01-04, 50-01-13, 50-01-17, 50-01-17.1, 50-01-17.2, 50-01-17.3, 50-01-17.5, 50-01-19, 50-01-21, 50-01-26, 50-01-27, 50-01-28, 50-01-29, 50-01.1-01, 50-01.1-02, 50-01.1-03, 50-01.1-04, 50-01.2-00.1, 50-01.2-01, 50-01.2-02, 50-01.2-03, 50-01.2-03.2, 50-01.2-04, and 50-01.2-05, subsection 4 of section 50-06-01, sections 50-06-01.4, 50-06-01.9, and 50-06-05.1, subsection 3 of section 50-06-05.3, sections 50-06-05.8, 50-06-06.2, 50-06-06.5, 50-06-06.14, 50-06-12, 50-06-20, 50-06.2-01, 50-06.2-02, 50-06.2-03, 50-06.2-04, 50-06.2-06, 50-09-01, 50-09-02, 50-09-02.2, 50-09-03, 50-09-04, 50-09-06, 50-09-07, and 50-09-08, subsections 2, 3, and 4 of section 50-09-08.2, sections 50-09-08.3, 50-09-08.4, and 50-09-09, subsection 1 of section 50-09-14, sections 50-09-29 and 50-09-30, subsection 2 of section 50-11-00.1, sections 50-11.1-02, 50-11.2-01, 50-11.2-02, 50-24.1-03.1, 50-24.1-03.2, and 50-24.5-01, subsection 1 of section 50-24.5-02, sections 50-24.5-03, 50-24.5-07, 50-24.5-09, and 50-24.7-01, subsection 1 of section 50-24.7-02, sections 50-24.7-03 and 50-24.7-06, subsections 6 and 11 of section 50-25.1-02, sections 50-25.1-04.3, 50-25.2-14, 50-29-01, 50-29-02, 50-29-03, and 54-46-13, subsection 3 of section 57-15-01.1, sections 57-15-06.7 and 57-20-07.1, subsection 3 of section 57-20-07.3, subdivision b of subsection 1 of section 57-55-10, and subsection 16 of section 65-01-02 of the North Dakota Century Code, relating to the establishment and operation of human service zone areas, taxing district levy limitations, and property tax statements; to repeal sections 50-01-03, 50-01.1-02.1, 50-01.2-03.1, and 50-01.2-06, chapter 50-03, and sections 50-06-05.7, 50-06-06.1, 50-06-20.1, 50-06.2-05, and 50-25.1-06.1 of the North Dakota Century Code, relating to administration of county social service boards, the county human services fund, and caseload standards; to provide for a report; to provide a penalty; to provide a contingent appropriation; to provide for the transfer of employees; to provide an effective date; to provide an expiration date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 11-16-01 of the North Dakota Century Code is amended and reenacted as follows:

11-16-01. Duties of the state's attorney.

The state's attorney is the public prosecutor, and shall:

1. Attend the district court and conduct on behalf of the state all prosecutions for public offenses.
2. Institute proceedings before magistrates for the arrest of persons charged with or reasonably suspected of public offenses when the state's attorney has information that such offenses have been committed, and for that purpose, when the state's attorney is not engaged in

criminal proceedings in the district court, the state's attorney shall attend upon the magistrates in cases of arrests when required by them except in cases of assault and battery and petit larceny.

3. Attend before, and give advice to, the grand jury whenever cases are presented to it for consideration.
4. Draw all indictments and informations.
5. Defend all suits brought against the state or against the county.
6. Prosecute all bonds forfeited in the courts of record of the county and prosecute all actions for the recovery of debts, fines, penalties, and forfeitures accruing to the state or to the county.
7. Deliver duplicate receipts for money or property received in the state's attorney's official capacity and file copies thereof with the county auditor.
8. On the first Monday of January, April, July, and October in each year, file with the county auditor an account, verified by the state's attorney's oath, of all money received by the state's attorney in an official capacity in the preceding three months, and at the same time, pay it over to the county treasurer.
9. Give, when required and without fee, the state's attorney's opinion in writing to the county, district, township, and school district officers on matters relating to the duties of their respective offices.
10. Keep a register of all official business in which must be entered a note of each action, whether civil or criminal, prosecuted officially, and of the proceedings therein.
11. ~~Repealed by S.L. 1945, ch. 161, § 1.~~
- ~~12.~~ Act as legal adviser of the board of county commissioners, attend the meetings thereof when required, and oppose all claims and actions presented against the county which are unjust or illegal.
- ~~13.~~12. Institute an action in the name of the county to recover any money paid upon the order of the board of county commissioners without authority of law as salary, fee, or for any other purpose, or any money paid on a warrant drawn by any officer to that officer's own order or in favor of any other person without authorization by the board of county commissioners or by law.
- ~~14.~~13. Institute an action in the name of the county to restrain the payment of any money described in any order or warrant of the kind described in subsection 13 when the state's attorney secures knowledge of such order or warrant before the money is paid thereon.
- ~~15.~~14. Assist the district court in behalf of the recipient of payments for child support or spousal support combined with child support in all proceedings instituted to enforce compliance with a decree or order of the court requiring such payments.
- ~~16.~~15. Institute proceedings under chapter 25-03.1 if there is probable cause to believe that the subject of a petition for involuntary commitment is a person requiring treatment.
16. Institute and defend proceedings under sections 14-09-12 and 14-09-19 and chapters 14-15, 27-20, and 50-01 upon consultation with the human service zone director or the executive director of the department of human services.
17. Act as the legal advisor and represent a human service zone as set forth in a plan approved under section 50-01.1-03. The state's attorney within the human service zone, by way of agreement, shall designate a singular state's attorney's office, within or outside the human

service zone, to act as legal advisor of the human service zone. The host county state's attorney shall serve as the legal advisor if no agreement is reached. The agreement may not limit a state's attorney's individual discretion in court filings and representation.

18. Act as the legal advisor and represent the human service zone regarding employer actions, including grievances and appeals, taken against the human service zone team member. The state's attorney of the county by which the human service zone team member is employed shall act as the legal advisor of the human service zone, unless a different agreement is established by the affected state's attorney.

The state's attorney shall not require any order of the board of county commissioners to institute an action under subsection ~~13-09-1412~~ or 13.

SECTION 2. AMENDMENT. Section 11-23-01 of the North Dakota Century Code is amended and reenacted as follows:

11-23-01. Officers required to furnish commissioners with departmental budget. (Effective through ~~July~~December 31, 2019)

Every officer in charge of any institution, office, or undertaking supported wholly or in part by the county shall file with the board of county commissioners a departmental budget that is prescribed by the state auditor. The departmental budget must include an itemized statement of the estimated amount of money that will be required for the maintenance, operation, or improvement of the institution, office, or undertaking for the ensuing year. The board of county commissioners may require additional information to clarify the departmental budget.

Officers required to furnish commissioners with departmental budget. (Effective after ~~July~~December 31, 2019)

1. Every officer in charge of any institution, office, or undertaking supported wholly or in part by the county shall file with the board of county commissioners a departmental budget that is prescribed by the state auditor. The departmental budget must include an itemized statement of the estimated amount of money that will be required for the maintenance, operation, or improvement of the institution, office, or undertaking for the ensuing year. The board of county commissioners may require additional information to clarify the departmental budget.
2. a. The departmental budget submitted by the ~~county social~~human service board ~~in 2019 for the 2020 budget~~zone may not exceed an amount determined using the ~~departmental budget submitted in 2016 by the county social service board as a starting point, subtracting the reduction in the county's social service funding responsibility for 2016 derived from transferring the county social service costs identified in this subdivision from the county social service board to the department of human services, and applying to the resulting amount the percentage salary and benefits increase provided by legislative appropriations for state employees for taxable year 2019. For purposes of this subdivision, the reduction in the county's social service funding responsibility derived from transferring the county social service costs identified in this subdivision from the county social service board to the department of human services includes the following:~~
 - (1) ~~Foster care and subsidized adoption costs that would have been paid by the county after December 31, 2015;~~
 - (2) ~~The county's share of grant costs for medical assistance in the form of payments for care furnished to recipients of therapeutic foster care services which would have been paid by the county after December 31, 2015;~~
 - (3) ~~The county's share of the costs for service payments to the elderly and disabled which would have been paid by the county after December 15, 2015;~~

- (4) ~~The county's share of salary and benefits for family preservation services pursuant to section 50-06-05.8 which would have been paid by the county after December 31, 2015;~~
 - (5) ~~The county's share of the cost of the electronic benefits transfers for the supplemental nutrition assistance program which would have been paid by the county after December 31, 2015; and~~
 - (6) ~~The computer processing costs which would have been paid by the county after December 31, 2015, which exceed the county's costs of operation of the technical eligibility computer system in calendar year 1995 increased by the increase in the consumer price index for all urban consumers (all items, United States city average) after January 1, 1996~~by the department of human services and the human service zone director pursuant to section 50-35-04 and must include the county's cost allocation of indirect costs based on a formula established by the department of human services.
- b. ~~The county share of the human service budgetzone's indirect costs must be funded entirely from the county's property tax levy for that purpose and the county may not use funds from any other source to supplement the human services budget, with the exception that the county may make use of the identifiable amount of other sources the county has used to supplement its human services budget for 2015 and the county may use grant funds that may be available to the county under section 50-06-20.1general fund.~~
 - c. ~~The department of human services shall develop a process to review a request from a county socialhuman service boardzone for any proposed increase in staff needed as a result of significantly increased caseloads for state-funded human services programs, if the increase in staff would result in the county exceeding the budget limitation established under this subsection. As part of its review process, the department of human services shall review countywidepertinent factors, which may include caseload information and consider the option of multicounty sharing of staff. If the department of human services approves a request for a proposed increase in staff, the countyhuman service zone budget limitation established under subdivision b may be increased by the amount determined necessary by the department of human services to fund the approved additional staff. The human service zone director shall submit the proposed increase in staff to the human service zone board for review. The human service zone director shall work with the department to achieve equitable compensation and salary increases for all human service zone team members within the human service zone. The human service zone director shall notify appropriate host county staff of all staffing changes for administrative purposes.~~
3. For purposes of this section, "host county" means the county within the human service zone in which the human service zone administrative office is located and in which the human service zone team members are employed.

SECTION 3. AMENDMENT. Subdivision c of subsection 1 of section 14-02.1-02.1 of the North Dakota Century Code is amended and reenacted as follows:

- c. Materials that include information on the support obligations of the father of a child who is born alive, including the father's legal duty to support his child, which may include child support payments and health insurance, and the fact that paternity may be established by the father's signature on an acknowledgment of paternity or by court action. The printed material must also state that more information concerning paternity establishment and child support services and enforcement may be obtained by calling state public assistance agencies or county public assistance agencieshuman service zones.

SECTION 4. AMENDMENT. Section 14-08.1-01 of the North Dakota Century Code is amended and reenacted as follows:

14-08.1-01. Liability for support.

A person legally responsible for the support of a child under the age of eighteen years who is not subject to any subsisting court order for the support of the child and who fails to provide support, subsistence, education, or other necessary care for the child, regardless of whether the child is not or was not in destitute circumstances, is liable for the reasonable value of physical and custodial care or support which has been furnished to the child by any person, institution, agency, or ~~county social~~human service board~~zone~~. Any payment of public assistance money made to or for the benefit of any dependent child creates a presumption that such payment equals the reasonable value of physical and custodial care or support.

SECTION 5. AMENDMENT. Section 14-09-06.3 of the North Dakota Century Code is amended and reenacted as follows:

14-09-06.3. Custody investigations and reports - Costs.

1. In contested proceedings dealing with parental rights and responsibilities the court, upon the request of either party, or, upon its own motion, may order an investigation and report concerning parenting rights and responsibilities regarding the child. The court shall designate a person or agency responsible for making the investigation and report, which designees may include the ~~county social~~human service board~~zone~~, public health officer, school officials, and any other public agency or private practitioner ~~if~~the court deems qualified to make the investigation.
2. The investigator may consult any person who may have information about the child and any potential arrangements for parenting rights and responsibilities, and upon order of the court may refer the child to any professional personnel for diagnosis.
3. The court shall mail the investigator's report to counsel and to any party not represented by counsel at least thirty days before the hearing. The investigator shall make available to any such counsel or party the complete file of data and reports underlying the investigator's report and the names and addresses of all persons whom the investigator has consulted. A party may call the investigator and any person whom the investigator has consulted for cross-examination at the hearing. A party may not waive the party's right of cross-examination before the hearing.
4. The court shall enter an order for the costs of any such investigation against either or both parties, except that if the parties are indigent the expenses must be borne by the ~~county~~human service ~~zone~~ where the child resided at the time the action was commenced or if a modification of parental rights and responsibilities, at the time the motion to modify is served.

SECTION 6. AMENDMENT. Section 14-09-06.4 of the North Dakota Century Code is amended and reenacted as follows:

14-09-06.4. Appointment of guardian ad litem or investigator for child in proceedings involving parental rights and responsibilities - Immunity.

In any action for an annulment, divorce, legal separation, or other action affecting marriage, when either party has reason for special concern as to the future of the minor child, and in any action when the parenting rights and responsibilities concerning the child is contested, either party to the action may petition the court for the appointment of a guardian ad litem to represent the child concerning parenting rights and responsibilities. The court may appoint a guardian ad litem or investigator on its own motion. If appointed, a guardian ad litem shall serve as an advocate of the child's best interests. If appointed, the investigator shall provide those services as prescribed by the supreme court. The court may direct either or both parties to pay the guardian ad litem or investigator fee established by the court. If neither

party is able to pay the fee, the court may direct the fee to be paid, in whole or in part, by the ~~county~~human service zone where the child resided at the time the action was commenced. The court may direct either or both parties to reimburse the ~~county~~human service zone, in whole or in part, for such payment. Any guardian ad litem or investigator appointed under this section who acts in good faith in making a report to the court is immune from any civil liability resulting from the report. For the purpose of determining good faith, the good faith of the guardian ad litem or investigator is a disputable presumption.

SECTION 7. AMENDMENT. Section 14-09-12 of the North Dakota Century Code is amended and reenacted as follows:

14-09-12. Support by county - Liability of parent's estate.

If a parent chargeable with the support of a child dies leaving it chargeable upon the ~~county~~human service zone and leaving an estate sufficient for its support, the ~~board of county commissioners of the county~~department of human services, in the name of the ~~county~~human service zone, may claim provision for its support from the parent's estate by civil action, and for this purpose may have the same remedies as any creditor against that estate and against the heirs, devisees, and next of kin of the parent.

SECTION 8. AMENDMENT. Section 14-09-19 of the North Dakota Century Code is amended and reenacted as follows:

14-09-19. Parental abuse.

The abuse of parental authority is the subject of judicial cognizance in a civil action in the district court brought by the child, or by its relatives of the child within the third degree, or by the ~~county~~social human service board~~zone~~ of the county where the child resides, and when the abuse is established the child may be freed from the dominion of the parent and the duty of support and education may be enforced.

SECTION 9. AMENDMENT. Section 14-10-05 of the North Dakota Century Code is amended and reenacted as follows:

14-10-05. Assignment of children prohibited - Penalty.

No person, other than the parents, may assume the permanent care and custody of a child, unless authorized so to do by an order or decree of a court having jurisdiction, except that a parent, upon giving written notice to the department of human services and human service zone, may place that person's own child in the home of the child's grandparent, uncle, or aunt for adoption or guardianship by the person receiving the child. The child must be considered abandoned if proceedings for the adoption or guardianship of the child are not initiated by such relative within one year following the date of notice of placement. No parent may assign or otherwise transfer the parent's rights or duties with respect to the care and custody of the parent's child. Any such transfer or assignment, written or otherwise, is void. This section does not affect the right of the parent to consent in writing to the legal adoption of the parent's child, but such written consent does not operate to transfer any right in the child in the absence of a decree by a court having jurisdiction. Any person who violates the provisions of this section is guilty of a class A misdemeanor.

SECTION 10. AMENDMENT. Section 14-15-01 of the North Dakota Century Code is amended and reenacted as follows:

14-15-01. Definitions.

As used in this chapter, unless the context otherwise requires:

1. "Abandon" means:

- a. As to a parent of a child not in the custody of that parent, failure by the noncustodial parent significantly without justifiable cause to:
 - (1) Communicate with the child; or
 - (2) Provide for the care and support of the child as required by law.
 - b. As to a parent of a child in that parent's custody:
 - (1) To leave the child for an indefinite period without making firm and agreed plans, with the child's immediate caregiver, for the parent's resumption of physical custody;
 - (2) Following the child's birth or treatment at a hospital, to fail to arrange for the child's discharge within ten days after the child no longer requires hospital care; or
 - (3) To willfully fail to furnish food, shelter, clothing, or medical attention reasonably sufficient to meet the child's needs.
2. "Adult" means an individual who is not a minor.
 3. "Agency" means an entity licensed under chapter 50-12 to place minors for adoption.
 4. "Child" means a son or daughter, whether by birth or adoption.
 5. "Court" means the district court of this state, and when the context requires means the court of any other state empowered to grant petitions for adoption.
 6. "Department" means the department of human services.
 7. "Genetic parent" means the biological mother or adjudicated mother of the adopted child, or the presumed father or adjudicated father of the adopted child under chapter 14-20.
 8. "Genetic sibling" means individuals with genetic relationship of sister, brother, half-sister, or half-brother.
 9. "Human service zone" means a county or consolidated group of counties administering human services within a designated area in accordance with an agreement or plan approved by the department.
 10. "Identifying" includes full name, address, date of birth, telephone number, or anything that may lead to the identity of any previously undisclosed individual.
 - ~~40-11.~~ "Investigation" includes information obtained regarding the child's history, a preplacement adoption assessment of the prospective adoptive family, and an evaluation of the child's placement in the adoptive home.
 - ~~44-12.~~ "Minor" means an individual under the age of eighteen years.
 - ~~42-13.~~ "Nonidentifying adoptive information" means:
 - a. Age of genetic parent in years at the birth of the adopted child.
 - b. Heritage of genetic parent.
 - c. Educational attainments, including the number of years of school completed by genetic parent at the time of birth of the adopted child.
 - d. General physical appearance of genetic parent at the time of birth of the adopted child, including the height, weight, color of hair, eyes, skin, and other information of a similar nature.

- e. Talents, hobbies, and special interests of genetic parents.
- f. Existence of any other children born to either genetic parent.
- g. Reasons for child being placed for adoption or for termination of parental right.
- h. Religion of genetic parent.
- i. Vocation of genetic parent in general terms.
- j. Health history of genetic parents and blood relatives in a manner prescribed by the department.
- k. Such further information which, in the judgment of the agency, will not be detrimental to the adoptive parent or the adopted individual requesting the information, but the additional information may not identify genetic parents by name or location.

~~13-~~14. "Relative" means any individual having the following relationship to the minor by marriage, blood, or adoption: brother, sister, stepbrother, stepsister, first cousin, uncle, aunt, or grandparent.

14-15. "Stepparent" means an individual who is married to a parent of a child who has not adopted the child.

SECTION 11. AMENDMENT. Subdivision i of subsection 1 of section 14-15-09 of the North Dakota Century Code is amended and reenacted as follows:

- i. The department ~~or~~ and a county ~~social~~ human service ~~board~~ zone as respondent ~~respondents~~.

SECTION 12. AMENDMENT. Section 14-15-11 of the North Dakota Century Code is amended and reenacted as follows:

14-15-11. Notice of petition - Investigation and hearing.

1. a. After the filing of a petition to adopt a minor, the court shall fix a time and place for hearing the petition. At least twenty days before the date of hearing, notice of the filing of the petition and of the time and place of hearing must be given by the petitioner to the department and human service zone; any agency or individual whose consent to the adoption is required by this chapter but who has not consented; an individual whose consent is dispensed with upon any ground mentioned in subdivisions a, b, f, h, i, and j of subsection 1 of section 14-15-06 but who has not consented; and any individual identified by the court as a biological parent or a possible biological parent of the minor, upon making inquiry to the extent necessary and appropriate, as in proceedings under section 27-20-45, unless the individual has relinquished parental rights or the individual's parental rights have been previously terminated by a court. The notice to the department and human service zone must be accompanied by a copy of the petition.
- b. Notice of the filing of a petition to adopt an adult must be given by the petitioner at least twenty days before the date of the hearing to each living parent of the adult to be adopted.
2. An investigation must be made by a licensed child-placing agency to inquire into the conditions and antecedents of a minor sought to be adopted and of the petitioner for the purpose of ascertaining whether the adoptive home is a suitable home for the minor and whether the proposed adoption is in the best interest of the minor.
3. A written report of the investigation must be filed with the court by the investigator before the petition is heard.

4. The report of the investigation must contain a review of the child's history; a preplacement adoption assessment of the petitioner, including a criminal history record investigation of the petitioner; and a postplacement evaluation of the placement with a recommendation as to the granting of the petition for adoption and any other information the court requires regarding the petitioner or the minor.
5. An investigation and report is not required in cases in which a stepparent is the petitioner or the individual to be adopted is an adult. The department and human service zone, when required to consent to the adoption, may give consent without making the investigation. If the petitioner is a relative other than a stepparent of the minor, the minor has lived with the petitioner for at least nine months, no allegations of abuse or neglect have been filed against the petitioner or any member of the petitioner's household, and the court is satisfied that the proposed adoptive home is appropriate for the minor, the court may waive the investigation and report required under this section.
6. The department and human service zone, when required to consent to the adoption, may request the licensed child-placing agency to conduct further investigation and to make a written report thereof as a supplemental report to the court.
7. After the filing of a petition to adopt an adult, the court by order shall direct that a copy of the petition and a notice of the time and place of the hearing be given to any individual whose consent to the adoption is required but who has not consented and to each living parent of the adult to be adopted. The court may order an appropriate investigation to assist it in determining whether the adoption is in the best interest of the individuals involved.
8. Notice must be given in the manner appropriate under the North Dakota Rules of Civil Procedure for the service of process in a civil action in this state or in any manner the court by order directs. Proof of the giving of the notice must be filed with the court before the petition is heard.

SECTION 13. AMENDMENT. Section 14-15-12 of the North Dakota Century Code is amended and reenacted as follows:

14-15-12. Required residence of minor.

1. A final decree of adoption may not be issued and an interlocutory decree of adoption does not become final, until the minor to be adopted, other than a stepchild of the petitioner, has lived in the adoptive home:
 - a. For at least six months after placement by an agency;
 - b. For six months after placement by a parent in accordance with an identified relinquishment under chapter 14-15.1;
 - c. As a foster child for at least six months and has been placed for adoption by an agency;
or
 - d. For at least six months after the department and human service zone or the court has been informed of the custody of the minor by the petitioner, and the department and human service zone or the court has had an opportunity to observe or investigate the adoptive home.
2. If a child who has been placed for adoption dies before the six-month residency requirement of subsection 1 is met, the court may grant the final decree of adoption upon a finding that a proper and legitimate reason exists for granting the final decree.

SECTION 14. AMENDMENT. Section 14-15-12.1 of the North Dakota Century Code is amended and reenacted as follows:

14-15-12.1. Health insurance requirements for adoptees.

The department or child-placing agency involved in an adoption action may at any time before a final decree of adoption, if legal custody of the individual to be adopted is not held by the department, a county social service board, a child-placing agency, or an equivalent office or agency outside the state, require the petitioner for the adoption of another individual to show proof that a health insurance policy is in effect which provides coverage for the individual to be adopted. If proof of health insurance coverage is submitted by the petitioner, no further bond of any kind may be required by the department or a county social service board in regard to health coverage of the individual to be adopted.

SECTION 15. AMENDMENT. Section 14-15-12.1 of the North Dakota Century Code is amended and reenacted as follows:

14-15-12.1. Health insurance requirements for adoptees.

The department or child-placing agency involved in an adoption action may at any time before a final decree of adoption, if legal custody of the individual to be adopted is not held by the department, a county social service board, human service zone, a child-placing agency, or an equivalent office or agency outside the state, require the petitioner for the adoption of another individual to show proof that a health insurance policy is in effect which provides coverage for the individual to be adopted. If proof of health insurance coverage is submitted by the petitioner, no further bond of any kind may be required by the department or a ~~county social~~human service ~~board~~zone in regard to health coverage of the individual to be adopted.

SECTION 16. AMENDMENT. Subsection 3 of section 14-15-13 of the North Dakota Century Code is amended and reenacted as follows:

3. If at the conclusion of the hearing, the court determines that the required consents have been obtained and that the adoption is in the best interest of the individual to be adopted, the court may:
 - a. Issue a final decree of adoption; or
 - b. Issue an interlocutory decree of adoption which by its own terms automatically becomes a final decree of adoption on a day specified in the decree, that day may not be less than six months nor more than one year after the minor was placed in the adoptive home by an agency or after the department and human service zone or the court was informed of the custody of the minor by the petitioner, unless sooner vacated by the court for good cause shown. In an interlocutory decree of adoption, the court shall provide for observation, investigation, and further report on the adoptive home during the interlocutory period.

SECTION 17. AMENDMENT. Section 23-06-03 of the North Dakota Century Code is amended and reenacted as follows:

23-06-03. Duty of final disposition - Indigent burial - Decedent's instructions.

1. The duty of disposition of the body of a deceased individual devolves upon the following individual in the order of priority:
 - a. Any legally competent adult given the duty of final disposition by the deceased individual in a statement conforming with section 23-06-31, except the legally competent adult specified in the statement conforming with section 23-06-31 may decline the duty of final disposition unless the individual would otherwise have the duty of final disposition under this section;
 - b. The surviving spouse if the deceased was married;

- c. If the deceased was not married but left kindred, upon the majority of the adult children of the decedent; however, in the absence of actual knowledge to the contrary, a funeral director or mortician may rely on instructions given by the child who represents to be the sole surviving child or the children who represent to constitute a majority of the surviving children;
 - d. The surviving parent or parents of the decedent, each having equal authority;
 - e. The adult sibling or the majority of the adult siblings of the decedent; however, in the absence of actual knowledge to the contrary, a funeral director or mortician may rely on instructions given by the sibling who represents to be the sole surviving sibling or the siblings who represent to constitute a majority of the surviving siblings;
 - f. The adult grandchild or the majority of the adult grandchildren of the decedent; however, in the absence of actual knowledge to the contrary, a funeral director or mortician may rely on instructions given by a grandchild who represents to be the only grandchild reasonably available to control final disposition of the decedent's remains or the grandchildren who represent to constitute a majority of grandchildren reasonably available to control final disposition of the decedent's remains;
 - g. The grandparent or the grandparents of the decedent, each having equal authority;
 - h. The adult nieces and nephews of the decedent or a majority of the adult nieces and nephews; however, in the absence of actual knowledge to the contrary, a funeral director or mortician may rely on instructions given by a niece or nephew, who represents to be the only niece or nephew reasonably available to control final disposition of the decedent's remains or the nieces and nephews who represent to constitute a majority of the nieces and nephews reasonably available to control final disposition of the decedent's remains;
 - i. An individual who was acting as the guardian of the decedent with authority to make health care decisions for the decedent at the time of death;
 - j. An adult who exhibited special care and concern for the decedent;
 - k. An individual respectively in the next degree of kinship in the order named by law to inherit the estate of the decedent; or
 - l. The appropriate public or court authority, as required by law. For purposes of this subdivision, the appropriate public or court authority includes the ~~county social~~ human service board ~~zone~~ of the county in which the death occurred if the individual dies without apparent financial means to provide for final disposition or the district court in the county in which the death occurred.
2. If there is only one individual in a degree of relationship to the decedent described in subsection 1, and a district court determines the person and the decedent were estranged at the time of death, the right to control and the duty of disposition devolves to the next degree of relationship under subsection 1. For purposes of this subsection, "estranged" means having a relationship characterized by mutual enmity, hostility, or indifference.
 3. If an individual to whom the right to control and duty of disposition devolves under subsection 1, refuses to accept or declines to act upon the right or duty, that right and duty passes as follows:
 - a. To another individual with the same degree of relationship to the decedent as the individual refusing to accept or declining to act; or
 - b. To the individual in the next degree of relationship to the decedent under subsection 1.

4. If a dispute exists regarding the right to control or duty of disposition, the parties in dispute or the mortician or funeral director may file a petition in the district court in the county of residence of the decedent requesting the court make a determination in the matter. If the right to control and duty of disposition devolves to more than one individual with the same degree of relationship to the decedent and those individuals do not, by majority vote, make a decision regarding arrangements and final disposition and a district court has been petitioned to make a determination, the court shall consider the following factors in making a determination:
 - a. The reasonableness, practicality, and resources available for payment of the proposed arrangements and final disposition;
 - b. The degree of the personal relationship between the decedent and each of the individuals in the same degree of relationship to the decedent;
 - c. The expressed wishes and directions of the decedent and the extent to which the decedent provided resources for the purpose of carrying out the wishes or directions; and
 - d. The degree to which the arrangements and final disposition will allow for participation by all who wish to pay respect to the decedent.
5. If the individual who has the duty of final disposition does not arrange for final disposition of the body within the time required by this chapter, the individual next specified shall bury or otherwise dispose of the body within the requirements of this chapter.
6.
 - a. If the deceased did not leave sufficient means to pay for expenses of final disposition, including the cost of a casket, and is not survived by an individual described by subsection 1 and identified for financial responsibility within the ~~county's human service zone's~~ county human service board zone general assistance policy, within fifteen days of application for services the ~~county social human service board zone~~ county human service board zone of the county in which the deceased had residence for ~~county~~ general assistance purposes or, if residence cannot be established, within fifteen days of application for assistance the ~~county social human service board zone~~ county human service board zone of the county in which the death occurs shall employ a person to arrange for and supervise the final disposition. If the deceased was a resident or inmate of a public institution, within fifteen days of application for assistance the ~~county social human service board zone~~ county human service board zone in which the deceased was a resident for ~~county~~ general assistance purposes immediately before entering the institution shall employ a person to arrange for and supervise the final disposition.
 - b. ~~Each board of county commissioners~~ The department of human services may negotiate with the interested funeral directors or funeral homes regarding cremation expenses and burial expenses but the total charges for burial services, including transportation of the deceased to the place of burial, the grave box or vault, grave space, and grave opening and closing expenses, may not be less than one thousand five hundred dollars.
 - c. The ~~county social services board~~ department of human services may provide for the use of a military casket or urn, if the deceased was a veteran as defined in section 37-01-40, unless the additional cost exceeds the negotiated expenses of this section or a surviving spouse or the nearest of kin of the deceased elects a nonmilitary casket.
 - d. The ~~county social human service board zone~~ department of human services shall pay the charge for funeral expenses as negotiated by the ~~board of county commissioners~~ department of human services. The ~~county social human service board zone~~ department of human services may not decrease the ~~county human service zone~~ department of human services payment due to a nominal amount left by the deceased or contributed by kin or any other party to defray the expenses of burial or cremation. Funds adequate to allow for burial instead of cremation are considered nominal under this section.
7. If the individual with the duty of final disposition under this section, or the personal representative of the decedent's estate, if any, is aware of the decedent's instructions

regarding the disposition of the remains, that person shall honor those instructions, to the extent reasonable and possible, to the extent the instructions do not impose an economic or emotional hardship. A decedent's instructions may be reflected in a variety of methods, including pre-need funeral arrangements a deceased articulated and funded in a pre-need funeral service contract, a health care directive, a durable power of attorney for health care, a power of attorney, a will, a document created under section 23-06-31, or a document of gift for an anatomical gift.

8. If the decedent died while serving in any branch of the United States armed forces, the United States reserve forces, or the national guard, as provided by 10 U.S.C. 1481 section (a)(1) through (8) as effective through December 2001, and completed a United States department of defense record of emergency data, DD form 93, or its successor form or its equivalent branch's form, the duty to bury or cremate the decedent or to provide other funeral and disposition arrangements for the decedent devolves on the person authorized by the decedent pursuant to that form.

SECTION 18. AMENDMENT. Section 23-41-01 of the North Dakota Century Code is amended and reenacted as follows:

23-41-01. Definitions.

In this chapter unless the context or subject matter otherwise requires:

1. ~~"County agency" means the county social service boards in this state.~~
2. "Department" means the state department of health.
2. "Human service zone" means a county or consolidated group of counties administering human services within a designated area in accordance with an agreement or plan approved by the department of human services.
3. "Human services" means:
 - a. A service or assistance provided to an individual or an individual's family in need of services or assistance, including child welfare services, economic assistance programs, medical service programs, and aging service programs, to assist the individual or the individual's family in achieving and maintaining basic self-sufficiency, including physical health, mental health, education, welfare, food and nutrition, and housing.
 - b. A service or assistance provided, administered, or supervised by the department of human services in accordance with chapter 50-06.
 - c. Licensing duties as administered or supervised by the department of human services or delegated by the department of human services to a human service zone.

SECTION 19. AMENDMENT. Section 23-41-06 of the North Dakota Century Code is amended and reenacted as follows:

23-41-06. Duties of county agencieshuman service zones.

A ~~county agency~~human service zone shall:

1. Cooperate with the department in administering this chapter in its ~~county~~human service zone, subject to rules adopted by the ~~department~~state health council.
2. Make surveys and reports regarding children with special health care needs in the various counties to the department when the department directs and in the way the department directs.

3. Provide for the transportation of a child with special health care needs to a clinic for medical examination and to a hospital or a clinic for treatment.

SECTION 20. AMENDMENT. Section 25-04-08.1 of the North Dakota Century Code is amended and reenacted as follows:

25-04-08.1. Notification ~~prior to~~before discharge.

~~Prior to~~Before discharge the superintendent shall consult with the parent or guardian of the person to be discharged, or with the court ~~which that~~ ordered the commitment, and shall notify the director of the county social service board or human service zone of the county ~~wherein which~~ it is proposed that such person will assume residence and also shall notify the executive director of the department of human services.

SECTION 21. AMENDMENT. Section 25-04-11 of the North Dakota Century Code is amended and reenacted as follows:

25-04-11. Disposition of person who is not a legal resident.

If a person who has no legal residence in this state is subject to admission to the life skills and transition center or other appropriate state facility, by order of a court of competent jurisdiction, such person must be sent, at the expense of the county or human service zone, to the life skills and transition center in the same manner as a resident of this state who is found to be in need of services offered at the life skills and transition center, and the superintendent of the life skills and transition center shall then arrange for the transportation of such person to the place where the person belongs. The department of human services shall ascertain the place where such person belongs when the same conveniently can be done.

SECTION 22. AMENDMENT. Subsection 2 of section 25-04-16 of the North Dakota Century Code is amended and reenacted as follows:

2. Upon receipt of such application, the supervising department shall direct the ~~county social~~ human service board ~~zone~~ of the county from which the patient was admitted to determine whether the application is complete and supported by the required proofs. The supervising department shall approve, reject, or amend the determination made by the ~~county social~~ human service board ~~zone~~. The determination made by the supervising department may be appealed to the district court of the county of residence of the patient.

SECTION 23. AMENDMENT. Section 26.1-45-13 of the North Dakota Century Code is amended and reenacted as follows:

26.1-45-13. Qualified service providers.

Any insurance company providing long-term care coverage for home and community-based services shall pay a provider meeting qualified service provider standards a daily payment allowance as defined in the policy or certificate. "Qualified service provider" means a ~~county agency~~ human service zone or independent contractor that agrees to meet standards for personal attendant care service as established by the department of human services.

SECTION 24. AMENDMENT. Section 27-20-02 of the North Dakota Century Code is amended and reenacted as follows:

27-20-02. Definitions.

As used in this chapter:

1. "Abandon" means:

- a. As to a parent of a child not in the custody of that parent, failure by the noncustodial parent significantly without justifiable cause:
 - (1) To communicate with the child; or
 - (2) To provide for the care and support of the child as required by law; or
- b. As to a parent of a child in that parent's custody:
 - (1) To leave the child for an indefinite period without making firm and agreed plans, with the child's immediate caregiver, for the parent's resumption of physical custody;
 - (2) Following the child's birth or treatment at a hospital, to fail to arrange for the child's discharge within ten days after the child no longer requires hospital care; or
 - (3) To willfully fail to furnish food, shelter, clothing, or medical attention reasonably sufficient to meet the child's needs.
2. "Abandoned infant" means a child who has been abandoned before reaching the age of one year.
3. "Aggravated circumstances" means circumstances in which a parent:
 - a. Abandons, tortures, chronically abuses, or sexually abuses a child;
 - b. Fails to make substantial, meaningful efforts to secure treatment for the parent's addiction, mental illness, behavior disorder, or any combination of those conditions for a period equal to the lesser of:
 - (1) One year; or
 - (2) One-half of the child's lifetime, measured in days, as of the date a petition alleging aggravated circumstances is filed;
 - c. Engages in conduct prohibited under sections 12.1-20-01 through 12.1-20-08 or chapter 12.1-27.2, in which a child is the victim or intended victim;
 - d. Engages in conduct that constitutes one of the following crimes, or of an offense under the laws of another jurisdiction which requires proof of substantially similar elements:
 - (1) A violation of section 12.1-16-01, 12.1-16-02, 12.1-16-03, or 14-09-22 in which the victim is another child of the parent;
 - (2) Aiding, abetting, attempting, conspiring, or soliciting a violation of section 12.1-16-01, 12.1-16-02, or 12.1-16-03 in which the victim is a child of the parent; or
 - (3) A violation of section 12.1-17-02 in which the victim is a child of the parent and has suffered serious bodily injury;
 - e. Engages or attempts to engage in conduct, prohibited under sections 12.1-17-01 through 12.1-17-04, in which a child is the victim or intended victim;
 - f. Has been incarcerated under a sentence for which the latest release date is:
 - (1) In the case of a child age nine or older, after the child's majority; or
 - (2) In the case of a child, after the child is twice the child's current age, measured in days;

- g. Subjects the child to prenatal exposure to chronic or severe use of alcohol or any controlled substance as defined in chapter 19-03.1 in a manner not lawfully prescribed by a practitioner; or
 - h. Allows the child to be present in an environment subjecting the child to exposure to a controlled substance, chemical substance, or drug paraphernalia as prohibited by section 19-03.1-22.2.
4. "Child" means an individual who is:
- a. Under the age of eighteen years and is not married; or
 - b. Under the age of twenty years with respect to a delinquent act committed while under the age of eighteen years.
5. "Custodian" means a person, other than a parent or legal guardian, who stands in loco parentis to the child or a person to whom legal custody of the child has been given by order of a court.
6. "Delinquent act" means an act designated a crime under the law, including local ordinances or resolutions of this state, or of another state if the act occurred in that state, or under federal law, and the crime does not fall under subdivision c of subsection ~~19~~21.
7. "Delinquent child" means a child who has committed a delinquent act and is in need of treatment or rehabilitation.
8. "Deprived child" means a child who:
- a. Is without proper parental care or control, subsistence, education as required by law, or other care or control necessary for the child's physical, mental, or emotional health, or morals, and the deprivation is not due primarily to the lack of financial means of the child's parents, guardian, or other custodian;
 - b. Has been placed for care or adoption in violation of law;
 - c. Has been abandoned by the child's parents, guardian, or other custodian;
 - d. Is without proper parental care, control, or education as required by law, or other care and control necessary for the child's well-being because of the physical, mental, emotional, or other illness or disability of the child's parent or parents, and that such lack of care is not due to a willful act of commission or act of omission by the child's parents, and care is requested by a parent;
 - e. Is in need of treatment and whose parents, guardian, or other custodian have refused to participate in treatment as ordered by the juvenile court;
 - f. Was subject to prenatal exposure to chronic or severe use of alcohol or any controlled substance as defined in chapter 19-03.1 in a manner not lawfully prescribed by a practitioner;
 - g. Is present in an environment subjecting the child to exposure to a controlled substance, chemical substance, or drug paraphernalia as prohibited by section 19-03.1-22.2.
 - h. Is a victim of human trafficking as defined in title 12.1.
9. "Detention" means a physically secure facility with locked doors and does not include shelter care, attendant care, or home detention.
10. "Director" means the director of juvenile court or the director's designee.

11. "Fit and willing relative or other appropriate individual" means a relative or other individual who has been determined, after consideration of an assessment that includes a criminal history record investigation under chapter 50-11.3, to be a qualified person under chapter 30.1-27, and who consents in writing to act as a legal guardian.
12. "Home" when used in the phrase "to return home" means the abode of the child's parent with whom the child formerly resided.
13. "Host county" means the county within the human service zone in which the human service zone administrative office is located and in which the human service zone team members are employed.
14. "Human service zone" means a county or consolidated group of counties administering human services within a designated area in accordance with an agreement or plan approved by the department.
15. "Juvenile court" means the district court of this state.
- ~~14.~~16. "Juvenile drug court" means a program established in a judicial district consisting of intervention and assessment of juveniles involved in forms of substance abuse; frequent drug testing; intense judicial and probation supervision; individual, group, and family counseling; substance abuse treatment; educational opportunities; and use of sanctions and incentives.
- ~~15.~~17. "Permanency hearing" means a hearing, conducted with respect to a child who is in foster care, to determine the permanency plan for the child which includes:
 - a. Whether and, if applicable, when the child will be returned to the parent;
 - b. Whether and, if applicable, when the child will be placed for adoption and the state will file a petition for termination of parental rights;
 - c. Whether and, if applicable, when a fit and willing relative or other appropriate individual will be appointed as a legal guardian;
 - d. Whether and, if applicable, to place siblings in the same foster care, relative, guardianship, or adoptive placement, unless it is determined that the joint placement would be contrary to the safety or well-being of any of the siblings;
 - e. Whether and, if applicable, in the case of siblings removed from their home who are not jointly placed, to provide for frequent visitation or other ongoing interaction between the siblings, unless it is determined to be contrary to the safety or well-being of any of the siblings;
 - f. In cases in which a compelling reason has been shown that it would not be in the child's best interests to return home, to have parental rights terminated, to be placed for adoption, to be placed with a fit and willing relative, or to be placed with a legal guardian, whether and, if applicable, when the child, aged sixteen or older, will be placed in another planned permanent living arrangement. The court shall:
 - (1) Ask the child whether the child has a desired permanency outcome of another planned permanent living arrangement,
 - (2) Make a judicial determination explaining why another planned permanent living arrangement is the best permanency plan for the child, and
 - (3) Identify the compelling reasons it continues not to be in the best interest of the child to return home, be placed for adoption, be placed with a legal guardian, or be placed with a fit and willing relative;

- g. In the case of a child who has been placed in foster care outside the state in which the home of the parents is located, or if the parents maintain separate homes, outside the state in which the home of the parent who was the child's primary caregiver is located, whether out-of-state placements have been considered. If the child is currently in an out-of-state placement, the court shall determine whether the placement continues to be appropriate and in the child's best interests; and
- h. In the case of a child who has attained age fourteen, the services needed to assist the child to make the transition to successful adulthood.

~~16-18.~~ "Protective supervision" means supervision ordered by the court of children found to be deprived or unruly.

~~17-19.~~ "Relative" means:

- a. The child's grandparent, great-grandparent, sibling, half-sibling, aunt, great-aunt, uncle, great-uncle, nephew, niece, or first cousin;
- b. An individual with a relationship to the child, derived through a current or former spouse of the child's parent, similar to a relationship described in subdivision a;
- c. An individual recognized in the child's community as having a relationship with the child similar to a relationship described in subdivision a; or
- d. The child's stepparent.

~~18-20.~~ "Shelter care" means temporary care of a child in physically unrestricted facilities.

~~19-21.~~ "Unruly child" means a child who:

- a. Is habitually and without justification truant from school;
- b. Is habitually disobedient of the reasonable and lawful commands of the child's parent, guardian, or other custodian and is ungovernable or who is willfully in a situation dangerous or injurious to the health, safety, or morals of the child or others;
- c. Has committed an offense applicable only to a child, except for an offense committed by a minor fourteen years of age or older under subsection 2 of section 12.1-31-03 or an equivalent local ordinance or resolution;
- d. Has committed an offense in violation of section 5-01-08; or
- e. Is under the age of fourteen years and has purchased, possessed, smoked, or used tobacco, tobacco-related products, electronic smoking devices, or alternative nicotine products in violation of subsection 2 of section 12.1-31-03; and
- f. In any of the foregoing instances is in need of treatment or rehabilitation.

As used in this subsection, "electronic smoking devices" and "alternative nicotine products" have the same meaning as in section 12.1-31-03.

~~20-22.~~ "Willfully" has the meaning provided in section 12.1-02-02.

SECTION 25. AMENDMENT. Section 27-20-11 of the North Dakota Century Code is amended and reenacted as follows:

27-20-11. Venue.

A proceeding under this chapter may be commenced in the county in which the child resides. A proceeding under section 27-20-30.1 must be commenced in the ~~administrative~~ county within the

administrative human service zone, as determined by the department of human services. If delinquent or unruly conduct is alleged, the proceeding may be commenced in the county in which the acts constituting the alleged delinquent or unruly conduct occurred. If deprivation is alleged, the proceeding may be brought in the county in which the child is present when it is commenced, the county in which the child has resided the majority of the thirty days prior to the date of the alleged deprivation, or the county where the alleged deprivation has occurred. The court shall determine the appropriate venue for a deprivation action based upon the best interests of the child.

SECTION 26. AMENDMENT. Section 27-20-20.1 of the North Dakota Century Code is amended and reenacted as follows:

27-20-20.1. Petition to terminate parental rights - When brought - Definitions.

1. A petition to terminate parental rights may be made as provided under this section and section 27-20-45.
2. Except as provided in subsection 3, a petition for termination of parental rights must be filed:
 - a. If the child has been in foster care, in the custody of the department or county social service board, or, in cases arising out of an adjudication by the court that a child is an unruly child, the division of juvenile services, for at least four hundred fifty out of the previous six hundred sixty nights;
 - b. Within sixty days after a court of competent jurisdiction has found the child to be an abandoned infant; or
 - c. Within sixty days after a court of competent jurisdiction has convicted the child's parent of one of the following crimes, or of an offense under the laws of another jurisdiction which requires proof of substantially similar elements:
 - (1) A violation of section 12.1-16-01, 12.1-16-02, or 12.1-16-03, or subsection 1 of section 14-09-22 in which the victim is another child of the parent;
 - (2) Aiding, abetting, attempting, conspiring, or soliciting a violation of section 12.1-16-01, 12.1-16-02, or 12.1-16-03 in which the victim is a child of the parent; or
 - (3) A violation of section 12.1-17-02 in which the victim is a child of the parent and has suffered serious bodily injury.
3. A petition for termination of parental rights need not be filed if:
 - a. The child is being cared for by a relative approved by the department in collaboration with the county social service board;
 - b. The department or county social service board has documented in the case plan a compelling reason for determining that filing such a petition would not be in the child's best interests and has notified the court that the documentation is available for review by the court; or
 - c. The department or county social service board has determined:
 - (1) Reasonable efforts to preserve and reunify the family are required under section 27-20-32.2 to be made with respect to the child;
 - (2) The case plan provides such services are necessary for the safe return of the child to the child's home; and
 - (3) Such services have not been provided consistent with time periods described in the case plan.

4. For purposes of subsection 2, a child in foster care entered foster care on the earlier of:
 - a. The date of the court's order if the court:
 - (1) Made a finding that the child has been subjected to child abuse or neglect;
 - (2) Determined that it is unsafe or contrary to the welfare of the child to remain in the home; and
 - (3) Granted custody of the child to the department or county social service board or, in cases arising out of an adjudication by the court that a child is an unruly child, the division of juvenile services; or
 - b. The date that is sixty days after:
 - (1) The date of a hearing under section 27-20-17 which results in retaining a child in shelter care;
 - (2) The date of an order in a dispositional hearing under which a child is placed in foster care; or
 - (3) The date a child is placed in foster care voluntarily and with the consent of the child's parent.
5. For purposes of subsection 2, a child leaves foster care when:
 - a. The court enters an order:
 - (1) Denying a petition to grant care, custody, and control of the child to the ~~department~~county social service board or the division of juvenile services;
 - (2) Terminating an order that granted custody of the child to the department, the county social service board, or the division of juvenile services; or
 - (3) Appointing a legal guardian under section 27-20-48.1;
 - b. The court order under which the child entered foster care ends by operation of law;
 - c. The child is placed in a parental home by the court or a legal custodian other than the division of juvenile services and the legal custodian lacks authority to remove the child without further order of the court; or
 - d. The child is placed in a parental home by the division of juvenile services.
6. For purposes of subsection 2, a child is not in foster care on any night during which the child is:
 - a. On a trial home visit;
 - b. Receiving services at the youth correctional center pursuant to an adjudication of delinquency; or
 - c. Absent without leave from the place in which the child was receiving foster care.
7. For purposes of this section:
 - a. "A finding that the child has been subjected to child abuse or neglect" means:
 - (1) A finding of deprivation made under chapter 27-20; or

- (2) A conviction of a person, responsible for a child's welfare, for conduct involving the child, under chapter 12.1-16 or sections 12.1-17-01 through 12.1-17-04 or 12.1-20-01 through 12.1-20-08.
- b. "Compelling reason" means a recorded statement that reflects consideration of:
 - (1) The child's age;
 - (2) The portion of the child's life spent living in the household of a parent of the child;
 - (3) The availability of an adoptive home suitable to the child's needs;
 - (4) Whether the child has special needs; and
 - (5) The expressed wishes of a child age ten or older.
- c. "Department" means the department of human services or its designee, including any county social service board.

SECTION 27. AMENDMENT. Section 27-20-20.1 of the North Dakota Century Code is amended and reenacted as follows:

27-20-20.1. Petition to terminate parental rights - When brought - Definitions.

1. A petition to terminate parental rights may be made as provided under this section and section 27-20-45.
2. Except as provided in subsection 3, a petition for termination of parental rights must be filed:
 - a. If the child has been in foster care, in the custody of the department, human service zone, or county social service board, or, in cases arising out of an adjudication by the court that a child is an unruly child, the division of juvenile services, for at least four hundred fifty out of the previous six hundred sixty nights;
 - b. Within sixty days after a court of competent jurisdiction has found the child to be an abandoned infant; or
 - c. Within sixty days after a court of competent jurisdiction has convicted the child's parent of one of the following crimes, or of an offense under the laws of another jurisdiction which requires proof of substantially similar elements:
 - (1) A violation of section 12.1-16-01, 12.1-16-02, or 12.1-16-03, or subsection 1 of section 14-09-22 in which the victim is another child of the parent;
 - (2) Aiding, abetting, attempting, conspiring, or soliciting a violation of section 12.1-16-01, 12.1-16-02, or 12.1-16-03 in which the victim is a child of the parent; or
 - (3) A violation of section 12.1-17-02 in which the victim is a child of the parent and has suffered serious bodily injury.
3. A petition for termination of parental rights need not be filed if:
 - a. The child is being cared for by a relative approved by the department ~~in collaboration with the county social service board~~ and human service zone;
 - b. The department, human service zone, or county social service board has documented in the case plan a compelling reason for determining that filing such a petition would not be in the child's best interests and has notified the court that the documentation is available for review by the court; or

- c. The department or county social service board before January 1, 2021, or the human service zone has determined:
 - (1) Reasonable efforts to preserve and reunify the family are required under section 27-20-32.2 to be made with respect to the child;
 - (2) The case plan provides such services are necessary for the safe return of the child to the child's home; and
 - (3) Such services have not been provided consistent with time periods described in the case plan.
4. For purposes of subsection 2, a child in foster care entered foster care on the earlier of:
 - a. The date of the court's order if the court:
 - (1) Made a finding that the child has been subjected to child abuse or neglect;
 - (2) Determined that it is unsafe or contrary to the welfare of the child to remain in the home; and
 - (3) Granted custody of the child to the department, human service zone, or county social service board or, in cases arising out of an adjudication by the court that a child is an unruly child, the division of juvenile services; or
 - b. The date that is sixty days after:
 - (1) The date of a hearing under section 27-20-17 which results in retaining a child in shelter care;
 - (2) The date of an order in a dispositional hearing under which a child is placed in foster care; or
 - (3) The date a child is placed in foster care voluntarily and with the consent of the child's parent.
5. For purposes of subsection 2, a child leaves foster care when:
 - a. The court enters an order:
 - (1) Denying a petition to grant care, custody, and control of the child to the ~~county social service board~~human service zone or the division of juvenile services;
 - (2) Terminating an order that granted custody of the child to the ~~department, the county social service board,~~human service zone or the division of juvenile services; or
 - (3) Appointing a legal guardian under section 27-20-48.1;
 - b. The court order under which the child entered foster care ends by operation of law;
 - c. The child is placed in a parental home by the court or a legal custodian other than the division of juvenile services and the legal custodian lacks authority to remove the child without further order of the court; or
 - d. The child is placed in a parental home by the division of juvenile services.
6. For purposes of subsection 2, a child is not in foster care on any night during which the child is:
 - a. On a trial home visit;

- b. Receiving services at the youth correctional center pursuant to an adjudication of delinquency; or
 - c. Absent without leave from the place in which the child was receiving foster care.
7. For purposes of this section:
- a. "A finding that the child has been subjected to child abuse or neglect" means:
 - (1) A finding of deprivation made under chapter 27-20; or
 - (2) A conviction of a person, responsible for a child's welfare, for conduct involving the child, under chapter 12.1-16 or sections 12.1-17-01 through 12.1-17-04 or 12.1-20-01 through 12.1-20-08.
 - b. "Compelling reason" means a recorded statement that reflects consideration of:
 - (1) The child's age;
 - (2) The portion of the child's life spent living in the household of a parent of the child;
 - (3) The availability of an adoptive home suitable to the child's needs;
 - (4) Whether the child has special needs; and
 - (5) The expressed wishes of a child age ten or older.
 - c. "Department" means the department of human services or its designee, including any county social service board.
 - d. "Human service zone" means a county or consolidated group of counties administering human services within a designated area in accordance with an agreement or plan approved by the department.

SECTION 28. AMENDMENT. Section 27-20-30 of the North Dakota Century Code is amended and reenacted as follows:

27-20-30. Disposition of deprived child.

- 1. If the child is found to be a deprived child, the court may make any of the following orders of disposition best suited to the protection and physical, mental, and moral welfare of the child:
 - a. Permit the child to reside with the child's parents, guardian, or other custodian, subject to conditions and limitations as the court prescribes, including supervision as directed by the court for the protection of the child.
 - b. Subject to conditions and limitations as the court prescribes, transfer temporary legal custody to any of the following:
 - (1) An agency or other private organization licensed or otherwise authorized by law to receive and provide care for the child.
 - (2) The director of the ~~county social~~ human service board ~~zone~~ or other public agency authorized by law to receive and provide care for the child.
 - c. Require the parents, guardian, or other custodian to participate in treatment.
 - d. Appoint a fit and willing relative or other appropriate individual as the child's legal guardian.

- e. In cases in which a compelling reason has been shown that it would not be in the child's best interests to return home, to have parental rights terminated, to be placed for adoption, to be placed with a fit and willing relative, or to be placed with a legal guardian, establish, by order, some other planned permanent living arrangement.
 - f. Without a compelling reason to the contrary, a court order that transfers the child from the current protective placement to a parent or other biological family must provide a reasonable period of time to facilitate a beneficial transition for the child and other parties involved.
2. Unless a child found to be deprived is found also to be delinquent or unruly and not amenable to treatment, the child may not be committed to or confined in an institution or other facility designed or operated for the benefit of delinquent children.

SECTION 29. AMENDMENT. Section 27-20-30.1 of the North Dakota Century Code is amended and reenacted as follows:

27-20-30.1. Disposition of child needing continued foster care services.

1. For purposes of this section, "child" means an individual between the ages of eighteen and twenty-one years who is in need of continued foster care services.
2. A petition to commence an action under this section must contain information required under section 27-20-21 along with an affidavit either prepared by the administrative ~~county~~human service zone, as determined by the department of human services, or prepared by an agency or tribal council of a recognized Indian reservation in North Dakota.
3. The court shall issue a summons in accordance with section 27-20-22 upon the filing of a petition and affidavit.
4. If a child is in need of continued foster care services as determined by the human service zone and the department of human services and as set forth in a continued foster care agreement, the court shall make the following judicial determination:
 - a. That the child is not deprived, delinquent, or unruly but is in need of continued foster care services;
 - b. That the child will remain in or will return to foster care pursuant to the child's continued foster care agreement;
 - c. That the child's continued foster care agreement has been willfully entered between:
 - (1) The human service zone and the department of human services or its agent, the child, and the foster care provider; or
 - (2) An agency or tribal council of a recognized Indian reservation in North Dakota if the child is not subject to the jurisdiction of the state of North Dakota, the child, and the foster care provider;
 - d. That it is in the best interest of the child to remain in or return to foster care;
 - e. That reasonable efforts were made in accordance with subsection 7 of section 27-20-32.2;
 - f. That the child has attained the age of eighteen or older but does not exceed the age of twenty-one years;

- g. That the child has satisfied the education, employment, or disability requirements under the Fostering Connections to Success and Increasing Adoptions Act of 2008 [Pub. L. 110-351] and as set forth by the department of human services;
 - h. That the administrative ~~county~~human service zone, as determined by the department, or that an agency or tribal council of a recognized Indian reservation in North Dakota, shall continue foster care case management, unless otherwise agreed to or required by the department;
 - i. That the administrative ~~county~~human service zone or an agency or tribal council of a recognized Indian reservation in North Dakota must have care and placement responsibility of the child;
 - j. That permanency hearing must be as set forth in section 27-20-36; and
 - k. That there are no grounds to file a petition to terminate parental rights under chapter 27-20.
5. Pursuant to ~~N.D.R. Juv.P., Rule 16~~rule 16 of the North Dakota Rules of Juvenile Procedure, a court may modify or vacate the judicial determination made under subsection 4.

SECTION 30. AMENDMENT. Subsection 2 of section 27-20-31 of the North Dakota Century Code is amended and reenacted as follows:

2. Placing the child on probation under the supervision of the director, probation officer, or other appropriate officer of the court or the director of the ~~county social~~human service board~~zone~~ under conditions and limitations the court prescribes;

SECTION 31. AMENDMENT. Section 27-20-38 of the North Dakota Century Code is amended and reenacted as follows:

27-20-38. Rights and duties of legal custodian.

A custodian to whom legal custody has been given by the court under this chapter has:

1. The right to the physical custody of the child and the right to determine the nature of the care, placement, and treatment of the child, including ordinary medical care as well as medical or surgical treatment for a serious physical condition or illness which in the opinion of a licensed physician requires prompt treatment, except for any limits the court may impose.
2. The right and duty to provide for the care, protection, training, and education and the physical, mental, and moral welfare of the child, subject to the conditions and limitations of the order and to the remaining rights and duties of the child's parents or guardian.
3. A duty within thirty days after the removal of a child from the custody of the parent or parents of the child for the purpose of placement into foster care, to exercise due diligence to identify and provide notice to the following relatives: all parents of a sibling of the child entering foster care who have legal custody of the sibling, all adult grandparents, and any other adult suggested by the parents, subject to exceptions due to family or domestic violence, that:
 - a. Specifies that the child has been or is being removed from the custody of the parent or parents of the child;
 - b. Explains the options the relative has under federal, state, and local law to participate in the care and placement of the child, including any options that may be lost by failing to respond to the notice;
 - c. Describes the requirements and standards to become a foster family home and the additional services and supports that are available for children placed in that home; and

- d. Describes how the relative of the child may enter into an agreement with the department and county social service board to receive a subsidized guardianship payment.
4. For purposes of this section, "sibling of the child entering foster care" means:
 - a. A brother or sister who has at least one biological or adoptive parent in common;
 - b. A fictive brother or sister with a significant bond as identified by the child or parent; or
 - c. A child that would have been considered a sibling but for the termination or other disruption of parental rights, including a death of a parent.

SECTION 32. AMENDMENT. Section 27-20-38 of the North Dakota Century Code is amended and reenacted as follows:

27-20-38. Rights and duties of legal custodian.

A custodian to whom legal custody has been given by the court under this chapter has:

1. The right to the physical custody of the child and the right to determine the nature of the care, placement, and treatment of the child, including ordinary medical care as well as medical or surgical treatment for a serious physical condition or illness which in the opinion of a licensed physician requires prompt treatment, except for any limits the court may impose.
2. The right and duty to provide for the care, protection, training, and education and the physical, mental, and moral welfare of the child, subject to the conditions and limitations of the order and to the remaining rights and duties of the child's parents or guardian.
3. A duty within thirty days after the removal of a child from the custody of the parent or parents of the child for the purpose of placement into foster care, to exercise due diligence to identify and provide notice to the following relatives: all parents of a sibling of the child entering foster care who have legal custody of the sibling, all adult grandparents, and any other adult suggested by the parents, subject to exceptions due to family or domestic violence, that:
 - a. Specifies that the child has been or is being removed from the custody of the parent or parents of the child;
 - b. Explains the options the relative has under federal, state, and local law to participate in the care and placement of the child, including any options that may be lost by failing to respond to the notice;
 - c. Describes the requirements and standards to become a foster family home and the additional services and supports that are available for children placed in that home; and
 - d. Describes how the relative of the child may enter into an agreement with the department and ~~county social service board~~human service zone to receive a subsidized guardianship payment.
4. For purposes of this section, "sibling of the child entering foster care" means:
 - a. A brother or sister who has at least one biological or adoptive parent in common;
 - b. A fictive brother or sister with a significant bond as identified by the child or parent; or
 - c. A child that would have been considered a sibling but for the termination or other disruption of parental rights, including a death of a parent.

SECTION 33. AMENDMENT. Section 27-20-44 of the North Dakota Century Code is amended and reenacted as follows:

27-20-44. Termination of parental rights.

1. The court by order may terminate the parental rights of a parent with respect to the parent's child if:
 - a. The parent has abandoned the child;
 - b. The child is subjected to aggravated circumstances as defined under subsection 3 of section 27-20-02;
 - c. The child is a deprived child and the court finds:
 - (1) The conditions and causes of the deprivation are likely to continue or will not be remedied and that by reason thereof the child is suffering or will probably suffer serious physical, mental, moral, or emotional harm; or
 - (2) The child has been in foster care, in the care, custody, and control of the department, ~~or~~ a county social service board, or human service zone, or, in cases arising out of an adjudication by the juvenile court that a child is an unruly child, the division of juvenile services, for at least four hundred fifty out of the previous six hundred sixty nights; or
 - d. The written consent of the parent acknowledged before the court has been given.
2. If the court does not make an order of termination of parental rights, it may grant an order under section 27-20-30 if the court finds from clear and convincing evidence that the child is a deprived child.

SECTION 34. AMENDMENT. Section 27-20-45 of the North Dakota Century Code is amended and reenacted as follows:

27-20-45. Proceeding for termination of parental rights.

1. The petition must comply with section 27-20-21 and state clearly that an order for termination of parental rights is requested and that the effect will be as stated in section 27-20-46.
2. If both of the natural parents of the child are not named in the petition either as petitioner or as respondent, the court shall cause inquiry to be made of the petitioner and other appropriate persons in an effort to identify an unnamed parent. The inquiry must include, to the extent necessary and appropriate, all of the following:
 - a. Whether any man is presumed to be the father of the child under chapter 14-20.
 - b. Whether the natural mother of the child was cohabiting with a man at the time of conception or birth of the child.
 - c. Whether the natural mother of the child has received from any man support payments or promises of support with respect to the child or in connection with her pregnancy.
 - d. Whether any person has formally or informally acknowledged or declared that person's possible parentage of the child.
 - e. Whether any person claims any right to custody of the child.
3. The court shall add as respondent to the petition and cause to be served with a summons any person identified by the court as an unnamed parent, unless the person has relinquished parental rights, or parental rights have been previously terminated by a court.
4. If the court, after inquiry, is unable to identify an unnamed parent and no person has appeared in the proceeding claiming to be an unnamed parent of the child or to have any right of

custody of the child, the court shall enter an order terminating all parental rights of the unnamed parent with reference to the child and the parent and child relationship.

5. If a petition for termination of parental rights is made by a parent of the child under this section or if a parent consents to termination of parental rights under section 27-20-44, that parent is entitled under section 27-20-26 to legal counsel during all stages of a proceeding to terminate the parent and child relationship.
6. Subject to the disposition of an appeal, upon the expiration of thirty days after an order terminating parental rights is issued under this section, the order cannot be questioned by any person, including the petitioner, in any manner, or upon any ground, including fraud, misrepresentation, failure to give any required notice, or lack of jurisdiction of the parties or of the subject matter, unless the person retained custody of the child.
7. At least ten days before the petition is heard, the clerk of district court or juvenile court shall provide a copy of the petition and summons, if any, to the county social service board and the department of human services.

SECTION 35. AMENDMENT. Section 27-20-45 of the North Dakota Century Code is amended and reenacted as follows:

27-20-45. Proceeding for termination of parental rights.

1. The petition must comply with section 27-20-21 and state clearly that an order for termination of parental rights is requested and that the effect will be as stated in section 27-20-46.
2. If both of the natural parents of the child are not named in the petition either as petitioner or as respondent, the court shall cause inquiry to be made of the petitioner and other appropriate persons in an effort to identify an unnamed parent. The inquiry must include, to the extent necessary and appropriate, all of the following:
 - a. Whether any man is presumed to be the father of the child under chapter 14-20.
 - b. Whether the natural mother of the child was cohabiting with a man at the time of conception or birth of the child.
 - c. Whether the natural mother of the child has received from any man support payments or promises of support with respect to the child or in connection with her pregnancy.
 - d. Whether any person has formally or informally acknowledged or declared that person's possible parentage of the child.
 - e. Whether any person claims any right to custody of the child.
3. The court shall add as respondent to the petition and cause to be served with a summons any person identified by the court as an unnamed parent, unless the person has relinquished parental rights, or parental rights have been previously terminated by a court.
4. If the court, after inquiry, is unable to identify an unnamed parent and no person has appeared in the proceeding claiming to be an unnamed parent of the child or to have any right of custody of the child, the court shall enter an order terminating all parental rights of the unnamed parent with reference to the child and the parent and child relationship.
5. If a petition for termination of parental rights is made by a parent of the child under this section or if a parent consents to termination of parental rights under section 27-20-44, that parent is entitled under section 27-20-26 to legal counsel during all stages of a proceeding to terminate the parent and child relationship.

6. Subject to the disposition of an appeal, upon the expiration of thirty days after an order terminating parental rights is issued under this section, the order cannot be questioned by any person, including the petitioner, in any manner, or upon any ground, including fraud, misrepresentation, failure to give any required notice, or lack of jurisdiction of the parties or of the subject matter, unless the person retained custody of the child.
7. At least ten days before the petition is heard, the clerk of district court or juvenile court shall provide a copy of the petition and summons, if any, to the ~~county social service board~~human service zone and the department of human services.

SECTION 36. AMENDMENT. Section 27-20-47 of the North Dakota Century Code is amended and reenacted as follows:

27-20-47. Disposition upon termination of parental rights.

1. If, upon entering an order terminating the parental rights of a parent, there is no parent having parental rights, the court shall:
 - a. Commit the child to the custody of the ~~executive director of the department of human services~~county social service director or a licensed child-placing agency willing to accept custody for the purpose of placing the child for adoption or, in the absence thereof, in a foster home;
 - b. Appoint a fit and willing relative or other appropriate individual as the child's legal guardian; or
 - c. Establish some other planned permanent living arrangement.
2. The custodian has the rights of a legal custodian and authority to consent to the child's adoption, marriage, enlistment in the armed forces of the United States, and surgical and other medical treatment.
3. If the child is not placed for adoption within twelve months after the date of the order and a legal guardianship or other planned permanent living arrangement for the child has not been established by a court of competent jurisdiction, the child must be returned to the court issuing the original termination order for entry of further orders for the care, custody, and control of the child.

SECTION 37. AMENDMENT. Section 27-20-47 of the North Dakota Century Code is amended and reenacted as follows:

27-20-47. Disposition upon termination of parental rights.

1. If, upon entering an order terminating the parental rights of a parent, there is no parent having parental rights, the court shall:
 - a. Commit the child to the custody of the ~~county social service~~human service zone director or a licensed child-placing agency willing to accept custody for the purpose of placing the child for adoption or, in the absence thereof, in a foster home;
 - b. Appoint a fit and willing relative or other appropriate individual as the child's legal guardian; or
 - c. Establish some other planned permanent living arrangement.
2. The custodian has the rights of a legal custodian and authority to consent to the child's adoption, marriage, enlistment in the armed forces of the United States, and surgical and other medical treatment.

3. If the child is not placed for adoption within twelve months after the date of the order and a legal guardianship or other planned permanent living arrangement for the child has not been established by a court of competent jurisdiction, the child must be returned to the court issuing the original termination order for entry of further orders for the care, custody, and control of the child.

SECTION 38. AMENDMENT. Section 27-20-49 of the North Dakota Century Code is amended and reenacted as follows:

27-20-49. Costs and expenses for care of child.

1. The following expenses are a charge upon the funds of the county or human service zone upon certification thereof by the court:
 - a. The cost of medical and other examinations and treatment of a child ordered by the court.
 - b. The cost of care and support of a child committed by the court to the legal custody of a public agency other than an institution for delinquent children or to a private agency or individual other than a parent.
 - c. The cost of any necessary transportation for medical and other examinations and treatment of a child ordered by the court unless the child is in the legal custody of a state agency.
2. The commission on legal counsel for indigents shall pay reasonable compensation for services and related expenses of counsel provided at public expense for a party and the supreme court shall pay reasonable compensation for a guardian ad litem. The attorney general shall pay the witness fees, mileage, and travel expense of witnesses incurred in the proceedings under this chapter in the amount and at the rate provided for in section 31-01-16. Expenses of the state include the cost of any necessary transportation for medical and other examinations and treatment of a child ordered by the court if the child is in the legal custody of a state agency in which case the cost must be reimbursed to the county or human service zone by that state agency at the state mileage rate, excluding meals and lodging, plus twenty-nine cents per mile.
3. If, after due notice to the parents or other persons legally obligated to care for and support the child, and to a child over the age of eighteen, and after affording them an opportunity to be heard, the court finds that they are financially able to pay all or part of the costs and expenses stated in subsection 1, and expenses payable by the supreme court under subsection 2, the court may order them to pay the same and prescribe the manner of payment. Unless otherwise ordered, payment shall be made to the clerk of the juvenile court for remittance to the person to whom compensation is due, or if the costs and expenses have been paid by the county, human service zone, or the state to the county treasurer of the county, the county treasurer of the host county, or to the state treasurer.
4. Unless it finds that there is no likelihood that the party is or will be able to pay attorney's fees and expenses, the court, in its order or judgment following a hearing under this chapter, shall order the parents or other persons legally obligated to care for and support the child, and the child if over the age of eighteen, to reimburse the presumed amount of indigent defense costs and expenses, as determined by the commission on legal counsel for indigents, and shall notify the party of the right to a hearing on the reimbursement amount. If the party or the state requests a hearing within thirty days of receiving notice under this subsection, the court shall schedule a hearing at which the actual amount of attorney's fees and expenses must be shown. In determining the amount of reimbursement and method of payment, the court shall consider the financial resources of the party and the nature of the burden that reimbursement of costs and expenses will impose.

5. A party who is required to reimburse indigent defense costs and expenses and who is not willfully in default in that reimbursement may at any time petition the court to waive reimbursement of all or any portion of the attorney's fees and expenses. If the court is satisfied that reimbursement of the amount due will impose undue hardship on the party or the party's immediate family, the court may waive reimbursement of all or any portion of the amount due or modify the method of payment.

SECTION 39. AMENDMENT. Section 27-20-54 of the North Dakota Century Code is amended and reenacted as follows:

27-20-54. Destruction of juvenile court records.

1. Except as otherwise required under section 25-03.3-04, all juvenile court records must be retained and disposed of pursuant to rules and policies established by the North Dakota supreme court.
2. Upon the final destruction of a file or record, the proceeding must be treated as if it never occurred. The juvenile court shall notify each agency named in the file or record of the destruction. All index references, except those which may be made by the attorney general and the directors of the department of transportation, the department of human services, the department of corrections and rehabilitation, law enforcement agencies, and ~~county social service agencies~~human service zones, must be deleted. Each agency, except the attorney general and the directors of the department of transportation, the department of human services, the department of corrections and rehabilitation, law enforcement agencies, and ~~county social service agencies~~human service zones, upon notification of the destruction of a file or record, shall destroy all files, records, and references to the child's apprehension, detention, and referral to the juvenile court and any record of disposition made by the juvenile court. The attorney general, the department of human services, the department of corrections and rehabilitation, law enforcement agencies, and ~~county social service agencies~~human service zones may not keep a juvenile file or record longer than is required by the records retention policy of that official, department, or agency. Upon inquiry in any matter the child, the court, and representatives of agencies, except the attorney general and the directors of the department of transportation, the department of human services, the department of corrections and rehabilitation, law enforcement agencies, and ~~county social service agencies~~human service zones, shall properly reply that no record exists with respect to the child.

SECTION 40. AMENDMENT. Subsection 2 of section 27-21-12 of the North Dakota Century Code is amended and reenacted as follows:

2. Notwithstanding any other provisions of law relating to confidentiality, except for the confidentiality requirements of federal drug and alcohol treatment and rehabilitation laws, the division may disclose all or part of a juvenile's files and records, including juvenile court orders, medical, psychological, education, and treatment and counseling records, to individuals employed by the following if the knowledge is reasonably necessary in the best interest of the juvenile and for the protection of others:
 - a. The district court or juvenile court.
 - b. A parent or legal guardian of the juvenile, the parent's or legal guardian's counsel, or the juvenile's counsel, when the juvenile court has committed the juvenile to the custody of the division of juvenile services, and the records are relevant to a proceeding under chapter 27-20 or to a placement hearing under section 27-21-02.1, or when disclosure is necessary for the juvenile's treatment and rehabilitation plan. If the juvenile court determines that it is against the best interests of the juvenile to disclose records to a parent or legal guardian, the juvenile court may issue an order prohibiting disclosure and describing the records that may not be disclosed.

- c. An employee or agent of any division of the department of corrections and rehabilitation when necessary to carry out the duties of the department.
- d. The department of human services or a ~~county social~~ human service agency zone.
- e. A licensed hospital or medical facility, a public or private treatment facility, or a residential care or treatment facility, when necessary for the evaluation, treatment, or care of a juvenile in the custody of the division of juvenile services.
- f. A law enforcement agency when the division has reasonable grounds to believe the juvenile has committed a delinquent act or has threatened to commit a delinquent act involving serious bodily injury, or when the juvenile is required to register, or is registered, under section 12.1-32-15.
- g. A school district or multidistrict special education program in which the juvenile is enrolled.
- h. The office of the attorney general.
- i. The risk management division of the office of management and budget and investigators, consultants, or experts retained by the state for the purpose of investigating and defending claims under chapter 32-12.2.

SECTION 41. AMENDMENT. Section 30-16-04 of the North Dakota Century Code is amended and reenacted as follows:

30-16-04. Descent and distribution of real property subject to homestead estate.

The real property subjected to the homestead estate descends, subject to the full satisfaction of that estate, exempt from decedent's debts except claims in favor of the county for county general assistance, ~~the department of human services for general assistance~~, and also for claims of the state of North Dakota for repayment of old-age assistance and aid to the permanently and totally disabled and as otherwise provided in section 47-18-04, and must be distributed in the manner in which real property not subjected to a homestead estate is distributed or as directed in the decedent's will. The real property constituting the homestead of a decedent, or any part thereof, may not descend or be distributed to any person other than the surviving spouse and decedent's heirs in the direct descending line as prescribed in title 30.1 until all the decedent's debts are fully paid.

SECTION 42. AMENDMENT. Subsection 1 of section 30.1-26-01 of the North Dakota Century Code is amended and reenacted as follows:

- 1. "Alternative resource plan" means a plan that provides an alternative to guardianship, using available support services and arrangements which are acceptable to the alleged incapacitated person. The plan may include the use of providers of service such as visiting nurses, homemakers, home health aides, personal care attendants, adult day care and multipurpose senior citizen centers; home and community-based care, ~~county social services~~ human service zones, and developmental disability services; powers of attorney, representative and protective payees; and licensed congregate care facilities.

SECTION 43. AMENDMENT. Subsection 3 of section 30.1-28-11 of the North Dakota Century Code is amended and reenacted as follows:

- 3. Except as provided in subsection 2, persons who are not disqualified have priority for appointment as guardian in the following order:
 - a. A person nominated by the incapacitated person prior to being determined to be incapacitated, when nominated by means other than provided in subsection 2, if the incapacitated person is fourteen or more years of age and, in the opinion of the court, acted with or has sufficient mental capacity to make an intelligent choice.

- b. The spouse of the incapacitated person.
- c. An adult child of the incapacitated person.
- d. A parent of the incapacitated person, including a person nominated by will or other writing signed by a deceased parent.
- e. Any relative of the incapacitated person with whom the incapacitated person has resided for more than six months prior to the filing of the petition.
- f. Any relative or friend who has maintained significant contacts with the incapacitated person or a designated person from a volunteer agency.
- g. A nonprofit corporation established to provide guardianship services; provided, that the corporation does not provide direct care to incapacitated persons. The corporation shall file with the court the name of an employee, volunteer, or other person from the corporation who is directly responsible for the guardianship of each incapacitated person, and shall notify the court in the event the person for any reason ceases to so act, or if a successor is named.
- h. Any appropriate government agency, including ~~county~~socialhuman service ~~agencies~~zones, except as limited by subsection 1.
- i. A person nominated by the person who is caring for or paying benefits to the incapacitated person.

SECTION 44. AMENDMENT. Subdivision h of subsection 1 of section 40-01.1-04 of the North Dakota Century Code is amended and reenacted as follows:

- h. Use of other statutory tools relating to social and economic development, land use, transportation and roads, health, law enforcement, administrative and fiscal services, recording and registration services, educational services, environmental quality, water, sewer, solid waste, flood relief, parks and open spaces, hospitals, public buildings, or other county functions or services, including creation of cooperative county job development authorities pursuant to section 11-11.1-03, multicounty health units pursuant to chapter 23-35, regional planning and zoning commissions pursuant to section 11-35-01, boards of joint county park districts pursuant to chapter 11-28 or a combination of boards of park commissioners with a city pursuant to chapter 40-49.1, or ~~multicounty~~socialhuman service ~~districts~~zones pursuant to chapter 50-01.1.

SECTION 45. AMENDMENT. Section 50-01-01 of the North Dakota Century Code is amended and reenacted as follows:

50-01-01. ~~County~~Human service zone obligated to support poor - Eligibility for assistance - ~~Transfer of property as security for assistance.~~

Within the limits of the ~~county~~ human services~~service zone~~ appropriation, each ~~county~~human service zone in this state is obligated, upon receipt of a written application, to provide ~~county~~ general assistance to persons who are residents of the ~~county~~human service zone and who are eligible. To be eligible for ~~county~~ general assistance, the applicant:

1. May not have made, before or after making an application for ~~county~~ general assistance, an assignment or transfer of property for the purpose of rendering the applicant eligible for assistance.
2. Shall comply with the written eligibility standards for ~~county~~ general assistance established by the ~~county~~socialhuman service ~~board~~zone director or department of human services. A copy of the written standards must be available upon request. Pursuant to this requirement, the ownership of property by an applicant for ~~county~~ general assistance, or by the spouse of the

applicant, either individually or jointly, or of insurance on the life of the applicant does not preclude the granting of assistance if the applicant is without funds for the applicant's support. ~~As a condition to the granting of county general assistance, however, the applicant may be required to transfer the property in trust by appropriate instrument as security for relief the applicant may receive, unless the property consists of one of the following:~~

- a. ~~A homestead.~~
- b. ~~A life insurance policy having a cash surrender value of less than three hundred dollars.~~
- c. ~~Personal property of a value less than three hundred dollars, not including household goods, wearing apparel, and personal effects, such as money.~~
- d. ~~Property selected by the applicant having a value of less than three hundred dollars.~~
- e. ~~Real or personal property held in trust for the applicant by the federal government.~~
- f. ~~Real or personal property on which the taking of security may be prohibited through legislation enacted by the Congress of the United States.~~

SECTION 46. AMENDMENT. Section 50-01-01.1 of the North Dakota Century Code is amended and reenacted as follows:

50-01-01.1. Determination of eligibility - Notice - Appeal.

The ~~human service zone~~ director of the ~~county social service board~~, or an individual designated by the ~~county social service board~~, or the ~~director's designee~~ is responsible for determining, within a reasonable period of time, an applicant's eligibility for county general assistance under this chapter. The applicant must be provided written notice of the determination. The notice must include the reasons for the determination, as well as an explanation of the applicant's right to a timely appeal of the determination to the ~~county social service board~~ human service zone board if aggrieved by the decision. Decisions of the ~~county social service board~~ human service zone board regarding appeals taken pursuant to this section are subject to judicial review in the manner prescribed by chapter 28-32.

SECTION 47. AMENDMENT. Section 50-01-02 of the North Dakota Century Code is amended and reenacted as follows:

50-01-02. County general General assistance jurisdiction.

The ~~county social~~ human service board of each county ~~zone~~, through the human service zone director, or the ~~director's designee~~, has exclusive jurisdiction and control of the administration of county general assistance within the ~~county~~ human service zone, except as otherwise provided in this title.

SECTION 48. AMENDMENT. Section 50-01-04 of the North Dakota Century Code is amended and reenacted as follows:

50-01-04. Records to be kept.

Every person who administers ~~county~~ general assistance shall maintain reasonable records.

SECTION 49. AMENDMENT. Section 50-01-13 of the North Dakota Century Code is amended and reenacted as follows:

50-01-13. Medical attention and hospitalization furnished to poor.

Within the limits of the ~~county human services~~ service zone appropriation, the ~~county social~~ human service board ~~zone~~ promptly shall provide necessary medical services, covered in the written eligibility standards for general assistance, for any poor person in the ~~county~~ human service zone who is not provided for in a public institution. The ~~county social~~ human service board ~~zone~~ shall cause to be

furnished to the person the necessary covered medicines prescribed by a physician. Necessary covered hospitalization must be furnished by the ~~county~~human service zone upon approval or subsequent ratification by the ~~board~~human service zone director or the director's designee. If the poor person is a nonresident of the state, the ~~county~~human service zone furnishing the medical services must be reimbursed within the limits of funds appropriated for that purpose by the legislative assembly for eighty percent of the expenses incurred in carrying out this section. The reimbursement must be made upon vouchers having the approval of the department of human services.

SECTION 50. AMENDMENT. Section 50-01-17 of the North Dakota Century Code is amended and reenacted as follows:

50-01-17. Person required to work.

If a person applying for ~~county~~ general assistance is able to work, or if any member of that person's family is able to work, the ~~county social~~human service board of the county zone in which the person is a resident may insist that those able to work seek employment and the ~~board~~human service zone director or the director's designee may refuse to furnish any assistance until it is satisfied that the person claiming assistance is endeavoring to find work. The ~~board~~human service zone may attempt to secure, for a person claiming ~~county~~ general assistance, who is able to work, employment in the county where the person resides and may call upon residents of the county to aid the ~~board~~human service zone in finding work for that person.

SECTION 51. AMENDMENT. Section 50-01-17.1 of the North Dakota Century Code is amended and reenacted as follows:

50-01-17.1. Work requirement conditions.

If a person applying for ~~county~~ general assistance is able to work, the ~~county social~~human service board zone director or the director's designee, at its option, may require the applicant to comply with any or all of the following provisions as a condition to receiving ~~public~~general assistance:

1. To register with job service North Dakota.
2. To participate in work incentive programs in accordance with the guidelines established for public assistance programs.
3. To accept work which is available through community work experience programs.

SECTION 52. AMENDMENT. Section 50-01-17.2 of the North Dakota Century Code is amended and reenacted as follows:

50-01-17.2. Community work experience programs - Development.

The ~~county social service board~~department of human services may develop community work experience programs through agreements with any public entity, nonprofit agency or organization, or in conjunction with, or through utilization of, applicable federal programs. The number of hours to be worked may be determined by dividing the amount of the assistance payment by the prevailing minimum wage.

SECTION 53. AMENDMENT. Section 50-01-17.3 of the North Dakota Century Code is amended and reenacted as follows:

50-01-17.3. Community work experience program requirements.

Any community work experience program established pursuant to this chapter must provide:

1. That appropriate health, safety, and work conditions exist.
2. That the program does not result in displacement of persons currently employed.

3. That the program does not apply to jobs covered by a collective bargaining agreement.
4. That recipients will not be required to travel an unreasonable distance from their homes or to remain away from their homes overnight.
5. That the ~~county social~~human service ~~board~~zone shall provide for transportation and all other costs reasonably necessary for and directly related to a recipient's participation in the program.

SECTION 54. AMENDMENT. Section 50-01-17.5 of the North Dakota Century Code is amended and reenacted as follows:

50-01-17.5. Refusal to comply with work requirements - Denial of relief.

Refusal of any applicant or recipient, without good cause, to comply with any work requirements established pursuant to this chapter may be grounds for denial or termination of ~~county~~ general assistance.

SECTION 55. AMENDMENT. Section 50-01-19 of the North Dakota Century Code is amended and reenacted as follows:

50-01-19. Duty of relative to aid - Right of recovery by county and department.

The father, the mother, and every child of any person who is eligible for county general assistance before January 1, 2020, and general assistance thereafter, and who is unable to work to support oneself shall maintain that person to the extent of the ability of each. ~~The county may recover for necessities furnished to an indigent person from that person's father, mother, or adult children.~~

SECTION 56. AMENDMENT. Section 50-01-21 of the North Dakota Century Code is amended and reenacted as follows:

50-01-21. County ~~has and~~ department have preferred claim against estate of recipient of county general assistance or general assistance.

Funds used for subsistence, medical, hospital, or burial expenses of a recipient of county general assistance or general assistance may not be considered as gifts, and the county ~~has and~~ department have a preferred claim against the estate of any person who has received county general assistance or general assistance for funds expended for that person and that person's legal dependents. The statute of limitations does not run on this type of claim.

SECTION 57. AMENDMENT. Section 50-01-26 of the North Dakota Century Code is amended and reenacted as follows:

50-01-26. ~~County~~Human service zone of residence for county general assistance purposes.

A person who has residence in this state, for ~~county~~ general assistance purposes, is a resident of the ~~county~~human service zone in which the person is living on other than a temporary basis. If a person is living in a ~~county~~human service zone on a temporary basis, the person is a resident of the ~~county~~human service zone in which the person most recently lived other than on a temporary basis.

SECTION 58. AMENDMENT. Section 50-01-27 of the North Dakota Century Code is amended and reenacted as follows:

50-01-27. State of residence for county general assistance purposes.

A person who is a resident of this state for purposes of chapter 50-24.5 is a resident of this state for county general assistance purposes. If a person moves from this state for other than a temporary purpose, the person's residency in this state for county general assistance purposes is lost. Residency in this state is presumed lost if:

1. The person plans to be absent or has been absent from this state for one year or longer; or
2. The person receives any form of public or general assistance, while in another state, which is available only to residents of that state.

SECTION 59. AMENDMENT. Section 50-01-28 of the North Dakota Century Code is amended and reenacted as follows:

50-01-28. Change of residence to another ~~county~~human service zone.

~~When~~If a person who is receiving ~~county~~ general assistance in one ~~county~~human service zone becomes a resident of another ~~county~~human service zone in this state, the ~~county~~human service zone from which the person moves shall forward appropriate records and files to the new ~~county~~human service zone of residence.

SECTION 60. AMENDMENT. Section 50-01-29 of the North Dakota Century Code is amended and reenacted as follows:

50-01-29. Persons with uncertain residence.

If the residence of a person is uncertain for ~~county~~ general assistance purposes, the ~~county~~human service zone in which the person lives shall provide county general assistance until that person's residence is determined.

SECTION 61. AMENDMENT. Section 50-01.1-01 of the North Dakota Century Code is amended and reenacted as follows:

50-01.1-01. Definitions.

As used in this chapter, unless the context or subject matter otherwise requires:

1. ~~"County agency" means the county social service board.~~
2. ~~"State department~~Department" means the department of human services.
2. "Host county" means the county within the human service zone in which the human service zone administrative office is located and in which the human service zone team members are employed.
3. "Human service zone" means a county or consolidated group of counties administering human services within a designated area in accordance with an agreement or plan approved by the department.
4. "Human service zone director" means a human service zone team member who oversees the human service zone's operation and budget and serves as presiding officer of the human service zone board.
5. "Human service zone team member" means a county employee who is responsible for administering or delivering human services under the direction of the human service zone director.
6. "Human services" means:
 - a. A service or assistance provided to an individual or an individual's family in need of services or assistance, including child welfare services, locally administered economic assistance programs, medical service programs, and aging service programs, to assist the individual or the individual's family in achieving and maintaining basic self-sufficiency, including physical health, mental health, education, welfare, food and nutrition, and housing.

- b. A service or assistance provided, administered, or supervised by the department in accordance with chapter 50-06.
 - c. Licensing duties as administered or supervised by the department or delegated by the department to a human service zone.
7. "Indirect costs" means salaries, benefits, and operating costs incurred in providing those goods and services to support human services that are generally available for the common benefit of multiple county agencies. These costs include legal representation; facilities and related costs, such as utilities and maintenance; administrative support including payroll, accounting, banking, and coordination; information technology support and equipment; and miscellaneous goods and services, such as transportation, supplies, insurance coverage, phone, and mail services.
8. "Locally administered economic assistance programs" means those primary economic assistance programs that need to be accessible to all citizens of the state through a human service zone office and include:
- a. Temporary assistance for needy families;
 - b. Employment and training programs;
 - c. Child care assistance programs;
 - d. Medical assistance, including early periodic screening, diagnosis, and treatment;
 - e. Supplemental nutrition assistance programs, including employment and training programs;
 - f. Refugee assistance programs;
 - g. Basic care services;
 - h. Energy assistance programs; and
 - i. Information and referral.

SECTION 62. AMENDMENT. Section 50-01.1-02 of the North Dakota Century Code is amended and reenacted as follows:

50-01.1-02. ~~Consolidation of county agencies into multicounty social~~Creation of human service districts~~zones.~~

1. In order to provide optimum service, reduce program costs, and benefit recipients of social~~social~~human services within this state, any two or more counties, by agreement entered into through action of their boards of county commissioners, may shall combine and consolidate their county agencies into a ~~multicounty social~~human service district~~zones~~ in the manner provided in this chapter. ~~Multicounty social~~
2. Human service districts~~zones~~ succeed to all the powers and duties enumerated for county agencies and shall perform all the functions and responsibilities assigned to county agencies by this title. When consistent with this chapter, all provisions relating to county agencies contained in this title apply to and govern ~~multicounty social~~human service districts. ~~The zones.~~
3. Counties shall identify other counties with which to enter a human service zone agreement, and together the board of county commissioners of any county desiring to become a member of a multicounty social service district shall file with the state department a written request for membership agreement to create a human service zone , together with a plan for the creation of such a district, if such a district does not already exist~~no later than December 1, 2019. The~~

agreement must identify the proposed counties of the human service zone, host county, identify the human service zone board members, and agree to seek approval from the department regarding hiring or dismissal of county social services or human service zone employees. The department shall review and approve all agreements in accordance with section 50-01.1-03. The department may modify the agreements as specified in section 50-01.1-03 or if some of the counties are not included in a human service zone. If counties do not submit an agreement, the department shall create the human service zone. The board of county commissioners shall submit a plan must be prepared as prescribed in section 50-01.1-04 by June 1, 2020. The department shall approve the plan in accordance with section 50-01.1-04 by January 1, 2021. The board of county commissioners shall provide quarterly updates as requested by the department to the department after the agreement is approved until the plan is submitted as requested.

4. The request agreement and proposed plan must be approved or disapproved by the state department in accordance with section 50-01.1-03. In permitting the creation of such a district, the state department shall, to as great a degree as possible, allow the consolidation of county agencies in such a manner as will conform with the existing pattern of the trade area and with any regional pattern established by the executive department of this state.
5. A county with a population exceeding sixty thousand individuals according to the 2010 United States census may submit an agreement and proposed plan to operate as a single human service zone or to consolidate with other counties into a human service zone.
6. Counties shall consider leveraging existing cooperative agreements between county agencies and shall consider how to collaborate to best meet local need, promote efficiency, service delivery, and ensure quality service.
7. Counties' plan must allow nonresidents of the participating counties of a human service zone to access human services.
8. Counties' plan must continue to provide funding for indirect costs associated with the service delivery of human services pursuant to chapter 50-35.
9. Counties' plan must set forth that the human service zone director may hire and impose disciplinary actions on a human service zone team member. The counties' plan must specify any role transitions for human service zone team members as well as the procedures for team member grievances, appeals, and disciplinary actions. The counties' plan must also permit the department authority to reduce full-time equivalent positions in combination with a transfer of the positions or a human service zone team member's separation from employment. The component of the plan developed under this subsection must be consistent with merit system requirements, chapter 54-44.3 and corresponding rules, and the template developed by the department for the human service zone plans under section 50-06-01.4.
10. The counties' plan must specify that reductions in access points may only be made with agreement of the human service zone board, the county commissions of affected counties, and the department.
11. The counties' plan must include information regarding the human service zone's liability coverage for the human service zone board, human service zone director, human service zone team members, human service zone property, and any unique contractual relationships with the state, other human service zones, or other entities.
12. Counties' plan must include a statement of agreement between the human service zone and the department allowing for review of proposed transfers of staff from the human service zone to the department, from the department to the human service zone, or among other human service zones. Approval by human service zone board or the county commissions is not required.

13. Counties' plan must include a description of all unique locally provided programs and services that the counties are proposing to continue to provide within the human service zone and to be funded under this plan.
14. Counties' agreement and plan must set forth the membership of the human service zone board of a human service zone. The human service zone board may not consist of more than fifteen members, as determined by the boards of county commissioners.

SECTION 63. AMENDMENT. Section 50-01.1-03 of the North Dakota Century Code is amended and reenacted as follows:

50-01.1-03. Manner of determination – Notices – Hearings.

1. In determining whether the creation of a ~~multicounty social~~ human service district ~~zone~~ should be approved or established, the state department shall refer to, among other pertinent factors, the following:
 - a. Whether the affected county agencies are able to supply an adequate level and quality of social and economic assistance services.
 - b. The number and qualifications of staff personnel serving the affected county agencies.
 - c. The ratio of the number of cases handled by the affected county agencies to the number of their staff personnel.
 - d. The geographical area and population served by the affected county agencies.
 - e. The distance of recipients from the affected county agencies.
 - f. The benefits that would be realized from the creation of the ~~district~~ human service zone in terms of lower costs, increased availability of services, new services, and improvement of services.

~~Any county that is denied approval to become a member of a multicounty social service district may request a hearing thereon. The state department shall notify the board of county commissioners of the right to appeal. The board has thirty days after receipt of the notice to request a hearing. If a hearing is requested, the state department shall hold the hearing within fifteen days after receipt of the request. At the hearing, evidence may be presented relative to the creation of the proposed multicounty social service district. The hearing must be conducted in accordance with the applicable provisions of chapter 28-32.~~

- g. The amount of current and future access points for individuals to apply for and receive services within a human service zone.
- h. The existing pattern of the counties trade area and any regional pattern established by the department.
- i. Whether the county has a population exceeding sixty thousand individuals according to the 2010 United States census to operate as a single human service zone and whether it is in the best interest of the neighboring counties.
- j. The maximum number of human service zones created may not exceed nineteen.
- k. Whether the human service zone director can adequately supervise the activities and operations of the human service zone.
- l. Whether the human service zone board is constituted of individuals that represent the population of the human service zone.

m. Other good cause.

2. The department has final approval of a human service zone. The department may establish or modify a human service zone based on the criteria set forth in subsection 1. All human service zones must be initially approved or established by January 1, 2020, and may be modified thereafter through a process developed by the department.

SECTION 64. AMENDMENT. Section 50-01.1-04 of the North Dakota Century Code is amended and reenacted as follows:

50-01.1-04. Plan - Financing - ~~Distribution of property~~ – ~~Governing~~ Human service zone board – ~~Compensation of members.~~

1. A plan for the creation of a ~~multicounty social~~ human service district ~~zone~~ must describe the method of operation of the ~~district~~ human service zone office, its administration, its location and the location of any ancillary offices, the disbursements from public funds, and the accountability for funds and manner of reporting receipts and disbursements. ~~The plan must provide that all services provided by county officials to county agencies under this code be provided by those county officials residing within the same county in which the district office of the multicounty social service district is located. The plan must also provide for the distribution of property owned by each of the county agencies affected by the consolidation and for the method of resolution of any disagreement between the boards of county commissioners involved in the multicounty district~~ human service zone or between the governing board and one or more boards of county commissioners. The plan must also require the participating counties to participate in the indirect cost allocation plan. The plan, once approved, may be continued for a definite term or until rescinded or, ~~terminated in accordance with its terms. The plan also may provide that the regional director of a regional human service center serves as the director of the multicounty social service district, or modified by the department through a process developed by the department.~~
2. The governing board of the multicounty social service district annually shall prepare a proposed budget for the district at the time and in the manner in which a county budget is adopted and shall submit the proposed budget to the board of county commissioners of each county in the district for approval. The amount budgeted and approved must be sufficient to defray the anticipated expenses of administration and the delivery of social and economic assistance services, exclusive of grants, and must be prorated among the counties based on an agreed-to cost distribution formula that takes into consideration such factors as caseload, population, taxable valuation, and geographical area of the respective counties comprising the district. Within ten days following approval of the proposed budget by the boards of county commissioners, the governing board of the district shall certify the budget to the respective county auditors of the counties in the district, and this amount must be included in the levies of the counties. Each board of county commissioners also shall budget and approve amounts sufficient to defray that county's anticipated costs of county general assistance and that county's share of grants as provided under this title. The amounts budgeted and approved by the several boards of county commissioners must be periodically deposited with the treasurer of the county in which the district office is located, as requested by the treasurer, and must be placed in a special multicounty social service district fund. The governing board, or its president and secretary when authorized by the governing board, shall audit all claims against the fund. The governing board at its regularly scheduled meeting shall approve or ratify all claims against the fund. The county treasurer shall pay approved or ratified claims from the fund. Unexpended funds remaining at the end of a fiscal year may be carried over to the next fiscal year.
3. The governing board of a multicounty social service district consists of not more than fifteen members, as determined by the plan. The plan must establish a method of determining the number of members that will be appointed by each county within the multicounty social service district. The method may consider the ratio that each county's population bears to the total

population of the multicounty social service district, the ratio of current social service caseload, or other equitable factors; provided, that each county included in the district must be represented by at least one board member. The board of county commissioners of each county within the multicounty social service district shall make the appointments to the governing board. Members must be appointed for a term of three years or until a successor has been appointed and qualifies. The members appointed to the initial governing board of a multicounty district, however, must be appointed to staggered terms determined according to the plan approved pursuant to section 50-01.1-03. Each member of the governing board shall qualify by taking the oath prescribed for civil officers and by filing the oath with the county auditor of the county of residence. Each sex must be fairly represented on the board, and each county must be represented on the board by at least one county commissioner of that county. Members shall elect from the governing board a president, a secretary, and other officers as the board determines necessary.

4. The appointing authority shall establish the rate of compensation for members of the governing board and actual expenses incurred by members may be reimbursed at the official reimbursement rates of the appointing authority.

SECTION 65. AMENDMENT. Section 50-01.1-04 of the North Dakota Century Code is amended and reenacted as follows:

50-01.1-04. Plan - Financing - Human service zone board.

1. A plan for the creation of a human service zone must describe the method of operation of the human service zone office, its administration, its location and the location of any ancillary offices, the disbursements from public funds, and the accountability for funds and manner of reporting receipts and disbursements. The plan must provide for the distribution of property owned by each of the county agencies affected by the consolidation and for the method of resolution of any disagreement between the boards of county commissioners involved in the human service zone or between the governing board and one or more boards of county commissioners. The plan must also require the participating counties to participate in the indirect cost allocation plan. The plan, once approved, may be continued for a definite term or until rescinded, terminated, or modified by the department through a process developed by the department.
2. ~~The governing board of the multicounty social service district annually~~ zone director shall prepare a proposed budget for the district human service zone at the time and in the manner in which a county budget is adopted as requested by the department and shall submit the department-approved proposed budget to the board of county commissioners of each county in the district human service zone for approval review. The board of county commissioners may not take any action to amend or modify the amount approved by the department. The board of county commissioners may make recommendations to the human service zone director and the department to amend or modify the amount proposed or budgeted. The amount budgeted ~~and approved~~ must be sufficient to defray the anticipated expenses of administration and the delivery of ~~social and economic assistance~~ human services, exclusive of grants, and must be prorated among the counties based on an agreed-to cost distribution formula that takes into consideration such factors as caseload, population, taxable valuation, and geographical area of the respective counties comprising the district. Within ten days following approval review of the proposed budget by the boards of county commissioners, the governing board of the district human service zone director shall certify the budget to the respective county auditors of the counties in the district, and this amount must be included in the levies of the counties. Each board of county commissioners also shall budget and approve amounts sufficient to defray that county's anticipated indirect costs of county general assistance and that county's share of grants as provided under this title the human service zone. The amounts budgeted, reviewed, and approved by the several boards of county commissioners or the department, or both must be periodically deposited with the treasurer of the host county in which the ~~district~~ human service zone office is located;

~~as requested by the treasurer, and must be placed in a special multicounty social human service district zone human services fund. The human service zone's income must be deposited into the human service zone human services fund by the treasurer of the host county. The governing human service zone board, or its president and secretary when authorized by the governing board, shall audit establish procedures for the review and approval of all claims against the human service zone human services fund. The governing board at its regularly scheduled meeting human service zone director or designee shall approve or ratify all claims against the human service zone human services fund. The county treasurer of the host county, shall pay approved or ratified claims from the human service zone human services fund. Unexpended human service zone human services funds remaining at the end of a fiscal year may be carried over to the next fiscal year. The department may recalculate and adjust each human service zone's formula payment biannually based on pertinent factors, which include actual expenditures over the prior or current payment period, current costs, offered services, need, income, performance of duties directed or assigned and supervised by the department, and caseload.~~

- ~~3. The governing board of a multicounty social service district consists of not more than fifteen members, as determined by the plan. The plan must establish a method of determining the number of members that will be appointed by each county within the multicounty social service district. The method may consider the ratio that each county's population bears to the total population of the multicounty social service district, the ratio of current social service caseload, or other equitable factors; provided, that each county included in the district must be represented by at least one board member. The board of county commissioners of each county within the multicounty social service district shall make the appointments to the governing board. Members must be appointed for a term of three years or until a successor has been appointed and qualifies. The members appointed to the initial governing board of a multicounty district, however, must be appointed to staggered terms determined according to the plan approved pursuant to section 50-01.1-03. Each member of the governing board shall qualify by taking the oath prescribed for civil officers and by filing the oath with the county auditor of the county of residence. Each sex must be fairly represented on the board, and each county must be represented on the board by at least one county commissioner of that county. Members shall elect from the governing board a president, a secretary, and other officers as the board determines necessary.~~
- ~~4. The appointing authority shall establish the rate of compensation for members of the governing board and actual expenses incurred by members may be reimbursed at the official reimbursement rates of the appointing authority.~~

SECTION 66. A new section to chapter 50-01.1 of the North Dakota Century Code is created and enacted as follows:

Duties of human service zone.

The human service zone shall, under the direction and supervision of the department, unless otherwise directed or determined by the department:

1. Supervise and direct all human services activities conducted by the human service zone, including general assistance or other public assistance.
2. Supervise and administer human services in the human service zone which are financed in whole or in part with funds allocated or distributed by the department.
3. Aid and assist in every reasonable way to efficiently coordinate and conduct human services activities within the human service zone by private as well as public organizations.
4. Subject to subsection 16 of section 50-06-05.1, administer the supplemental nutrition assistance program in the human service zone in conformity with the Food Stamp Act of 1964,

and enter an agreement for administering the supplemental nutrition assistance program with the department.

5. Subject to subsection 18 of section 50-06-05.1, administer the home energy assistance program in the human service zone and enter an agreement for administering the home energy assistance program with the department.
6. Charge and collect fees and expenses for services provided by the human service zone's staff in accordance with policies and fee schedules adopted by the department.
7. Supervise and administer designated child welfare services.
8. Supervise and administer human services.
9. Supervise and administer replacement programs with substantially similar goals, benefits, or objectives.
10. If applicable, supervise and administer experimental, pilot, statewide, regional, or transitional programs under the director of the department and with the goals of enhancing quality, effectiveness, and efficiency of programs and services.
11. Cooperate with the department or other human service zones in revising human service zone operations to reflect department guidelines or best practices that may be based on recommendations from experimental or pilot programs.
12. Cooperate with any other human service zone to assure the conduct of initial and ongoing human services with respect to any applicant or eligible beneficiary who is physically present in a human service zone other than the human service zone of which the applicant or eligible beneficiary is a resident.
13. Employ a human service zone director who shall serve as the presiding officer of the human service zone board.
14. Collaborate with the department and other human service zones to ensure the provision of quality, effective, and efficient human services to the citizens of North Dakota.

SECTION 67. A new section to chapter 50-01.1 of the North Dakota Century Code is created and enacted as follows:

Human service zone directors.

Human service zone directors:

1. Must be employees of the human service zone and located within the human service zone, unless serving more than one human service zone.
2. Shall serve as the presiding officer of the human service zone board.
3. May serve one or more human service zones.
4. May hire, take disciplinary actions, and direct the work of a human service zone team member in accordance with the department's policies. The human service zone director has discretion to hire or separate from employment a human service zone team member, on behalf of the human service zone board, subject to the allotted number of approved and funded staff positions by the department.
5. Shall notify the department and appropriate host county staff, as directed by the county commissioners, regarding the hiring, dismissal, demotion, suspension without pay, forced

relocation within the human service zone, reduction-in-force, or reprisal of a human service zone team member.

6. May notify county commissioners, the human service zone board, or other appropriate county staff regarding transfers of staff between the county and the department.
7. Shall establish, as agreed upon by the department, equitable compensation and salary increases for all human service zone team members within established appropriation.
8. Shall develop a budget for the human service zone in partnership with the department and other human service zone directors to ensure the administration of human services.
9. May serve as a designee of the department to supervise department employees assigned to or located within the human service zone.
10. Are the custodian designees of the executive director of the department for any child in the custody of the department.

SECTION 68. A new section to chapter 50-01.1 of the North Dakota Century Code is created and enacted as follows:

Human service zone and department may contract.

A human service zone and department may contract with another human service zone or any other public or private person to discharge any of its duties or exercise any of its powers to administer human services.

SECTION 69. A new section to chapter 50-01.1 of the North Dakota Century Code is created and enacted as follows:

Standards of administration - Action upon failure to administer.

1. The department shall adopt standards for administration for human services and shall provide training for the implementation of those standards. Each human service zone shall provide for administration of human services that meet those standards.
2. The department shall develop a system of progressive discipline to address performance issues within the human service zone. The system shall reserve the most serious actions for severe or chronic failure to meet the standards adopted under subsection 1.
3. The department shall provide ongoing performance notifications to the human service zone board and human service zone director related to the overall compliance with the standards of administration.
4. If a human service zone fails to provide for administration of human services that meet the standards adopted under subsection 1, the department may take any of the following actions:
 - a. Provide training to the persons responsible for administration.
 - b. Require the human service zone to prepare and implement a corrective action plan.
 - c. Terminate or modify a human service zone, agreement, or plan which may include requiring the reconstituting of the human service zone board or rehiring of a human service zone director as part of a new or modified agreement or plan.
 - d. Recalculate and adjust the human service zone's formula payments.
 - e. Recommend disciplinary action to the human service zone director or the human service zone board.

SECTION 70. A new section to chapter 50-01.1 of the North Dakota Century Code is created and enacted as follows:

Human service zone director hiring.

The department must be an active participant in the hiring process of the human service zone director and shall designate at least two individuals to participate on the interview panel. The department shall approve or disapprove of the recommendation for the human service zone director from the human service zone board and interview panel before the human service zone board takes action to hire the human service zone director.

SECTION 71. AMENDMENT. Section 50-01.2-00.1 of the North Dakota Century Code is amended and reenacted as follows:

50-01.2-00.1. Definitions.

In this chapter, unless the context otherwise requires:

1. "Department" means the department of human services.
2. ~~"Local expenses of administration" includes costs for personnel, space, equipment, computer software, materials, travel, utilities, and related costs, and the indirect costs properly allocated to those costs. The term does not include initial acquisition of computers and related hardware approved by the department for the temporary assistance for needy families program, custom computer programs, custom software development, computer operations undertaken at the direction of the department, and computer processing costs or, unless agreed to by the county social service board, any costs related to pilot programs before the programs are implemented on a statewide basis.~~
3. ~~"Locally administered economic assistance programs" means those primary economic assistance programs that need to be accessible to all citizens of the state through a county social service office and include:~~
 - a. ~~Temporary assistance for needy families;~~
 - b. ~~Employment and training programs;~~
 - c. ~~Child care assistance programs;~~
 - d. ~~Medical assistance, including early periodic screening, diagnosis, and treatment;~~
 - e. ~~Supplemental nutrition assistance programs, including employment and training programs;~~
 - f. ~~Refugee assistance programs;~~
 - g. ~~Basic care services;~~
 - h. ~~Energy assistance programs; and~~
 - i. ~~Information and referral.~~
2. "Host county" means the county within the human service zone in which the human service zone administrative office is located and in which the human service zone team members are employed.

SECTION 72. AMENDMENT. Section 50-01.2-01 of the North Dakota Century Code is amended and reenacted as follows:

50-01.2-01. ~~County social~~Human service zone board - Members - Qualifications.

~~Each board of county commissioners shall establish a county social service board consisting of five, seven, or nine members of which one or more must be members of the board of county commissioners. The board of county commissioners of each county within the human service zone shall appoint the appointed members of the county socialhuman service zone board based upon fitness to serve as members by reason of character, experience, and training without regard to political affiliation. The board must include members of each~~Appointed members of the human service zone board must consist of local elected officials and other key community partners. Each sexcounty must be represented on the human service zone board by at least one county commissioner of that county. Appointed members shall elect a vice presiding officer and appoint a secretary, and other officers as the human service zone board determines necessary. The human service zone director shall serve as presiding officer of the human service zone board as a nonappointed member.

SECTION 73. AMENDMENT. Section 50-01.2-02 of the North Dakota Century Code is amended and reenacted as follows:

50-01.2-02. Members of ~~county social~~human service zone board - Term of office - Oath - Compensation.

~~The appointed members of the county socialhuman service zone board serve a term of three years or until their successors have duly qualified. Terms of office must be arranged so the term of office of one member expires in one year, the term of one-half the remaining members the next year, and the term of the remaining members the third year. The members appointed to the initial human service zone board of a human service zone, however, must be appointed to staggered terms determined according to the plan approved pursuant to section 50-01.1-03. Each appointed member of the human service zone board qualiffieshall qualify by taking the oath provided for civil officers. The oath must be filed with the county auditor of the county of residency. The appointing authorityhuman service zone shall establish the rate of compensation forcompensate appointed members of the human service zone board membersat a rate established by the host county commission, upon consultation with the other county commissions in the human service zone, consistent with the rate of compensation for members of other appointed boards within the member counties and not to exceed the compensation and expense reimbursement of members of the legislative assembly. The human service zone shall also pay members for mileage and actual expenses incurred by board members may be reimbursed at the official reimbursement rates of the appointing authorityin attending meetings and in other performance of official duties of the members in the amounts provided by law for other state officers.~~

SECTION 74. AMENDMENT. Section 50-01.2-03 of the North Dakota Century Code is amended and reenacted as follows:

50-01.2-03. Duties of ~~county social~~human service zone board.

The ~~county social~~human service zone board of each county in this state shall:

- ~~1. Supervise and direct all human service activities conducted by the county including county general assistance or other public assistance~~Provide information to the department relative to the community needs of the human service zone residents and advocate to meet those needs.
- ~~2. Supervise and administer, under the direction and supervision of the department of human services, human services in the county which are financed in whole or in part with funds allocated or distributed by the department of human services~~Review services and programs provided by the human service zone and make periodic recommendations for improvement in services, programs, or facilities.
- ~~3. Aid and assist in every reasonable way to efficiently coordinate and conduct human service activities within the county~~human service zone by private as well as public organizations.

- ~~4. Subject to subsection 16 of section 50-06-05.1, administer the supplemental nutrition assistance program in the county under the direction and supervision of the department of human services in conformity with the Food Stamp Act of 1964, as amended, and enter into an agreement for administering the supplemental nutrition assistance program with the department of human services. Establish procedures for the review and approval of all claims against the human service zone human services fund.~~
- ~~5. Subject to subsection 18 of section 50-06-05.1, administer the home energy assistance program in the county under the direction and supervision of the department of human services and to enter into an agreement for administering the home energy assistance program with the department of human services.~~
- ~~6. Charge and collect fees and expenses for services provided by its staff in accordance with policies and fee schedules adopted by the department of human services.~~
- ~~7. Supervise and administer designated child welfare services under the direction and supervision of the department of human services. Through established procedures the department of human services may release the county social service board of this duty or the county social service board may request to be released from this duty by the department of human services. If a county is released from the county's duty to supervise and administer designated child welfare services under this subsection, the county retains its financial responsibility for providing those services unless otherwise negotiated and approved by the department.~~
5. Supervise and take other personnel actions related to the human service zone director with direct consultation and involvement from the department. Hire the human service zone director with the express approval of the department. Employment must be consistent with the provisions of any law, rule, order, or regulation of the United States or any federal agency or authority requiring civil service or merit standards or classifications as a condition for providing funds administered by the department. A human service zone director must be hired by April 1, 2020.
6. Hear and act on employee grievances in accordance with the human service zone plan and in compliance with merit system requirements.

SECTION 75. AMENDMENT. Section 50-01.2-03.2 of the North Dakota Century Code is amended and reenacted as follows:

50-01.2-03.2. County duties. (Effective through July 31, 2019)

Each county social service board shall administer, under the direction and supervision of the department:

1. Locally administered economic assistance and social service programs;
2. Replacement programs with substantially similar goals, benefits, or objectives; and
3. When necessary, experimental, pilot, or transitional programs with substantially similar goals, benefits, or objectives.

County duties – Financing in exceptional circumstances. (Effective after July 31 through December 31, 2019)

4. Each county social service board shall administer, under the direction and supervision of the department:

- ~~a.~~1. Locally administered economic assistance and social and human services programs;
- ~~b.~~2. Replacement programs with substantially similar goals, benefits, or objectives; and

- ~~e.3. When necessary, experimental, pilot, or transitional programs with substantially similar goals, benefits, or objectives.~~
- ~~2. From the abstract of tax list prepared pursuant to section 57-20-04, each county shall annually provide the department of human services a report of the total mills levied for human service purposes pursuant to sections 50-03-01, 50-03-06, and 50-06.2-05, and the countywide value of a mill in each county. Upon receipt of reports from all counties, the department shall determine the statewide average of the mill levies and identify each county that levied ten mills more than that average. Each identified county is entitled to a share of funds appropriated for distribution under this subsection. Each identified county's share is determined by:~~
- ~~a. Reducing its mill levy necessary to meet the costs of providing human services required under this title by the statewide average mill levy determined under this subsection plus ten mills;~~
 - ~~b. Determining the amount that could have been raised in that county and year through a mill levy in the amount calculated under subdivision a;~~
 - ~~c. Totaling the amounts determined under subdivision b for all counties entitled to a distribution;~~
 - ~~d. Calculating a decimal fraction equal to each identified county's proportionate share of the total determined under subdivision c; and~~
 - ~~e. Multiplying that decimal fraction times one-half of the biennial appropriation.~~
- ~~3. Notwithstanding any other provisions of law, the department shall reimburse county social service boards for expenses of locally administered economic assistance programs in counties in which the percentage of that county's average total supplemental nutrition assistance program caseload for the previous fiscal year which reside on federally recognized Indian reservation lands is ten percent or more. The reimbursement must be such that:~~
- ~~a. An affected county's actual direct costs and indirect costs allocated based on a percentage of each county's direct economic assistance and social services costs for locally administered economic assistance programs will be reimbursed at the percentage of that county's average total supplemental nutrition assistance program caseload for the previous state fiscal year which reside on federally recognized Indian reservation land not to exceed ninety percent;~~
 - ~~b. The affected counties will receive quarterly payments based on the actual county direct and indirect costs, as provided in subdivision a, for the previous state fiscal year;~~
 - ~~c. At the end of each fiscal year the actual quarterly payments paid must be reconciled to the current year of calculation of actual direct and indirect costs as provided in subdivision a and supplemental nutrition assistance program caseload and counties must be compensated accordingly in the first quarter of the new fiscal year; and~~
 - ~~d. The reimbursement will be calculated for each county and reported to the county social service board prior to September first.~~

SECTION 76. AMENDMENT. Section 50-01.2-04 of the North Dakota Century Code is amended and reenacted as follows:

50-01.2-04. Removal of members of the human service zone board.

The appointing board of county commissioners may adopt a resolution to remove aan appointed member of the county social human service zone board without cause. The board of county commissioners may not remove the human service zone director as presiding officer of the human service zone board.

SECTION 77. AMENDMENT. Section 50-01.2-05 of the North Dakota Century Code is amended and reenacted as follows:

50-01.2-05. Actions and proceedings - Duty of state's attorney.

Any suit or other proceeding arising out of the administration of the laws pertaining to the support of persons eligible for county general assistance or general assistance must be brought by or against the county in its corporate name or human service zone. The state's attorney shall institute and conduct or defend any and all actions or proceedings that may be instituted under chapter 50-01.

SECTION 78. AMENDMENT. Subsection 4 of section 50-06-01 of the North Dakota Century Code is amended and reenacted as follows:

4. "Human services" means services:
 - a. A service or assistance provided to an individual or an individual's family in need of services or assistance, including child welfare services, economic assistance programs, medical services programs, and aging services programs, to assist the individual or the individual's family in achieving and maintaining basic self-sufficiency, including physical health, mental health, education, welfare, food and nutrition, and housing.
 - b. A service or assistance provided, administered, or supervised by the department in accordance with chapter 50-06.
 - c. Licensing duties as administered or supervised by the department or delegated by the department to a human service zone.

SECTION 79. AMENDMENT. Section 50-06-01.4 of the North Dakota Century Code is amended and reenacted as follows:

50-06-01.4. Structure of the department.

1. The department includes the state hospital, the regional human service centers, a vocational rehabilitation unit, and other units or offices and administrative and fiscal support services as the executive director determines necessary. The department must be structured to promote efficient and effective operations and, consistent with fulfilling its prescribed statutory duties, shall act as the official agency of the state in the discharge of the following functions not otherwise by law made the responsibility of another state agency:
 - a. Administration of programs for children and families, including adoption services and the licensure of child-placing agencies, foster care services and the licensure of foster care arrangements, child protection services, children's trust fund, ~~state youth authority~~, licensure of early childhood programs, ~~services to unmarried parents~~, refugee services, in-home community-based services, quality control, and administration of the interstate compacts on the placement of children and juveniles.
 - b. Administration of programs for individuals with developmental disabilities, including licensure of facilities and services, and the design and implementation of a community-based service system for persons in need of habilitation.
 - c. Administration of aging service programs, including nutrition, transportation, advocacy, social, ombudsman, recreation, and related services funded under the Older Americans Act of 1965 [42 U.S.C. 3001 et seq.], home and community-based services, licensure of adult foster care homes, and the committee on aging.
 - d. Administration of behavioral health programs, including:
 - (1) A policy division responsible for reviewing and identifying service needs and activities in the state's behavioral health system in an effort to ensure health and

safety, access to services, and quality of services; establishing quality assurance standards for the licensure of substance use disorder program services and facilities; and providing policy leadership in partnership with public and private entities; and

- (2) A service delivery division responsible for providing chronic disease management, regional intervention services, and twenty-four-hour crisis services for individuals with behavioral health disorders.
- e. Administration of economic assistance programs, including temporary assistance for needy families, the supplemental nutrition assistance program, home energy assistance, child support/care assistance, refugee assistance, work experience, work incentive, and quality control.
- f. Administration of medical service programs, including medical assistance for children's health insurance program, Medicaid waivers, early and periodic screening, diagnosis and treatment, utilization control, autism services, and claims processing.
- g. Administration of general assistance.
- h. Administration of child support.
2. The executive director shall consult with and maintain a close working relationship with the state department of health; with the department of corrections and rehabilitation and the superintendents of the school for the deaf and the North Dakota vision services - school for the blind to develop programs for individuals with developmental disabilities; and with the superintendent of public instruction to maximize the use of resource persons in regional human service centers in the provision of special education services. The executive director shall also maintain a close liaison with county-social/human service agencies/zones.
3. By August 1, 2019, the department shall establish a template for the development of human service zone plans, including process and content requirements, access point expectations, client grievances procedures, human resources, and locally funded programs or services and how those services will be addressed.
4. The department shall develop, with assistance from the North Dakota association of counties, a process for consultation and technical assistance for human service zone working groups by August 1, 2019.

SECTION 80. AMENDMENT. Section 50-06-01.9 of the North Dakota Century Code is amended and reenacted as follows:

50-06-01.9. Criminal history record checks.

In accordance with section 12-60-24, the department may require criminal history record checks as the department determines appropriate for:

1. Job applicants of the department and employees of the department upon hiring;
2. Job applicants of the county-social/human service agencies/zone and the department's and county-social/human service agencies'zones' contractors and contractors' subcontractors that may have access to federal tax information received from the United States internal revenue service through a computer match and stored in the department's eligibility system;
3. A criminal history record check conducted under subsections 1 and 2 is valid for ten years, after which the department shall require another criminal history record check on employees of the department, county-social/human service agencies/zones, and the department's and county-social/human service agencies'zones' contractors and contractors' subcontractors that

may have access to federal tax information received from the United States internal revenue service through a computer match and stored in the department's eligibility system;

4. Providers licensed by the department under chapter 50-12, as well as for any employees of those providers;
5. Providers holding, applicants for, and emergency designees and staff members of providers holding and applicants for early childhood services licensure, self-declaration, or in-home provider registration under chapter 50-11.1. The department also may require criminal history record checks for household members of a residence out of which early childhood services within the provider's home are provided; and
6. Medicaid services applicant providers, Medicaid services providers, staff members of the applicant provider or provider, or an individual with a five percent or more direct or indirect ownership interest in the applicant provider or provider under chapter 50-24.1.

SECTION 81. AMENDMENT. Section 50-06-05.1 of the North Dakota Century Code is amended and reenacted as follows:

50-06-05.1. Powers and duties of the department.

The department has the following powers and duties to be administered by the department through its state office or ~~through~~ regional human service centers, human service zones, or otherwise as directed by ~~the department~~:

1. To act as the official agency of the state in any social welfare or human service activity initiated by the federal government not otherwise by law made the responsibility of another state agency.
2. To administer, allocate, and distribute any state and federal funds that may be made available for the purpose of providing financial assistance, care, and services to eligible persons and families who do not have sufficient income or other resources to provide a reasonable subsistence compatible with decency and health.
3. To provide preventive, rehabilitative, and other human services to help families and individuals to retain or attain capability for independence or self-care.
4. To do needed research and study in the causes of social problems and to define appropriate and effective techniques in providing preventive and rehabilitative services.
5. To provide for the study, and to promote the well-being, of deprived, unruly, and delinquent children.
6. To provide for the placing and supervision of children in need of substitute parental care, subject to the control of any court having jurisdiction and control of any such child.
7. To recommend appropriate human services related legislation to the legislative assembly.
8. To direct and supervise ~~county social~~ human service board zone activities ~~as may be financed in whole or in part by or with funds allocated or distributed by the department and administer a statewide program for state-funded human services, staffing, and administration costs related to the administration of human services.~~
9. To secure, hold, and administer for the purpose for which it is established any property and any funds donated to it either by will or deed, or otherwise, or through court order or otherwise available to the department, and to administer those funds or property in accordance with the instructions in the instrument creating them or in accordance with the instructions in the court order or otherwise.

10. To formulate standards and make appropriate inspections and investigations in accordance with such standards in connection with all licensing activities delegated by law to the department, including early childhood programs, nonmedical adult care facilities and maternity homes, and persons or organizations receiving and placing children, and to require those facilities, persons, and organizations to submit reports and information as the department may determine necessary.
11. To permit the making of any surveys of human service needs and activities if determined to be necessary.
12. To issue subpoenas, administer oaths, and compel attendance of witnesses and production of documents or papers whenever necessary in making the investigations provided for herein or in the discharge of its other duties. A subpoena may not be issued to compel the production of documents or papers relating to any private child-caring or child-placing agency or maternity hospital or to compel the attendance as a witness of any officer or employee of those facilities except upon the order of a judge of the district court of the judicial district in which the facilities are located.
13. To provide insofar as staff resources permit appropriate human services, including social histories, social or social-psychological evaluations, individual, group, family, and marital counseling, and related consultation, when referred by self, parent, guardian, ~~county~~ social human service board, court, physician, or other individual or agency, and when application is made by self (if an adult or emancipated youth), parent, guardian, or agency having custody; also, on the same basis, to provide human services to children and adults in relation to their placement in or return from the life skills and transition center, state hospital, or North Dakota youth correctional center.
14. To provide insofar as staff resources permit social services, including social-psychological evaluations, predisposition reports, treatment, probation, and aftercare services when requested by the judge of a juvenile court.
15. To provide insofar as staff resources permit social services, including social-psychological evaluations, predisposition reports, treatment, and probation and parole services, when requested by the judge in a criminal case.
16. To act as the official agency of the state in the administration of the supplemental nutrition assistance program and to direct and supervise ~~county~~ human service zone administration of that program. Provided, however, that the department with the consent of the budget section of the legislative management may terminate the program if the rate of federal financial participation in administrative costs provided under Public Law 93-347 is decreased or limited, or if the state or counties become financially responsible for all or a portion of the coupon bonus payments under the Food Stamp Act. The department may not deny assistance under the supplemental nutrition assistance program to any individual who has been convicted of a felony offense that has as an element the possession, use, or distribution of a controlled substance as defined in section 102(6) of the Controlled Substances Act [21 U.S.C. 802(6)].
17. To administer, allocate, and distribute any funds made available for the making of direct cash assistance payments, housing assistance payments, and rental subsidies under any rental assistance programs initiated by the federal government not otherwise by law made the responsibility of another state agency possessing statewide jurisdiction.
18. To act as the official agency of the state in the administration of the home energy assistance program; to direct and supervise ~~county~~ human service zone administration of that program; and to take such actions, give such directions, and adopt such rules, subject to review in the courts of this state, as may be necessary or desirable to carry out this subsection. For purposes of the administration of the energy assistance program, funds are obligated at the earlier of the time a written commitment is made to pay a vendor or contractor for services or

supplies delivered or to be delivered, or at the time payment is made to a vendor or contractor for services or supplies delivered or to be delivered. The provisions of this subsection concerning obligation of funds apply to payments and commitments made on or after July 1, 1991. The department with the consent of the budget section of the legislative management may terminate the program if the rate of federal financial participation in administrative costs is decreased or limited to less than fifty percent of total administrative costs, or if the state or counties become financially responsible for all or a portion of the cost of energy assistance program benefits.

19. To administer, allocate, and distribute any funds made available for the payment of the cost of the special needs of any child under the age of twenty-one years, who is living in an adoptive home and would probably go without adoption except for acceptance by the adopted family, and whose adopted family does not have the economic ability and resources, as established by the department, to take care of the special needs of the child, including legal fees, maintenance costs, medical and dental expenses, travel costs, and other costs incidental to the care of the child.
20. To exercise and carry out any other powers and duties granted the department under state law.
21. To administer, allocate, and distribute any funds made available for the payment of transitional living services, to develop standards and conduct needs assessments regarding transitional living services, to develop or approve and to evaluate demonstration projects offering transitional living programs, to approve transitional living facilities for the purpose of providing foster care, and to apply for and administer federal and other funds that may be made available to undertake any of the activities described in this subsection. For purposes of this subsection:
 - a. "Transitional living facility" means a specific site, which is identified by a licensed child-placing agency or residential child care facility and which is approved by the department, for the provision of transitional living services.
 - b. "Transitional living program" means a program that provides transitional living services and may include an identified program operations location approved by the department.
 - c. "Transitional living services" may include housing, supervision, and supportive services intended and designed to assist persons who have received foster care services and who have reached age seventeen, but who have not reached age twenty-one, to achieve independence and self-sufficiency.
22. With the approval of the governor, to lease or transfer use of any part of the life skills and transition center facilities or properties, located in section thirteen, township one hundred fifty-seven north, range fifty-three west, located in Walsh County, North Dakota, to the federal government, or any public or private agency, organization, or business enterprise, or any worthy undertaking, under the following provisions:
 - a. The department determines that the facility or property is not needed to serve any present or reasonably foreseeable need of the life skills and transition center.
 - b. The transaction is exempt from the provisions of section 50-06-06.6.
 - c. The term of any lease may not exceed ninety-nine years.
 - d. All required legal documents, papers, and instruments in any transaction must be reviewed and approved as to form and legality by the attorney general.
 - e. Any funds realized by any transaction must be deposited in the state's general fund.

23. To act as a decedent's successor for purposes of collecting amounts due to the department or human service zone, unless otherwise directed or determined by the department. Any affidavit submitted by the department under section 30.1-23-01 must conform to the requirements of that section except that the affidavit may state that twenty days have elapsed since the death of the decedent.
24. To provide those services necessary for the department and for ~~county social~~ human service boards/zones to comply with the provisions of any law, rule, order, or regulation of the United States or any federal agency or authority requiring civil service or merit standards or classifications as a condition for providing funds administered by the department.
25. For purposes of administration of programs, and subject to legislative appropriation, funds are obligated at the time a written commitment is made to pay a vendor or contractor for services or supplies either delivered or to be delivered. This subsection applies to payments and commitments made on or after January 1, 1997.
26. ~~Notwithstanding section 50-01.2-00.1, to~~ To determine eligibility for medical assistance and children's health insurance program benefits when the department receives a joint application for these benefits.
27. To administer, allocate, and distribute any funds made available for kinship care services and payments and services in response to the federal Family First Prevention Services Act as part of the Bipartisan Budget Act of 2018 [Pub. L. 115-123].
28. To contract with another human service zone or any other public or private person to discharge any of the department's duties or exercise any of the department's powers to administer human services.

SECTION 82. AMENDMENT. Subsection 3 of section 50-06-05.3 of the North Dakota Century Code is amended and reenacted as follows:

3. Each human service center must have a human services advisory group consisting of the ~~county social~~ human service zone directors of the region served, the public health directors of the region served, two current county commissioners appointed by the executive director of the department, and five additional members appointed by the executive director of the department. Each advisory group member must be a resident of the region the member is appointed to serve. The term of office for each appointed member is two years and arranged so that the term of three of the appointed members expires at the end of the first year and the term of the remaining four appointed members expires at the end of the second year, except for those first members appointed, three members shall serve a one-year term and four members shall serve a two-year term. The director shall select the appointed members of each human service advisory group on the basis of population of the counties in the region served by the human service center. Each county in the region must be represented by at least one member on the human service advisory group. To the extent possible, appointed membership of the advisory group must reflect regional interests in the fields of developmental disabilities, social services, mental health, and substance use disorders. The executive director of the department shall appoint a chairman for each advisory group from the membership of the advisory group. The executive director of the department shall fill a vacancy occurring within an advisory group for other than the expiration of a term in the same manner as original appointments, except that appointments must be made only for the unexpired term. The department shall compensate appointed members of a human service advisory group at the rate of forty-five dollars per day, not to exceed twenty-five days in any one year. The department also shall pay members for mileage and actual expenses incurred in attending meetings and in the performance of their official duties in the amounts provided by law for other state officers.

SECTION 83. AMENDMENT. Section 50-06-05.8 of the North Dakota Century Code is amended and reenacted as follows:

50-06-05.8. Department to assume costs of economic assistance and social service programs. (Effective through December 31, 2019)

The department of human services shall pay each service area's expenses for administering economic assistance and social service programs for calendar years after December 31, 2017, based on the formula payment amount calculated for each service area under chapter 50-34.

Department to assume certain costs of certain social service programs human services. (Effective after December 31, 2019) ~~Notwithstanding section 50-06-2-05, or any other provision in title 50 to the contrary, and in addition to the programs identified in section 50-06-20, the~~ The department of human services shall pay the local expenses of administration incurred by a county each human service zone's expenses for administering human services for calendar years after December 31, 2019, for family preservation programs; a county's share of the cost of the electronic benefits transfers for the supplemental nutrition assistance program incurred after December 31, 2019; and the computer processing costs incurred by the county after December 31, 2019, which exceed the county's costs of operation of the technical eligibility computer system in calendar year 1995 increased by the increase in the consumer price index for all urban consumers (all items, United States city average) after January 1, 1996 based on the formula payment amount calculated for each human service zone under chapter 50-35. The executive director of the department shall authorize expenditures from the human service finance fund to reimburse the department for the department's costs of providing human services that historically have been provided by a county or human service zone, or for a new service or program based on federal or state law.

SECTION 84. AMENDMENT. Section 50-06-06.2 of the North Dakota Century Code is amended and reenacted as follows:

50-06-06.2. Clinic services - Provider qualification - Utilization of federal funds.

Within the limits of legislative appropriation therefor and in accordance with rules established by the department, the department may defray the costs of preventive diagnostic, therapeutic, rehabilitative, or palliative items or services furnished medical assistance eligible individuals by regional human service centers or designated behavioral health providers. Within the limits of legislative appropriations and to the extent permitted by state and federal law and regulations established thereunder, it is the intent of the legislative assembly that federal funds available under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] be utilized to defray the costs of identifiable mental health clinic services furnished eligible individuals in regional human service centers and that federal funds available under title XX of the Social Security Act [42 U.S.C. 1397 et seq.] be utilized to defray the costs of identifiable ~~social~~ human services furnished to eligible individuals by ~~county social~~ human service ~~boards~~ zones and regional human service centers.

SECTION 85. AMENDMENT. Section 50-06-06.5 of the North Dakota Century Code is amended and reenacted as follows:

50-06-06.5. Continuum of services for individuals with serious and persistent mental illness.

1. The department of ~~human services~~ shall develop a plan for an integrated, multidisciplinary continuum of services for individuals with serious and persistent mental illness. The continuum may consist of an array of services provided by private mental health professionals, private agencies, ~~county social~~ human service agencies ~~zones~~, human service centers, community-based residential care and treatment facilities, and private and public inpatient psychiatric hospitals. When appropriate, access to the continuum must be through human service centers. Within the limits of legislative appropriations, the plan for a continuum may include:
 - a. Programs, and appropriate related facilities, to provide socialization skills.

- b. Programs, and appropriate related facilities, to provide basic living skills.
 - c. Appropriate residential facilities and other housing options.
 - d. Appropriate training, placement, and support to enhance potential for employment.
 - e. Appropriate delivery and control of necessary medication.
 - f. Appropriate economic assistance.
 - g. An inpatient facility with appropriate programs to respond to persons who require hospitalization.
 - h. Peer and recovery support.
 - i. Crisis service that is available twenty-four hours a day seven days a week.
2. The continuum of care must provide that a person requiring treatment be submitted to the least restrictive available conditions necessary to achieve the purposes of treatment. The department shall ensure appropriate cooperation with ~~county social~~human service ~~agencies~~zones and private providers in achieving the continuum of care.

SECTION 86. AMENDMENT. Section 50-06-06.14 of the North Dakota Century Code is amended and reenacted as follows:

50-06-06.14. Placement of children - Least restrictive care.

The department and ~~county social~~human service ~~boards~~zones shall explore the option of kinship care ~~when~~if a child is unable to return home due to safety concerns. Absent kinship options, the department and ~~county social~~human service ~~boards~~zones shall provide permanency options that are in the least restrictive care and near the family's home as required by the federal Adoption and Safe Family Act of 1997 [Pub. L. 105-89; 111 Stat. 2115; 42 U.S.C. 671].

SECTION 87. AMENDMENT. Section 50-06-12 of the North Dakota Century Code is amended and reenacted as follows:

50-06-12. ~~County~~Human service zone bound by reciprocal agreements of department - Duty of state and ~~county~~human service zone when person determined not entitled to support.

Any agreement made by the department under the provisions of section 50-06-11 for the acceptance, transfer, and support of any person from another state is binding on the ~~county~~human service zone where such person is residing. Neither this state nor any ~~county~~human service zone in this state shall be committed to the support of any person who is held by the department not to be entitled to public support under the laws of this state.

SECTION 88. AMENDMENT. Section 50-06-20 of the North Dakota Century Code is amended and reenacted as follows:

50-06-20. Programs funded at state expense - Interpretation.

1. The state shall bear the cost, in excess of the amount provided by the federal government, of:
 - a. As provided in section 50-24.1-14, medical assistance services provided under chapter 50-24.1;
 - b. Energy assistance program benefits provided under subsection 18 of section 50-06-05.1;
 - c. Supplements provided under chapter 50-24.5 as basic care services;
 - d. Services, programs, and costs listed in section 50-09-27;

- e. Welfare fraud detection programs; and
 - f. Human services provided by the human service zones or the department;
 - g. General assistance under chapter 50-01;
 - h. Special projects approved by the department and agreed to by any affected county-social human service board zone; and
 - i. Programs and services unique to the human service zone which have been included in the approved human service zone plan.
2. The state shall bear the costs of amounts expended for service payments for elderly and disabled and expanded service payments for elderly and disabled.
 3. This section does not grant any recipient of services, benefits, or supplements identified in subsection 1, any service, benefit, or supplement that a recipient could not claim in the absence of this section.

SECTION 89. AMENDMENT. Section 50-06.2-01 of the North Dakota Century Code is amended and reenacted as follows:

50-06.2-01. Purpose - Interpretation.

It is the purpose of this chapter to establish a system for planning, coordinating, and providing comprehensive human services administered by ~~county social~~ human service boards ~~zones~~ and human service centers. This chapter must be construed to effectuate the following public purposes:

1. To help individuals or their families to achieve, maintain, or support the highest attainable level of personal independence and economic self-sufficiency.
2. To prevent, remedy, or alleviate neglect, abuse, or exploitation of children and adults unable to protect their own interests.
3. To provide a continuum of community-based services adequate to appropriately sustain individuals in their homes and in their communities and to delay or prevent institutional care.
4. To preserve, rehabilitate, and reunite families.
5. To assist in securing referral or admission of individuals to institutional care when other forms of care are not appropriate.

SECTION 90. AMENDMENT. Section 50-06.2-02 of the North Dakota Century Code is amended and reenacted as follows:

50-06.2-02. Definitions.

As used in this chapter:

1. "Comprehensive human services" means services included in the comprehensive human services plan published by the state agency and human services required by state law or state agency regulation or federal law or regulation as a condition for the receipt of federal financial participation in programs administered under the provisions of this title.
2. "County agency" ~~means the county social service board in each county of the state.~~
3. "County plan" ~~means the county human services plan required by section 50-06.2-04.~~
4. "Family home care" means the provision of room, board, supervisory care, and personal services to an eligible elderly or disabled person by the spouse or by one of the following

relatives, or the current or former spouse of one of the following relatives, of the elderly or disabled person: parent, grandparent, adult child, adult sibling, adult grandchild, adult niece, or adult nephew. The family home care provider need not be present in the home on a twenty-four-hour basis if the welfare and safety of the client is maintained.

- 5-3. "Human service center" means a regional center established under section 50-06-05.3.
4. "Human service zone" means a county or consolidated group of counties administering human services within a designated area in accordance with an agreement or plan approved by the state agency.
5. "Human service zone plan" means the human service zone plan required by section 50-06.2-04.
6. "Human services" means:
- a. A service or assistance provided to an individual or an individual's family in need of services or assistance, including child welfare services, economic assistance programs, medical service programs, and aging service programs, to assist the individual or the individual's family in achieving and maintaining basic self-sufficiency, including physical health, mental health, education, welfare, food and nutrition, and housing.
 - b. A service or assistance provided, administered, or supervised by the department in accordance with chapter 50-06.
 - c. Licensing duties as administered or supervised by the department or delegated by the department to a human service zone.
- 6-7. "Qualified service provider" means a ~~county agency~~ human service zone or independent contractor which agrees to meet standards for service and operations established by the state agency.
- 7-8. "State agency" means the department of human services.

SECTION 91. AMENDMENT. Section 50-06.2-03 of the North Dakota Century Code is amended and reenacted as follows:

50-06.2-03. Powers and duties of the state agency.

The state agency has the following powers or duties under this chapter:

1. To act as the official agency of the state in the administration of the human services ~~programs~~ for individuals and families in conformity with state and federal requirements.
2. To prepare, at least biennially, a comprehensive human services plan which must:
 - a. Include human services determined essential in effectuating the purposes of this chapter.
 - b. Detail the human services identified by the state agency for provision by human service centers and the services which the ~~county agencies have agreed to~~ human service zones make available in approved ~~county~~ human service zone plans as a condition for the receipt of any funds allocated or distributed by the state agency.
3. To make available, through ~~county agencies~~ human service zone or human service centers, any or all of the services set out in the comprehensive human services plan on behalf of those individuals and families determined to be eligible for those services under criteria established by the state agency.

4. To supervise and direct the comprehensive human services administered by ~~county agencies~~ human service zone and human service centers through standard-setting, technical assistance, approval of ~~county~~ human service zone and regional plans, preparation of the comprehensive human services plan, evaluation of comprehensive human services ~~programs~~, and distribution of public money for services.
5. Within the limits of legislative appropriations and at rates determined payable by the state agency, to pay qualified service providers, which meet standards for services and operations, for the provision of the following services as defined in the comprehensive human services plan which are provided to individuals who, on the basis of functional assessments, income, and resources, are determined eligible for the services in accordance with rules adopted by the state agency:
 - a. Homemaker services;
 - b. Chore services;
 - c. Respite care;
 - d. Home health aide services;
 - e. Case management;
 - f. Family home care;
 - g. Personal attendant care;
 - h. Adult family foster care; and
 - i. Such other services as the state agency determines to be essential and appropriate to sustain individuals in their homes and in their communities and to delay or prevent institutional care.
6. To take actions, give directions, and adopt rules as necessary to carry out the provisions of this chapter.

For purposes of this chapter, resources do not include the individual's primary home and the first fifty thousand dollars of liquid assets.

SECTION 92. AMENDMENT. Section 50-06.2-04 of the North Dakota Century Code is amended and reenacted as follows:

50-06.2-04. Powers and duties of county agencies. (Effective through December 31, 2019)

Each county agency has the following powers and duties under this chapter:

1. To administer comprehensive human services programs for individuals and families at the county level in conformity with state and federal requirements under the direction and supervision of the state agency.
2. To publish and provide to the state agency a county human services plan which must include the following:
 - a. A statement of the goals of county human services programs in the county.
 - b. Methods used to identify persons in need of services and the social problems to be addressed by the county human services programs.
 - c. A description of each county human service proposed and identification of the agency or person proposed to provide the service.

- d. The amount of money proposed to be allocated to each service.
- e. An agreement to make available those human services required by state law and by federal law or regulation as a condition for the receipt of federal financial participation in programs administered by county agencies under the provisions of this title.

The date of submission of the county human services plan to the state agency must be determined so that the plan is coordinated with the proposed and final comprehensive human services plan.

3. To make available the human services detailed in the comprehensive human services plan which the county agency has included in the approved county plan and to provide such other human services as the county agency determines essential in effectuating the purposes of this chapter within the county. To the extent funding is available under section 50-06.2-03 and chapter 50-24.1, the county plan must include the services enumerated in those sections. The county agency shall make these services available to any individual requesting service and determined eligible on the basis of a functional assessment conducted in accordance with state and federal laws and regulations. The individual shall pay for the services in accordance with a fee scale based on family size and income. The county agency may contract with any qualified service provider in its provision of those enumerated services.
4. To submit annually to the board of county commissioners a budget containing an estimate and supporting data, setting forth the funds needed to carry out the provisions of this chapter.

Powers and duties of ~~county agencies~~human service zones. (Effective after December 31, 2019) Each ~~county agency~~human service zone has the following powers and duties under this chapter:

1. To administer comprehensive human services programs for individuals and families at the ~~county~~human service zone level in conformity with state and federal requirements under the direction and supervision of the state agency.
2. To publish and provide to the state agency a ~~county human services~~service zone plan ~~which that~~ must include the following:
 - a. A statement of the goals of ~~county~~human service zone human services programs in the ~~county~~human service zone.
 - b. Methods used to identify persons in need of services and the social problems to be addressed by the ~~county~~human service zone human services programs.
 - c. A description of each ~~county~~human service zone human services~~services~~ proposed and identification of the agency or person proposed to provide the service.
 - d. The amount of money proposed to be allocated to each service.
 - e. An agreement to make available those human services required by state law and by federal law or regulation as a condition for the receipt of federal financial participation in programs administered by ~~county agencies~~human service zones under the provisions of this title.

The date of submission of the ~~county human services~~service zone plan to the state agency must be determined so that the plan is coordinated with the proposed and final comprehensive human services~~service zone~~ plan.

3. To make available the human services detailed in the comprehensive human services~~service zone~~ plan which the ~~county agency~~human service zone has included in the approved ~~county~~human service zone plan and to provide such other human services as the ~~county agency~~human service zone determines essential in effectuating the purposes of this chapter within the ~~county~~human service zone. To the extent funding is available under section

50-06.2-03 and chapter 50-24.1, the ~~county~~human service zone plan must include the services enumerated in those sections. The ~~county agency~~human service zone shall make these services available to any individual requesting service and determined eligible on the basis of a functional assessment conducted in accordance with state and federal laws and regulations. The individual shall pay for the services in accordance with a fee scale based on family size and income. The ~~county agency~~human service zone may contract with any qualified service provider in its provision of those enumerated services.

4. To submit annually to the board of county commissioners a budget, approved by the state agency, containing an estimate and supporting data, setting forth the ~~county~~ funds needed to carry out the provisions of this chapter.

SECTION 93. AMENDMENT. Section 50-06.2-06 of the North Dakota Century Code is amended and reenacted as follows:

50-06.2-06. Freedom of choice.

Each person eligible for services under this chapter, or the person's representative, must be free to choose among available qualified service providers that offer competitively priced services. The ~~county agency~~human service zone shall inform each eligible applicant for services, provided under this chapter, of the identity of qualified service providers available to provide the service required by the applicant. The ~~county agency~~human service zone shall make and document reasonable efforts to inform potential service providers of the anticipated need for services in the ~~county~~human service zone.

SECTION 94. AMENDMENT. Section 50-09-01 of the North Dakota Century Code is amended and reenacted as follows:

50-09-01. Definitions.

In this chapter, unless the context or subject matter otherwise requires:

1. "Account" means a demand deposit account, checking or negotiable withdrawal order account, share account, share draft account, savings account, time deposit account, securities account, money market mutual fund account, or any other account or arrangement that reflects an owner's share or similar equity interest issued by an entity that is registered as an investment company under the federal investment company laws, to the extent the owner is permitted to redeem the share or interest by an order for payment to a third party.
2. "Assistance" means money payments with respect to, or goods and services provided for dependent children, including payments for the care of unmarried mothers or fathers and their infants.
3. "Child support" has the meaning provided in section 14-09-09.10.
4. "~~County agency~~" means ~~the county social service board in each of the counties of the state.~~
5. "Dependent child" means any needy child who is described in a state plan for aid and services to needy families submitted pursuant to title IV-A.
- 6-5. "Financial institution" means:
 - a. A depository institution, as defined in section 3(c) of the Federal Deposit Insurance Act [12 U.S.C. 1813(c)];
 - b. An institution-affiliated party, as defined in section 3(u) of the Federal Deposit Insurance Act [12 U.S.C. 1813(u)];
 - c. Any federal credit union or state credit union, as defined in section 101 of the Federal Credit Union Act [12 U.S.C. 1752], including an institution-affiliated party of such a credit

union, as defined in section 206(r) of the Federal Credit Union Act [12 U.S.C. 1786(r)]; and

- d. Any benefit association, insurance company, safe deposit company, securities intermediary, money market mutual fund, or similar entity authorized to do business in the state.
6. "Human service zone" means a county or consolidated group of counties administering human services within a designated area in accordance with an agreement or plan approved by the state agency.
7. "Obligor" has the meaning provided in section 14-09-09.10.
8. "Past-due support" has the meaning provided in section 14-09-09.10.
9. "Secretary" means the secretary of the United States department of health and human services.
10. "Securities account" has the meaning provided in section 41-08-41.
11. "Securities intermediary" has the meaning provided in section 41-08-02, but does not include a clearing corporation.
12. "State agency" means the North Dakota department of human services.
13. "Title IV-A" means title IV-A of the Social Security Act, as adopted by title I of Pub. L. 104-193 [110 Stat. 2110 et seq.; 42 U.S.C. 601 et seq.].
14. "Title IV-B" means title IV-B of the Social Security Act [Pub. L. 90-248, title II, sec. 240(c); 81 Stat. 911; 42 U.S.C. 620 et seq.], as amended.
15. "Title IV-D" means title IV-D of the Social Security Act [Pub. L. 93-647; 88 Stat. 2351; 42 U.S.C. 651 et seq.].
16. "Title IV-E" means title IV-E of the Social Security Act [Pub. L. 96-272, title I, sec. 101(a)(1); 94 Stat. 501; 42 U.S.C. 670 et seq.], as amended.
17. "Work activity" means any activity permitted or required to be treated as work for purposes of calculating a work participation rate.

SECTION 95. AMENDMENT. Section 50-09-02 of the North Dakota Century Code is amended and reenacted as follows:

50-09-02. Duties of the state agency.

The state agency shall:

1. Take such action and adopt rules as may become necessary to entitle the state to receive funds from the federal government under title IV-A.
2. Supervise the administration of temporary assistance for needy families throughout the state of North Dakota.
3. Take such action, give such directions, and adopt rules as may be necessary or desirable to carry out the provisions of this chapter, including the adoption and application of suitable standards and procedure to ensure appropriate treatment of all applicants for temporary assistance for needy families.
4. Cooperate with the federal government in matters of mutual concern pertaining to temporary assistance for needy families, including the adoption of such methods of administration as are

found by the state agency to be appropriate for the efficient operation of the plan for such assistance.

5. Provide such qualified employees and representatives as may be necessary.
6. Prescribe the form of and print and supply to the ~~county agencies~~ human service zones blanks for applications, reports, and such other forms as it may deem necessary and advisable.
7. Have authority to establish and maintain personnel standards on a merit basis for personnel employed by the state and the ~~county public assistance agencies not covered by a statewide merit system~~ human service zone.
8. Make such reports in such form and containing such information as the federal government from time to time may require.
9. Make any determinations respecting title IV-A not expressly reserved to the federal government under federal law.
10. Determine if the terms of any waiver of federal requirements, pertaining to the aid to families with dependent children program, submitted to the federal government before August 22, 1996, are consistent with the requirements of title IV-A.
11. Determine the expenditures that constitute qualified state expenditures for purposes of this chapter.
12. Determine the costs that constitute administrative costs for purposes of this chapter.
13. Determine in any case if assistance provided will be funded through qualified state expenditures, funds made available from the federal government under title IV-A, or a combination thereof.
14. Assist recipients of temporary assistance for needy families, in a form and manner determined appropriate by the state agency, but which need not be uniform among families or among counties.
15. Administer all funds appropriated or made available to it for the purpose of carrying out the provisions of this chapter.
16. Act as the official agency of the state in the administration of the child support enforcement program and medical support enforcement program in conformity with title IV-D. In administering the child support enforcement and medical support enforcement programs, the state agency may contract with any public or private agency or person to discharge the state agency's duties and must maintain an office in each of the eight planning regions of the state.
17. Take actions and adopt rules necessary to entitle the state to receive funds from the federal government under the child care and development block grant [42 U.S.C. 9858 et seq.], as amended.
18. Have authority to establish a program for families that include both a minor child and an incapacitated parent of that minor child, using no federal funds derived from temporary assistance for needy families block grant funds, which otherwise functions in substantially the form and manner of the temporary assistance for needy families program.
19. For purposes of section 674(e)(2) of the Social Security Act [42 U.S.C. 674(e)(2)], approve families, outside of the jurisdiction of the state of North Dakota, for placement of children for adoption.

20. Act as the official agency of the state in the administration of child and family services in conformity with title IV-B and to direct and supervise ~~county~~human service zone administration of that program, unless otherwise directed or determined by the state agency.
21. Act as the official agency of the state in the administration of federal payments for foster care and adoption assistance in conformity with title IV-E and to direct and supervise ~~county~~human service zone administration of that program, unless otherwise directed or determined by the state agency.
22. Provide, upon request and insofar as staff resources permit, technical assistance concerning the requirements of title IV-B and title IV-E to courts within this state, including tribal courts, and to state's attorneys and tribal prosecutors within this state.
23. Make training available to state's attorneys and assistant state's attorneys who are willing to collaborate with colleagues in other counties on petitions to terminate parental rights.

SECTION 96. AMENDMENT. Section 50-09-02.2 of the North Dakota Century Code is amended and reenacted as follows:

50-09-02.2. Assistance for adopted children with special needs.

Assistance provided under this chapter or chapter 50-24.1 after adoption to a child with special needs must be provided without regard to the income or resources of the adopting parents. Except as provided in this section, such assistance continues until the adopted child becomes eighteen years of age, is emancipated, or dies; the adoption is terminated; or a determination of ineligibility is made by the ~~county~~human service zone or state agency, whichever occurs earlier. If sufficient funds are available, the ~~county~~human service zone or state agency may continue assistance for an adopted child until the child reaches twenty-one years of age if the human service zone or state agency determines that the adopted child is a student regularly attending a secondary, postsecondary, or career and technical education school in pursuance of a course of study leading to a diploma, degree, or gainful employment. Assistance provided to an adopted child must continue regardless of the residence of the adopting parents. ~~A~~The state or county agency or human service zone may require, as a condition of receiving assistance under this chapter or chapter 50-24.1, that the adopting parents enter into a contract or agreement regarding the type of assistance to be received; the amount of assistance; the identity of the physical, mental, or emotional condition for which medical assistance is received; or any conditions for continued receipt of assistance. A child with special needs is a child legally available for adoptive placement whose custody has been awarded to the ~~department~~state agency or a ~~county social~~human service board~~zone~~ and who is seven years of age or older; under eighteen years of age with a physical, emotional, or mental disability or has been diagnosed by a licensed physician to be at high risk for such a disability; a member of a minority; or a member of a sibling group.

SECTION 97. AMENDMENT. Section 50-09-03 of the North Dakota Century Code is amended and reenacted as follows:

50-09-03. Duties of ~~county~~agencyhuman service zone.

In the administration of assistance under this chapter, a ~~county~~agencyhuman service zone shall, unless otherwise directed or determined by the state agency:

1. Administer the temporary assistance for needy families program in its ~~county~~human service zone, subject to the rules of the state agency.
2. Report to the state agency at such times and in such manner and form as the state agency, from time to time, may direct.
3. Submit annually, through the human service zone director, to the ~~board of county commissioners of each county~~state agency a budget containing an estimate and supporting data, setting forth the amount of money needed to carry out the provisions of this chapter.

4. Cooperate with juvenile courts and licensed children's agencies.
5. Administer child and family services under the direction and supervision of the state agency in conformity with title IV-B.
6. Administer federal payments for foster care and adoption assistance under the direction and supervision of the state agency in conformity with title IV-E.

SECTION 98. AMENDMENT. Section 50-09-04 of the North Dakota Century Code is amended and reenacted as follows:

50-09-04. Preservation and protection of religious faith.

The county, human service zone, and state agencies shall preserve and protect the religious faith of children coming under their jurisdiction.

SECTION 99. AMENDMENT. Section 50-09-06 of the North Dakota Century Code is amended and reenacted as follows:

50-09-06. Application for assistance.

Application for assistance under this chapter must be made to the ~~county~~ human service zone or state agency in the manner and form prescribed by the state agency. The application must contain such information as the state agency may require, and the action of the state agency in approving and granting assistance or in disapproving and denying assistance is final and binding on the ~~county-agency~~ human service zone.

SECTION 100. AMENDMENT. Section 50-09-07 of the North Dakota Century Code is amended and reenacted as follows:

50-09-07. Investigation by ~~county~~ human service zone or state agency.

~~Whenever~~ if a ~~county~~ human service zone or state agency shall ~~receive~~ receives an application for assistance, or assistance has been granted, under this chapter, the human service zone, unless otherwise directed or determined by the state agency, promptly shall make an investigation and record of the circumstances of the applicant, or child, or both, in order to ascertain the facts supporting the application or the granting of assistance and shall obtain such other information as may be required by the rules and regulations of the state agency.

SECTION 101. AMENDMENT. Section 50-09-08 of the North Dakota Century Code is amended and reenacted as follows:

50-09-08. Investigations - Power of ~~county agencies~~ human service zone, state agency, and employees.

1. In the investigation of applications under the provisions of this chapter, the ~~county-agencies~~ human service zone, the state agency, and the officials and employees of such agencies charged with the administration and enforcement of this chapter may:
 - a. Conduct examinations;
 - b. Require the attendance of witnesses and the production of books, records, and papers; and
 - c. Make application to the district court of the county to compel the attendance of witnesses and the production of books, records, and papers.
2. The state agency may request from other state, county, human service zones, and local agencies information deemed necessary to carry out the child support enforcement program.

All officers and employees of state, county, and local agencies shall cooperate with the state agency in locating absent parents of children to whom an obligation of support is owed or on whose behalf assistance is being provided and, on request, shall supply the state agency with available information relative to the location, income, social security number, and property holdings of the absent parent, notwithstanding any provision of law making that information confidential. Any person acting under the authority of the state agency who pursuant to this subsection obtains information from the office of the state tax commissioner, the confidentiality of which is protected by law, may not divulge such information except to the extent necessary for the administration of the child support enforcement program or when otherwise directed by judicial order or when otherwise provided by law.

3. The officers and employees designated by the ~~county agencies~~ human service zones or the state agency may administer oaths and affirmations.

SECTION 102. AMENDMENT. Subsections 2, 3, and 4 of section 50-09-08.2 of the North Dakota Century Code are amended and reenacted as follows:

2. All information received under this section, if confidential under some other provision of law, is subject to the penalties under section 50-06-15 and is confidential, except that the information may be used in the administration of any program administered by or under the supervision and direction of the ~~department~~ state agency and as specifically authorized by the rules of the ~~department~~ state agency. Any information received under this section, if not subject to section 44-04-18 and section 6 of article XI of the Constitution of North Dakota in the possession of the person providing the information, is exempt from section 44-04-18 and section 6 of article XI of the Constitution of North Dakota. Any person acting under the authority of the state agency who pursuant to this subsection obtains information from the office of the state tax commissioner, the confidentiality of which is protected by law, may not divulge such information except to the extent necessary for the administration of the child support enforcement program or when otherwise directed by judicial order or otherwise provided by law.
3. a. As provided in title IV-D, a person is immune from suit or any liability under any federal or state law:
 - (1) For any disclosure of information, in any form, made under this section, to the state agency, a county agency, a human service zone, or an official, employee, or agent of either;
 - (2) For encumbering or surrendering any assets held by a financial institution in response to a notice of lien or an execution issued by the state agency as provided in section 28-21-05.2 and chapter 35-34; or
 - (3) For any other action taken in good faith to comply with the requirements of this section.
- b. The court shall award reasonable attorney's fees and costs against any person who commences an action that is subsequently dismissed by reason of the immunity granted by this section.
4. The officers and employees designated by the ~~county agencies~~ human service zones or the state agency may administer oaths and affirmations.

SECTION 103. AMENDMENT. Section 50-09-08.3 of the North Dakota Century Code is amended and reenacted as follows:

50-09-08.3. Administrative enforcement in interstate cases.

1. In acting as the official agency of the state in administering the child support program under title IV-D, the state agency, directly or through agents and ~~county agencies~~ human service zones:
4.
 - a. Shall use high-volume automated administrative enforcement, to the same extent as used in intrastate cases, in response to a request made by another state to enforce a child support order, and shall promptly report the results of such enforcement procedure to the requesting state;
 2.
 - b. May transmit requests, by electronic or other means, to other states for assistance in cases involving enforcement of child support orders which include information provided and intended to enable the receiving state to compare information about the case to information in the databases of the receiving state, and which constitute a certification:
 - a. (1) Of the amount of arrearages, if any, under the child support order; and
 - b. (2) That procedural due process requirements applicable to the case have been complied with;
 3.
 - c. In cases in which the state agency receives requests made by another state to enforce a child support order, shall not consider that matter a child support case transferred to this state, but may establish a corresponding case based on the other state's request for assistance; and
 4.
 - d. Shall maintain records of:
 - a. (1) The number of requests for assistance made by other states;
 - b. (2) The number of cases in which this state collected support in response to requests made by other states; and
 - e. (3) The amount of support collected.
 2. For purposes of this section, the term "high-volume automated administrative enforcement" means, in interstate cases, on request of another state, the identification, by this state, through automated data matches with financial institutions and other entities where assets may be found, of assets owned by persons who owe child support in another state, and the seizure of such assets, by this state, through levy or other appropriate processes.

SECTION 104. AMENDMENT. Section 50-09-08.4 of the North Dakota Century Code is amended and reenacted as follows:

50-09-08.4. Reporting arrearages to credit bureaus.

1. In acting as the official agency of the state in administering the child support program under title IV-D, the state agency, directly or through agents and ~~county agencies~~ human service zones, subject to subsection 2, may report periodically to consumer reporting agencies the name of any obligor who owes past-due support and the amount of past-due support owed by the obligor.
2. The state agency may report under subsection 1 only after such an obligor has been provided notice and a reasonable opportunity to contest the accuracy of the statement of the name and amount of overdue support owed by the obligor.
3. For purposes of this section, "consumer reporting agency" means an agency that has furnished evidence, satisfactory to the ~~department~~ state agency, that the agency is a consumer

reporting agency as defined in section 603(f) of the Fair Credit Reporting Act [15 U.S.C. 1681a(f)].

SECTION 105. AMENDMENT. Section 50-09-09 of the North Dakota Century Code is amended and reenacted as follows:

50-09-09. Award of assistance.

1. Upon completion of the investigation of an applicant for assistance under this chapter, the ~~county~~human service zone or state agency shall determine, in accordance with the rules of the state agency:
 1. a. If the applicant may be provided assistance under the provisions of this chapter;
 2. b. The amount and type of any assistance the applicant may receive; and
 3. c. The date upon which such assistance may begin.
2. In all cases, a statement of the findings of the ~~county~~agencyhuman service zone forthwith must be transmitted to the state agency.

SECTION 106. AMENDMENT. Subsection 1 of section 50-09-14 of the North Dakota Century Code is amended and reenacted as follows:

1. An applicant for or recipient of temporary assistance for needy families under this chapter, aggrieved because of a ~~county~~human service zone's or state agency's decision or delay in making a decision, may appeal to the state agency in the manner prescribed by the state agency and must be afforded a reasonable notice and opportunity for a fair hearing by the state agency. The state agency, on its own motion, may review individual cases and make determinations which are binding upon the ~~county~~agencyhuman service zone. An applicant or recipient aggrieved by any such determination, upon request, must be afforded reasonable notice and opportunity for a fair hearing by the state agency. All decisions of the state agency made on an appeal are final and are binding upon and must be complied with by the ~~county~~agencyhuman service zone.

SECTION 107. AMENDMENT. Section 50-09-29 of the North Dakota Century Code is amended and reenacted as follows:

50-09-29. Requirements for administration of temporary assistance for needy families.

1. Except as provided in subsections 2, 3, and 4, the ~~department of human services~~state agency, in its administration of the temporary assistance for needy families program, shall:
 - a. Provide assistance to otherwise eligible women in the third trimester of a pregnancy;
 - b. Except as provided in subdivision c, afford eligible households benefits for no more than sixty months;
 - c. Exempt eligible households from the requirements of subdivision b due to mental or physical disability of a parent or child, mental or physical incapacity of a parent, or other hardship including a parent subject to domestic violence as defined in section 14-07.1-01;
 - d. Unless an exemption, exclusion, or disregard is required by law, count income and assets whenever actually available;
 - e. Except as provided in subdivision j, and as required to allow the state to receive funds from the federal government under title IV-A, provide no benefits to noncitizen immigrants who arrive in the United States after August 21, 1996;

- f. Limit eligibility to households with total available assets, not otherwise exempted or excluded, of a value established by the ~~department~~state agency;
- g. Exclude one motor vehicle of any value in determining eligibility;
- h. Require work activities for all household members not specifically exempted by the ~~department of human services~~state agency for reasons such as mental or physical disability of a parent or child or mental or physical incapacity of a parent;
- i. Establish goals and take action to prevent and reduce the incidence of out-of-wedlock pregnancies and establish numerical goals for reducing the illegitimacy rate for the state for periods through calendar year 2005;
- j. To the extent required to allow the state to receive funds from the federal government under title IV-A, provide benefits to otherwise eligible noncitizens who are lawfully present in the United States;
- k. Establish and enforce standards against program fraud and abuse;
- l. Provide employment placement programs;
- m. Exempt from assets and income the savings and proportionate matching funds in individual development accounts;
- n. Determine the unemployment rate of adults living in a county that includes Indian reservation lands and a significant population of Indian individuals by using unemployment data provided by job service North Dakota;
- o. When appropriate, require household members to complete high school;
- p. To the extent required to allow the state to receive funds from the federal government under title IV-A, exempt single parents from required work activities;
- q. Provide for sanctions, including termination of assistance to the household, if a household member fails to cooperate with work requirements;
- r. Provide for sanctions, including termination of assistance to the household, if a household member fails, without good cause, to cooperate with child support activities;
- s. Deny assistance with respect to a minor child absent from the household for more than one calendar month, except as specifically provided by the state agency for absences;
- t. Require each household to participate in developing an individual employment plan and provide for sanctions, including termination of assistance to the household, if adult or minor household members age sixteen or older fail to cooperate with the terms of the individual employment plan;
- u. Provide pre-pregnancy family planning services that are to be incorporated into the temporary assistance for needy families program assessment;
- v. Except in cases of pregnancy resulting from rape or incest, not increase the assistance amount to recognize the increase in household size when a child is born to a household member who was a recipient of assistance under this chapter during the probable month of the child's conception;
- w. Disregard earned income as an incentive allowance for no more than twelve months; and

- x. Consider, and if determined appropriate, authorize demonstration projects in defined areas which may provide benefits and services that are not identical to benefits and services provided elsewhere.
2. If the secretary of the United States department of health and human services determines that funds otherwise available for the temporary assistance for needy families program in this state must be reduced or eliminated should the ~~department of human services~~state agency administer the program in accordance with any provision of subsection 1, the ~~department of human services~~state agency shall administer the program in a manner that avoids the reduction or loss.
3. If the ~~department of human services~~state agency determines, subject to the approval of the legislative management, that there is insufficient worker opportunity, due to increases in the unemployment rate, to participate in work activities, the ~~department~~state agency may administer the temporary assistance for needy families program in a manner different than provided in subsection 1.
4. If the ~~department of human services~~state agency determines, subject to the approval of the legislative management, that administration of the temporary assistance for needy families program, in the manner provided by subsection 1, causes otherwise eligible individuals to become a charge upon the ~~counties~~human service zones under chapter 50-01, the ~~department~~state agency may administer the program in a manner that avoids that result.
5. The ~~department of human services~~state agency may not deny assistance to any individual who has been convicted of a felony offense that has as an element the possession, use, or distribution of a controlled substance as defined in section 102(6) of the Controlled Substance Act [21 U.S.C. 802(6)].

SECTION 108. AMENDMENT. Section 50-09-30 of the North Dakota Century Code is amended and reenacted as follows:

50-09-30. Child support agencies exempt from certain fees.

The recorder and secretary of state may not charge or collect any fee otherwise prescribed by law from a state or ~~county agency~~human service zone engaged in the establishment of paternity or the establishment, modification, or enforcement of child support orders.

SECTION 109. AMENDMENT. Subsection 2 of section 50-11-00.1 of the North Dakota Century Code is amended and reenacted as follows:

2. "Authorized agent" means the ~~county social~~human service board~~zone~~, unless another entity is designated by the department.

SECTION 110. AMENDMENT. Section 50-11.1-02 of the North Dakota Century Code is amended and reenacted as follows:

50-11.1-02. Definitions.

As used in this chapter, unless the context or subject matter otherwise requires:

1. "Authorized agent" means the ~~county social~~human service board~~zone~~, unless another entity is designated by the department.
2. "Child care center" means an early childhood program licensed to provide early childhood services to nineteen or more children.
3. "~~County agency~~" means the ~~county social service board in each of the counties of the state.~~
4. "Department" means the department of human services.

- ~~5.4.~~ "Drop-in care" means the care of children on a one-time, occasional, or unscheduled basis to meet the short-term needs of families.
- ~~6.5.~~ "Early childhood program" means any program licensed under this chapter where early childhood services are provided for at least two hours a day for three or more days a week.
- ~~7.6.~~ "Early childhood services" means the care, supervision, education, or guidance of a child or children, which is provided in exchange for money, goods, or other services. Early childhood services does not include:
- a. Substitute parental child care provided pursuant to chapter 50-11.
 - b. Child care provided in any educational facility, whether public or private, in grade one or above.
 - c. Child care provided in a kindergarten which has been established pursuant to chapter 15.1-22 or a nonpublic elementary school program approved pursuant to subsection 1 of section 15.1-06-06.
 - d. Child care, preschool, and prekindergarten services provided to children under six years of age in any educational facility through a program approved by the superintendent of public instruction.
 - e. Child care provided in facilities operated in connection with a church, business, or organization where children are cared for during periods of time not exceeding four continuous hours while the child's parent is attending church services or is engaged in other activities, on the premises.
 - f. Schools or classes for religious instruction conducted by religious orders during the summer months for not more than two weeks, Sunday schools, weekly catechism, or other classes for religious instruction.
 - g. Summer resident or day camps for children which serve no children under six years of age for more than two weeks.
 - h. Sporting events, practices for sporting events, or sporting or physical activities conducted under the supervision of an adult.
 - i. Head start and early head start programs that are federally funded and meet federal head start performance standards.
 - j. Child care provided in a medical facility by medical personnel to children who are ill.
- ~~8.7.~~ "Family child care" means a private residence licensed to provide early childhood services for no more than seven children at any one time, except that the term includes a residence licensed to provide early childhood services to two additional school-age children.
- ~~9.8.~~ "Group child care" means a child care program licensed to provide early childhood services for thirty or fewer children.
- ~~10.9.~~ "Household member" means an adult living in the private residence out of which a program is operated, regardless of whether the adult is living there permanently or temporarily.
10. "Human service zone" means a county or consolidated group of counties administering human services within a designated area in accordance with an agreement or plan approved by the department.
11. "In-home provider" means any person who provides early childhood services to children in the children's home.

12. "Licensed" means an early childhood program has the rights, authority, or permission granted by the department to operate and provide early childhood services.
13. "Multiple licensed program" means an early childhood program licensed to provide more than one type of early childhood services.
14. "Owner" or "operator" means the person who has legal responsibility for the early childhood program and premises.
15. "Parent" means an individual with the legal relationship of father or mother to a child or an individual who legally stands in place of a father or mother, including a legal guardian or custodian.
16. "Premises" means the indoor and outdoor areas approved for providing early childhood services.
17. "Preschool" means a program licensed to offer early childhood services, which follows a preschool curriculum and course of study designed primarily to enhance the educational development of the children enrolled and which serves no child for more than three hours per day.
18. "Public approval" means a nonlicensed early childhood program operated by a government entity that has self-certified that the program complies with this chapter.
19. "Registrant" means the holder of an in-home provider registration document issued by the department in accordance with this chapter.
20. "Registration" means the process whereby the department maintains a record of all in-home providers who have stated that they have complied or will comply with the prescribed standards and adopted rules.
21. "Registration document" means a written instrument issued by the department to publicly document that the registrant has complied with this chapter and the applicable rules and standards as prescribed by the department.
22. "School-age child care" means a child care program licensed to provide early childhood services on a regular basis for nineteen or more children aged five years through eleven years.
23. "School-age children" means children served under this chapter who are at least five years but less than twelve years of age.
24. "Self-declaration" means voluntary documentation of an individual providing early childhood services in a private residence for up to five children through the age of eleven, of which no more than three may be under the age of twenty-four months.
25. "Staff member" means an individual:
 - a. Who is an employee of an early childhood program or of an early childhood services provider under a self-declaration; or
 - b. Whose activities involve the care, supervision, or guidance of children for or unsupervised access to children under the care, supervision, or guidance of an early childhood program or early childhood services provider under a self-declaration.

SECTION 111. AMENDMENT. Section 50-11.2-01 of the North Dakota Century Code is amended and reenacted as follows:

50-11.2-01. Foster care parent grievance.

A foster parent who is duly licensed to care for a foster child may object to any decision made by the department of human services or ~~county social~~ human service board ~~zone~~ which substantially affects the foster parent or the needs of the foster child. An objection may be made in the form of a grievance, which must be filed in the county of the foster care parent's residence with the ~~county social~~ human service board ~~zone~~. The ~~county social~~ human service board ~~zone~~ shall notify foster parents of the grievance procedure and provide them with grievance procedure forms.

SECTION 112. AMENDMENT. Section 50-11.2-02 of the North Dakota Century Code is amended and reenacted as follows:

50-11.2-02. Grievance procedure.

The grievance procedure to be followed by the department of human services, ~~county social~~ human service board ~~zone~~, and foster parents is:

1. Any decision made by the department of human services or ~~county social~~ human service board ~~zone~~ which substantially affects the licensed foster parent or the needs of a foster child must be sent in writing to the foster parents who have been given the responsibility of providing foster care for that child. Nothing herein may be construed to prohibit the department of human services or ~~county social~~ human service board ~~zone~~ from immediately implementing a decision, when the best interests of the child require such immediate action, as long as notice is given to the foster parent as soon as possible.
2. A foster parent may object to any decision referred to in subsection 1. Upon the filing of a grievance by the foster care parents, the ~~county social~~ human service board ~~zone~~ shall schedule an informal meeting to be held within ten days of the filing of the grievance. The needs and responsibilities of all interested parties must be discussed at this meeting in an attempt to maintain a continuing relationship which will serve the best interests of the foster child. A written resolution relating to the grievance should be agreed to and signed by both parties.
3. If no written resolution between the parties relating to the grievance is made at the informal meeting, the foster parents may request a formal hearing to be held at the ~~regional foster care area conflict-free human service zone~~ office. This meeting must be held within ten working days of the informal meeting unless both parties agree to an extension. The ~~regional foster care human service zone~~ director or the director's designee shall provide for a record of this hearing. The ~~regional foster care human service zone~~ director or the director's designee shall review all prior contact between the foster care parents and the department of human services or ~~county social service board~~ human service zone relating to the grievance. The ~~regional foster care human service zone~~ director or the director's designee shall then make a final determination relating to the grievance. The ~~regional foster care human service zone~~ director's or the director's designee's findings and conclusions must be sent to the ~~county social~~ human service board ~~zone~~ and the foster care parents.
4. All decisions of the ~~regional foster care director~~ relating to a grievance under this chapter are final.
5. The department of human services shall adopt rules to carry out the purpose and intent of this section and these rules must be given to the foster parent upon licensing.
6. Denial or revocation of a foster care license may be appealed as provided in chapter 28-32.
7. Nothing herein may be construed to require a grievance proceeding under this chapter, when the department of human services or ~~county social~~ human service board ~~zone~~ is acting to implement a specific placement decision issued by a court with competent jurisdiction.

SECTION 113. AMENDMENT. Section 50-24.1-03.1 of the North Dakota Century Code is amended and reenacted as follows:

50-24.1-03.1. Duties of ~~county agency~~ human service zone and department.

In the administration of the medical assistance program, the department or a county agency human service zone shall investigate and record the circumstances of each applicant or recipient of assistance, in order to ascertain the facts supporting the application, or the granting of assistance, and obtain such other information as directed by the department or as may be required by the rules and regulations of the department of ~~human services~~.

SECTION 114. AMENDMENT. Section 50-24.1-03.2 of the North Dakota Century Code is amended and reenacted as follows:

50-24.1-03.2. Investigations - Power of ~~county agencies~~ human service zones, department, and employees.

1. In the investigation of applications under the provisions of this chapter, the ~~county agencies~~ human service zones, the department of human services, and the officials and employees of such agencies charged with the administration and enforcement of this chapter may:
 - a. Conduct examinations;
 - b. Require the attendance of witnesses and the production of books, records, and papers; and
 - c. Make application to the district court of the county to compel the attendance of witnesses and the production of books, records, and papers.
2. The department of human services may request from other state, county, human service zones, and local agencies information deemed necessary to carry out the medical support enforcement program. All officers and employees of state, county, and local agencies shall cooperate with the department of human services in locating absent spouses or parents of children to whom an obligation of support is owed or on whose behalf assistance is being provided and, on request, shall supply the department with available information relative to the location, income, social security number, and property holdings of the absent spouse or parent, notwithstanding any provision of law making that information confidential. Any person acting under the authority of the department of human services who pursuant to this subsection obtains information from the office of the state tax commissioner, the confidentiality of which is protected by law, may not divulge such information except to the extent necessary for the administration of the medical support enforcement program or when otherwise directed by judicial order or when otherwise provided by law.
3. The officers and employees designated by the ~~county agencies~~ human service zones or the department of human services may administer oaths and affirmations.

SECTION 115. AMENDMENT. Section 50-24.5-01 of the North Dakota Century Code is amended and reenacted as follows:

50-24.5-01. Definitions.

In this chapter, unless the context otherwise requires:

1. "Aged" means at least sixty-five years of age.
2. "Blind" has the same meaning as the term has when used by the social security administration in the supplemental security income program under titles II and XVI of the Social Security Act [42 U.S.C. 401-434 and 42 U.S.C. 1381 et seq.].

3. "Congregate housing" means housing shared by two or more individuals not related to each other which is not provided in an institution.
4. ~~"County agency" means the county social service board.~~
5. "Department" means the department of human services.
- 6-5. "Disabled" has the same meaning as the term has when used by the social security administration in the supplemental security income program under titles II and XVI of the Social Security Act [42 U.S.C. 401-434 and 42 U.S.C. 1381 et seq.].
- 7-6. "Eligible beneficiary" means a resident of this state who:
 - a. (1) Is aged; or
(2) Is at least eighteen years of age and is disabled or blind;
 - b. (1) Has applied for and is eligible to receive and receives benefits under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], and who has applied for and is receiving benefits, if the individual is eligible to receive benefits, under titles II and XVI of the Social Security Act [42 U.S.C. 401-434 and 42 U.S.C. 1381 et seq.]; or
(2) Has applied for and is eligible to receive and receives benefits under section 50-24.1-37 for long-term services and supports pursuant to an asset test established under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] and section 50-24.1-02;
 - c. Meets the requirements of section 23-09.3-08.1;
 - d. Based on a functional assessment, is not severely impaired in any of the activities of daily living of toileting, transferring to or from a bed or chair, or eating and:
 - (1) Has health, welfare, or safety needs, including a need for supervision or a structured environment; or
 - (2) Is impaired in three of the following four instrumental activities of daily living: preparing meals, doing housework, taking medicine, and doing laundry; and
 - e. Is determined to be eligible pursuant to rules adopted by the department.
7. "Human service zone" means a county or consolidated group of counties administering human services within a designated area in accordance with an agreement or plan approved by the department.
8. "Institution" means a facility licensed under chapter 23-09.3.
9. "Living independently" includes living in congregate housing. The term does not include living in an institution.
10. "Personal needs allowance" means an amount retained by the eligible beneficiary to cover the costs of clothing and other personal needs.
11. "Proprietor" means an individual responsible for day-to-day administration and management of a facility.
12. "Remedial care" means services that produce the maximum reduction of an eligible beneficiary's physical or mental disability and the restoration of an eligible beneficiary to the beneficiary's best possible functional level.

13. "Would be eligible to receive the cash benefits except for income" refers to an individual whose countable income, less the cost of necessary remedial care that may be provided under this chapter, does not exceed an amount equal to the cash benefit under titles II and XVI of the Social Security Act [42 U.S.C. 401-434 and 42 U.S.C. 1381 et seq.] which the individual would receive if the individual had no income, plus the amount allowed as the personal needs allowance.

SECTION 116. AMENDMENT. Subsection 1 of section 50-24.5-02 of the North Dakota Century Code is amended and reenacted as follows:

1. Administer aid to vulnerable aged, blind, and disabled persons and supervise and direct ~~county agencies~~human service zones in the administration of aid to vulnerable aged, blind, and disabled persons.

SECTION 117. AMENDMENT. Section 50-24.5-03 of the North Dakota Century Code is amended and reenacted as follows:

50-24.5-03. Powers and duties of ~~county agency~~human service zone.

Each ~~county agency~~human service zone, unless otherwise directed or determined by the ~~department~~, shall:

1. Administer aid to aged, blind, and disabled persons at the ~~county~~human service zone level under the direction and supervision of the department, pursuant to state requirements.
2. Provide the services described in this chapter.
3. Determine eligibility for benefits under this chapter and periodically redetermine eligibility of persons receiving benefits pursuant to this chapter.
4. Provide case management services to eligible beneficiaries.
5. Conduct initial and ongoing functional assessments of applicants in cooperation with basic care facilities.
6. Cooperate with any other ~~county agency~~human service zone to assure the conduct of initial and ongoing functional assessments and determinations of eligibility with respect to any applicant or eligible beneficiary who is physically present in a ~~county~~human service zone other than the ~~county~~human service zone in which the applicant or eligible beneficiary is a resident for purposes of chapter 50-01.

SECTION 118. AMENDMENT. Section 50-24.5-07 of the North Dakota Century Code is amended and reenacted as follows:

50-24.5-07. Residency.

For purposes of this chapter:

1. A person is a resident of this state if:
 - a. The person is not living in an institution and is living in this state:
 - (1) With intent to remain in this state permanently or for an indefinite period; or
 - (2) Without intent if the person is incapable of stating intent.
 - b. The person is living in an institution outside this state and was receiving a benefit under chapter 50-01 on January 1, 1995.

- c. The person was placed in an out-of-state institution by a ~~county agency~~human service zone or the department while the person was incapable of indicating intent.
 - d. The person is living in an in-state institution, has lived in that institution for at least thirty days, and was not placed in that institution by another state. A person placed in an institution by another state is a resident of the state making the placement. Any action beyond providing information to the person and the person's family constitutes arranging or making a state placement. However, the following actions do not constitute state placement:
 - (1) Providing basic information about this chapter and information about the availability of this chapter; or
 - (2) Assisting a person in locating an institution in this state, if the person is capable of indicating intent and independently decides to move.
2. A person who is a resident of this state is a resident of the ~~county~~human service zone in which the person is a resident for purposes of chapter 50-01.

SECTION 119. AMENDMENT. Section 50-24.5-09 of the North Dakota Century Code is amended and reenacted as follows:

50-24.5-09. Responsibility for expenditures.

~~Except as otherwise specifically provided in section 50-03-08, expenditures~~Expenditures required under this chapter are the responsibility of the state of North Dakota.

SECTION 120. AMENDMENT. Section 50-24.7-01 of the North Dakota Century Code is amended and reenacted as follows:

50-24.7-01. Definitions.

In this chapter, unless the context otherwise requires:

1. "Aged" means at least sixty-five years of age.
2. "Blind" has the same meaning as the term has when used by the social security administration in the supplemental security income program under titles II and XVI of the Social Security Act [42 U.S.C. 401-434 and 42 U.S.C. 1381 et seq.].
3. ~~"County agency" means the county social service board.~~
4. "Department" means the department of human services.
- ~~5.4.~~ "Disabled" has the same meaning as the term has when used by the social security administration in the supplemental security income program under titles II and XVI of the Social Security Act [42 U.S.C. 401-434 and 42 U.S.C. 1381 et seq.].
- ~~6.5.~~ "Eligible beneficiary" means a resident of this state who:
 - a. (1) Is aged; or
 - (2) Is at least eighteen years of age and is disabled or blind;
 - b. Has applied for and is eligible to receive benefits under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], and who has applied for and is receiving benefits, if the individual is eligible to receive benefits, under titles II and XVI of the Social Security Act [42 U.S.C. 401-434 and 42 U.S.C. 1381 et seq.];

- c. Based on a functional assessment, is not severely impaired in any of the activities of daily living of toileting, transferring to or from a bed or chair, or eating and:
 - (1) Has health, welfare, or safety needs, including a need for supervision or a structured environment; or
 - (2) Is impaired in three of the four instrumental activities of daily living of preparing meals, doing homework, taking medicine, and doing laundry;
- d. Has countable income, less the cost of necessary remedial care that may be provided under this chapter, does not exceed an amount equal to the cash benefit under titles II and XVI of the Social Security Act [42 U.S.C. 401-434 and 42 U.S.C. 1381 et seq.] which the individual would receive if the individual had no income, plus the personal needs allowance;
- e. Has impairments that are not the result of an intellectual disability; and
- f. Is determined to be eligible pursuant to rules adopted by the department.

7-6. "Family home care" means the provision of room, board, supervisory care, and personal services to an eligible elderly or disabled person by the spouse or by one of the following relatives, or the current or former spouse of one of the following relatives, of the elderly or disabled person: parent, grandparent, adult child, adult sibling, adult grandchild, adult niece, or adult nephew. The family home care provider need not be present in the home on a twenty-four-hour basis if the welfare and safety of the client is maintained.

7. "Human service zone" means a county or consolidated group of counties administering human services within a designated area in accordance with an agreement or plan approved by the department.

8. "Qualified service provider" means a ~~county agency~~ human service zone or independent contractor who agrees to meet standards for services and operations established by the department.

9. "Remedial care" means services that produce the maximum reduction of an eligible beneficiary's physical or mental disability and the restoration of an eligible beneficiary to the beneficiary's best possible functional level.

SECTION 121. AMENDMENT. Subsection 1 of section 50-24.7-02 of the North Dakota Century Code is amended and reenacted as follows:

- 1. The department shall administer expanded service payments for elderly and disabled and supervise and direct ~~county agencies~~ human service zones in the administration of expanded service payments for elderly and disabled.

SECTION 122. AMENDMENT. Section 50-24.7-03 of the North Dakota Century Code is amended and reenacted as follows:

50-24.7-03. Powers and duties of ~~county agency~~ human service zone.

Each ~~county agency~~ human service zone, unless otherwise directed or determined by the department, shall:

- 1. Administer expanded service payments for elderly and disabled at the ~~county~~ human service zone level under the direction and supervision of the department, pursuant to state requirements.
- 2. Provide the services described in this chapter. The ~~county agency~~ human service zone may contract with a qualified service provider in the provision of those services.

3. Determine eligibility for benefits under this chapter and periodically redetermine eligibility of persons receiving benefits pursuant to this chapter.
4. Provide case management services to eligible beneficiaries.
5. Conduct initial and ongoing functional assessments of applicants.

SECTION 123. AMENDMENT. Section 50-24.7-06 of the North Dakota Century Code is amended and reenacted as follows:

50-24.7-06. Responsibility for expenditures.

~~Except as otherwise specifically provided in section 50-03-08, expenditures~~Expenditures required under this chapter are the responsibility of the state of North Dakota.

SECTION 124. AMENDMENT. Subsections 6 and 11 of section 50-25.1-02 of the North Dakota Century Code are amended and reenacted as follows:

6. "Authorized agent" means the ~~county social~~human service board~~zone~~, unless another entity is designated by the department.
11. "Local child protection team" means a multidisciplinary team consisting of the designee of the ~~director of the regional human service center~~human service zone director who shall serve as presiding officer, together with such other representatives as that director might select for the team ~~with the consent of the director of the county social service board~~. All team members, at the time of their selection and thereafter, must be staff members of the public or private agencies they represent or shall serve without remuneration. An attorney member of the child protection team may not be appointed to represent the child or the parents at any subsequent court proceeding nor may the child protection team be composed of fewer than three members. The department ~~shall~~may coordinate the organization of local child protection teams on a ~~county or multicounty~~human service zone basis.

SECTION 125. AMENDMENT. Section 50-25.1-04.3 of the North Dakota Century Code is amended and reenacted as follows:

50-25.1-04.3. Child fatality review panel - Duties.

The child fatality review panel shall meet at least semiannually to review the deaths and near deaths of all minors which occurred in the state during the preceding six months and to identify trends or patterns in the deaths and near deaths of minors. The panel may review near deaths alleged to have resulted only from child abuse and neglect. The panel shall promote:

1. Interagency communication for the management of child death cases and for the management of future nonfatal cases.
2. Effective criminal, civil, and social intervention for families with fatalities.
3. Intervention and counseling of surviving and at-risk siblings, and offer the same.
4. Interagency use of cases to audit the total health and social service systems and to minimize misclassification of cause of death.
5. Evaluation of the impact of specific risk factors including substance abuse, domestic violence, and prior child abuse.
6. Interagency services to high-risk families.
7. Data collection for surveillance of deaths and the study of categories of causes of death.
8. The use of media to educate the public about child abuse prevention.

9. Intercounty, interhuman service zones, and interstate communications regarding child death.
10. Use of local child protection team members as local child fatality review panelists.
11. Information that apprises a parent or guardian of the parent's or guardian's rights and the procedures taken after the death of a child.

SECTION 126. AMENDMENT. Section 50-25.2-14 of the North Dakota Century Code is amended and reenacted as follows:

50-25.2-14. Implementation contingent upon appropriation.

The department and ~~county social~~ human service boards ~~boards~~ zones are not required to implement or enforce this chapter with respect to any zone, region, area, or county of this state if the legislative assembly does not provide an appropriation to support the implementation and enforcement of this chapter within that zone, region, area, or county.

SECTION 127. AMENDMENT. Section 50-29-01 of the North Dakota Century Code is amended and reenacted as follows:

50-29-01. Definitions.

As used in this chapter:

1. "Children's health insurance program" means a program to provide health assistance to low-income children funded through title XXI of the federal Social Security Act [42 U.S.C. 1397aa et seq.].
2. "County agency" ~~means the county social service board.~~
3. "Department" means the department of human services.
3. "Human service zone" means a county or consolidated group of counties administering human services within a designated area in accordance with an agreement or plan approved by the department.
4. "Plan" means the children's health insurance program state plan.
5. "Poverty line" means the official income poverty line as defined by the United States office of management and budget and revised annually in accordance with ~~42 U.S.C. 9902(2)~~ section 9902(2) of title 42 of the United States Code, applicable to a family of the size involved.

SECTION 128. AMENDMENT. Section 50-29-02 of the North Dakota Century Code is amended and reenacted as follows:

50-29-02. Duties of the department.

1. The department shall prepare, submit, and implement the plan that includes determinations of eligibility, based on modified adjusted gross income methodologies as required in ~~42 U.S.C. 1396a(e)(14)~~ section 1396a(e)(14) of the United States Code;
2. Supervise the administration of the children's health insurance program throughout this state;
3. Take action, give directions, and adopt rules as may be necessary or desirable to carry out the provisions of this chapter;
4. After federal approval of the plan, apply for a federal waiver allowing plan coverage for a family through an employer-based insurance policy if an employer-based family insurance policy is more cost-effective than the traditional plan coverage for the children;

5. Report annually to the legislative council and describe enrollment statistics and costs associated with the plan; and
6. ~~Reimburse counties for expenses incurred in the administration of the children's health insurance program at rates based upon all counties' total administrative costs; and~~
7. Administer all funds appropriated or made available to the department for the purpose of carrying out the provisions of this chapter.

SECTION 129. AMENDMENT. Section 50-29-03 of the North Dakota Century Code is amended and reenacted as follows:

50-29-03. Duties of ~~county~~ human service zone.

In the administration of the plan, unless the department otherwise establishes eligibility, the ~~county~~ human service zone shall:

1. Administer the plan under the direction and supervision of the department; and
2. Make an investigation and record the circumstances of each applicant, obtaining information as may be required by the department.

SECTION 130. Chapter 50-35 of the North Dakota Century Code is created and enacted as follows:

50-35-01. Definitions.

As used in this chapter, unless the context otherwise requires:

1. "Department" means the department of human services.
2. "Director" means the executive director of the department or the executive director's designee.
3. "Economic assistance" means those primary economic assistance programs that need to be accessible to all citizens of the state through a human service zone, including:
 - a. Temporary assistance for needy families;
 - b. Employment and training programs;
 - c. Child care assistance programs;
 - d. Medical assistance, including early periodic screening, diagnosis, and treatment;
 - e. Supplemental nutrition assistance programs, including employment and training programs;
 - f. Refugee assistance programs;
 - g. Basic care services;
 - h. Energy assistance programs; and
 - i. Information and referral.
4. "Human service zone" means a county or consolidated group of counties administering human services within a designated area in accordance with an agreement or plan approved by the department.
5. "Human service zone director" means a human service zone team member who oversees the human service zone's operation and budget and serves as presiding officer of the human service zone board.

6. "Human services" means:
 - a. A service or assistance provided to an individual or an individual's family in need of services or assistance, including child welfare services, economic assistance programs, medical service programs, and aging service programs, to assist the individual or the individual's family in achieving and maintaining basic self-sufficiency, including physical health, mental health, education, welfare, food and nutrition, and housing.
 - b. A service or assistance provided, administered, or supervised by the department in accordance with chapter 50-06.
 - c. Licensing duties as administered or supervised by the department or delegated by the department to a human service zone.
7. "Indirect costs" means salaries, benefits, and operating costs incurred in providing those goods and services to support human services that are generally available for the common benefit of multiple county agencies. These costs include legal representation; facilities and related costs, such as utilities and maintenance; administrative support, including payroll, accounting, banking, and coordination; information technology support and equipment; and miscellaneous goods and services, such as transportation, supplies, insurance coverage, phone, and mail services.

50-35-02. State-paid human services - Application - Study.

1. The department shall administer a statewide program for state funding of staffing and administrative costs related to the administration of human services.
2. Payments must be distributed to human service zones and the department pursuant to the formula in section 50-35-04, with the first formula payment distributions commencing in January 2020.
3. Human service zones shall cooperate with the department to adopt administrative and operational cost-savings methodologies and determine options for consolidations. Human service zones shall implement the administrative and operational cost-savings methodologies and consolidations.
4. During the 2019-20 interim, the department shall consider options for allowing a human service zone to opt in to state employment. The study must identify under what conditions a transition to state employment may be desirable for a human service zone; outline the governance process for choosing to opt in to state employment, including a description of the role of the human service zone board, county commissions, and the department; and include a template and potential timeline for any zone choosing to make the transition to state employment.

50-35-03. Formula payments - Distributions by the director.

1. The director shall calculate the total formula payment for each human service zone pursuant to section 50-35-04 for each calendar year. The director shall notify each human service zone of the amount of that zone's formula payment for calendar year 2020, before December 16, 2019, and for calendar year 2021 and the following years thereafter, before June second of the previous year. The director may amend and modify each human service zone's formula payment. If the director amends and modifies a human service zone's formula payment, the human service zone director must be notified within thirty days of amendment or modification.
2. The director shall distribute fifty percent of the amount of each human service zone's formula payment determined under subsection 1, within the limits of legislative appropriation, before January eleventh.

3. By June first of each year, excluding calendar year 2019, the director shall recalculate the total formula payment for each human service zone pursuant to section 50-35-04 for the current calendar year.
4. For payments disbursed after calendar year 2020, the director shall subtract from a human service zone's June fifteenth disbursement any amount exceeding the limitation under section 50-35-05.
5. The director shall calculate the total formula payment for the department pursuant to section 50-35-04.

50-35-04. Calculation of formula payment - Expenditures.

1. The director shall calculate the total formula payment for each human service zone. The calculation must be based on the human service zone's most recently available data on historical cost and income, and may include:
 - a. Other factors outlined in subsection 3;
 - b. The human service zone director's proposed budget for the human service zone which may include expansion of scope of human services to include kinship care services and payments and services in response to the federal Family First Prevention Services Act as part of the Bipartisan Budget Act of 2018 [Pub. L. 115-123];
 - c. Compensation equity and salary increases. The department may limit future salary increases for human service zone team members who received a salary increase from the county commissioners or county social service board for calendar year 2018 or 2019 which was above the salary increase provided by the legislative assembly for state employees or who receive a wage above equitable compensation; and
 - d. Current and future duties of and services offered by the human service zone and department.
2. The director shall authorize expenditures from the human service finance fund to reimburse the department for the department's costs of providing human services that historically have been provided by a county, human service zone, or a new service or program based on federal or state law. The department may authorize expenditures from the human service finance fund to reimburse the department for transitional costs incurred for implementing the statewide program for state funding.
3. The director may recalculate and adjust each human service zone's formula payment biannually based on pertinent factors, which include actual expenditures over the previous or current payment period, current costs, offered services, need, income, performance of duties directed or assigned and supervised by the department, and caseload. If the director amends and modifies a human service zone's formula payment, the human service zone director must be notified within thirty days of amendment or modification. The spending authority of the human service zone must be increased based on the approved, adjusted, or modified formula payment.
4. The director, during the period between January 1, 2020, and December 31, 2021, shall calculate payment for indirect costs according to a formula established by the department, during the period between January 1, 2020, and December 31, 2021. The total payment by the department for reimbursement of indirect costs incurred to support human services may not be less than the prorated amount paid to counties for this purpose in state fiscal year 2018 as identified in the indirect cost plan, unless a cost reduction or cost-savings is achieved by the county.

50-35-05. Human service zone human services fund - Establishment - Fund balance limitations.

1. Each human service zone in this state shall maintain a fund to be known as the human service zone human services fund. All expenditures by the human service zone for human services must be paid from the human service zone human services fund. If, due to unforeseen or other extenuating circumstances, a human service zone's formula distribution payment, the county's cost allocation of indirect costs, and balance of moneys carried over pursuant to subsection 2 are not sufficient to meet the expenses of that human service zone, the director may approve a transfer from the human service finance fund to the human service zone human services fund.
2. The balance of moneys in the human service zone human services fund on January first of each year, after calendar year 2020, may not exceed five hundred thousand dollars for a human service zone that had annual expenditures of two million dollars or greater in calendar year 2020 or one hundred thousand dollars for a human service zone that had annual expenditures of less than two million dollars in calendar year 2020. The balance of moneys carried over must be used for the administration of human services within that human service zone as approved by the human service zone director. The human service zone human services fund is not subject to any other charges and is exempt from section 21-02-08.

50-35-06. Human service zone human services fund - Transfer.

1. The county treasurer shall transfer the full amount of the service area human services fund to the human service zone human services fund on January 1, 2020. If on January 1, 2021, and each year thereafter, the balance of a human service zone human services fund exceeds the limitations in section 50-35-05, the director shall reduce the human service zone's formula payment as directed in subsection 4 of section 50-35-03.
2. The county may not transfer any funds from the service area human services fund until January 1, 2020, unless approved by the department.

50-35-07. Human service finance fund.

The human service finance fund is a special fund in the state treasury. Moneys in the fund may be used, subject to legislative appropriation, for the provision of formula payments to human service zones and payments to the department pursuant to this chapter.

SECTION 131. AMENDMENT. Section 54-46-13 of the North Dakota Century Code is amended and reenacted as follows:

54-46-13. Rules for state and ~~county-social~~human service zone records - Administrator to adopt.

The administrator shall adopt rules in accordance with chapter 28-32 for state and ~~county-social~~human service zone records. The rules adopted by the administrator must be consistent with records retention requirements imposed by federal law with respect to those records. The administrator, prior to adoption, amendment, or repeal of rules concerning state and ~~county-social~~human service zone records, shall consult with the executive director of the department of human services.

SECTION 132. AMENDMENT. Subsection 3 of section 57-15-01.1 of the North Dakota Century Code is amended and reenacted as follows:

3. A taxing district may elect to levy the amount levied in dollars in the base year. Any levy under this section must be specifically approved by a resolution approved by the governing body of the taxing district. Before determining the levy limitation under this section, the dollar amount levied in the base year must be:

- a. Reduced by an amount equal to the sum determined by application of the base year's calculated mill rate for that taxing district to the final base year taxable valuation of any taxable property and property exempt by local discretion or charitable status which is not included in the taxing district for the budget year but was included in the taxing district for the base year.
- b. Increased by an amount equal to the sum determined by the application of the base year's calculated mill rate for that taxing district to the final budget year taxable valuation of any taxable property or property exempt by local discretion or charitable status which was not included in the taxing district for the base year but which is included in the taxing district for the budget year.
- c. Reduced to reflect expired temporary mill levy increases authorized by the electors of the taxing district. For purposes of this subdivision, an expired temporary mill levy increase does not include a school district general fund mill rate exceeding one hundred ten mills which has expired or has not received approval of electors for an extension under subsection 2 of section 57-64-03.
- d. Reduced by the amount of state aid under chapter 15.1-27, which is determined by multiplying the budget year taxable valuation of the school district by the lesser of the base year mill rate of the school district minus sixty mills or fifty mills, if the base year is a taxable year before 2013.
- e. ~~Increased by the highest amount received by the taxing district in a taxable year under chapter 50-34.~~

SECTION 133. AMENDMENT. Section 57-15-06.7 of the North Dakota Century Code is amended and reenacted as follows:

57-15-06.7. Additional levies - Exceptions to tax levy limitations in counties.

The tax levy limitations specified in section 57-15-06 do not apply to the following mill levies, which are expressed in mills per dollar of taxable valuation of property in the county:

1. A county supporting an airport or airport authority may levy a tax not exceeding four mills in accordance with section 2-06-15.
2. A county levying a tax for extension work as provided in section 11-38-01 may levy a tax not exceeding two mills and if a majority of the electors of the county have approved additional levy authority under section 11-38-01, the county may levy a voter-approved tax not exceeding an additional tax of two mills.
3. A county levying a tax for historical works in accordance with section 11-11-53 may levy a tax not exceeding one-quarter of one mill, except that if sixty percent of the qualified electors voting on the question of a levy limit increase as provided in section 11-11-53 shall approve, the tax levy limitation may be increased to not exceeding three-quarters of one mill.
4. A county levying a tax for a county or community hospital association as provided in section 23-18-01 may levy a tax for not more than five years not exceeding eight mills in any one year or, in the alternative, for not more than ten years at a mill rate not exceeding five mills.
5. A county levying a tax for county roads and bridges as provided in section 24-05-01 may levy a tax at a tax rate not exceeding ten mills. When authorized by a majority of the qualified electors voting upon the question at a primary or general election in the county, the county commissioners may levy and collect an additional tax for road and bridge purposes as provided in section 24-05-01, not exceeding a combined additional tax rate of twenty mills.

6. A county levying a tax to establish and maintain a public library service as provided in section 40-38-02 may levy a tax not exceeding four mills.
7. A county levying a tax for a county veterans' service officer's salary, traveling, and office expenses in accordance with section 57-15-06.4 may levy a tax not exceeding two mills.
8. A county levying a tax for capital projects under section 57-15-06.6 may levy a tax not exceeding ten mills. When authorized by a majority of the qualified electors voting upon the question of a specific capital project or projects at a primary or general election in the county, the county commissioners may levy and collect an additional voter-approved tax for capital projects under section 57-15-06.6 not exceeding a tax rate of ten mills per dollar of the taxable valuation of property in the county. After January 1, 2015, approval or reauthorization by electors of increased levy authority under this subsection may not be effective for more than ten taxable years. Any voter-approved levy in excess of ten mills for the purposes specified in section 57-15-06.6 approved by the electors before January 1, 2015, remains effective through 2024 or the period of time for which it was approved by the electors, whichever is less, under the provisions of law in effect at the time it was approved.
9. A county levying a tax for emergency purposes as provided in section 57-15-28 may levy a tax not exceeding two mills in a county with a population of thirty thousand or more, four mills in a county with a population under thirty thousand but more than five thousand, or six mills in a county with a population of five thousand or fewer.
10. A county levying a tax for county emergency medical service according to section 57-15-50 may levy a tax not exceeding ten mills.
11. A county levying a tax for weed control as provided in section 4.1-47-14 may levy a tax not exceeding four mills.
12. A county levying a tax for programs and activities for senior citizens according to section 57-15-56 may levy a tax not exceeding two mills.
13. Tax levies made for paying the principal and interest on any obligations of the county evidenced by the issuance of bonds.
14. A county levying a tax for a job development authority as provided in section 11-11.1-04 may levy a tax not exceeding four mills on the taxable valuation of property within the county. However, if any city within the county is levying a tax for support of a job development authority and the total of the county and city levies exceeds four mills, the county tax levy within the city levying under subsection 12 of section 57-15-10 must be reduced so the total levy in the city does not exceed four mills.
15. ~~A county levying an annual tax for human services purposes as provided in section 50-06.2-05 may levy a tax not exceeding the lesser of twenty mills or the number of mills determined by dividing the county budget limitation in dollars as determined under section 11-23-01 by the taxable valuation of the county.~~
46. A levy for an extraordinary expenditure under section 11-11-24 approved by the electors of the county before January 1, 2015, may continue to be levied and collected under provisions of law in effect when the levy was approved and for the term it was approved by the electors. When the levy authority for an extraordinary expenditure ends under this subsection, the fund must be closed out and any unobligated balance in the fund must be transferred to the county general fund.
- ~~47.16.~~ Levies dedicated under section 57-15-59 before January 1, 2015, for lease payments may be continued to be levied and collected for the duration of the lease. When the levy authority for lease payments ends under this subsection, the fund must be closed out and any unobligated balance in the fund must be transferred to the county general fund. A lease for county facilities

effective after December 31, 2014, is subject to the capital projects levy limitations of section 57-15-06.6.

Tax levy or mill levy limitations do not apply to any statute which expressly provides that taxes authorized to be levied therein are not subject to mill levy limitations provided by law.

SECTION 134. AMENDMENT. Section 57-20-07.1 of the North Dakota Century Code is amended and reenacted as follows:

57-20-07.1. County treasurer to mail real estate tax statement - Contents of statement.

1. On or before December twenty-sixth of each year, the county treasurer shall mail a real estate tax statement to the owner of each parcel of real property at the owner's last-known address. The form of the real estate tax statement to be used in every county must be prescribed and approved for use by the tax commissioner. The statement must be provided in a manner that allows the taxpayer to retain a printed record of the obligation for payment of taxes and special assessments as provided in the statement. If a parcel of real property is owned by more than one individual, the county treasurer shall send only one statement to one of the owners of that property. Additional copies of the tax statement will be sent to the other owners upon their request and the furnishing of their names and addresses to the county treasurer. The tax statement must:
 - a. Include a dollar valuation of the true and full value as defined by law of the property and the total mill levy applicable.
 - b. Include, or be accompanied by a separate sheet, with three columns showing, for the taxable year to which the tax statement applies and the two immediately preceding taxable years, the property tax levy in dollars against the parcel by the county and school district and any city or township that levied taxes against the parcel.
 - c. Provide information identifying the property tax savings provided by the state of North Dakota. The tax statement must include a line item that is entitled "legislative tax relief" and identifies the dollar amount of property tax savings realized by the taxpayer under chapter 50-34 for taxable years ~~2017 and 2018 and under~~before 2019, chapter 50-35 for taxable years after 2018, and chapter 15.1-27.
 - (1) For purposes of this subdivision, legislative tax relief under chapter 15.1-27 is determined by multiplying the taxable value for the taxable year for each parcel shown on the tax statement by the number of mills of mill levy reduction grant under chapter 57-64 for the 2012 taxable year plus the number of mills determined by subtracting from the 2012 taxable year mill rate of the school district in which the parcel is located the lesser of:
 - (1) (a) Fifty mills; or
 - (2) (b) The 2012 taxable year mill rate of the school district minus sixty mills.
 - (2) Legislative tax relief under chapter 50-35 is determined by multiplying the taxable value for the taxable year for each parcel shown on the tax statement by the number of mills of relief determined by dividing the amount calculated in subsection 1 of section 50-35-03 for a human service zone by the taxable value of taxable property in the zone for the taxable year.
2. Failure of an owner to receive a statement will not relieve that owner of liability, nor extend the discount privilege past the February fifteenth deadline.

SECTION 135. AMENDMENT. Subsection 3 of section 57-20-07.3 of the North Dakota Century Code is amended and reenacted as follows:

3. The amount of credit is determined by multiplying the company's assessed tax by a fraction, the numerator of which is the total of all formula payments calculated for the subsequent calendar year under section ~~50-34-03~~50-35-03 and the denominator of which is the total statewide ad valorem property tax levied in the prior taxable year.

SECTION 136. AMENDMENT. Subdivision b of subsection 1 of section 57-55-10 of the North Dakota Century Code is amended and reenacted as follows:

- b. If it is owned and occupied by a welfare recipient, provided the mobile home is not permanently attached to the land and classified as real property. For the purposes of this subdivision, "welfare recipient" means any person who is certified to the county director of tax equalization by the ~~county social~~human service board~~zone~~ as receiving the major portion of income from any state or federal public assistance program.

SECTION 137. AMENDMENT. Subsection 16 of section 65-01-02 of the North Dakota Century Code is amended and reenacted as follows:

16. "Employee" means an individual who performs hazardous employment for another for remuneration unless the individual is an independent contractor under the common-law test.
 - a. The term includes:
 - (1) All elective and appointed officials of this state and its political subdivisions, including municipal corporations and including the members of the legislative assembly, all elective officials of any county, and all elective peace officers of any city.
 - (2) Aliens.
 - (3) ~~County~~Human service zone general assistance workers, except those who are engaged in repaying to ~~counties~~human service zones or the department of human services moneys the ~~counties~~human service zones or the department of human services have been compelled by statute to expend for ~~county~~ general assistance.
 - (4) Minors, whether lawfully or unlawfully employed. A minor is deemed sui juris for the purposes of this title, and no other person has any claim for relief or right to claim workforce safety and insurance benefits for any injury to a minor worker, but in the event of the award of a lump sum of benefits to a minor employee, the lump sum may be paid only to the legally appointed guardian of the minor.
 - b. The term does not include:
 - (1) An individual whose employment is both casual and not in the course of the trade, business, profession, or occupation of that individual's employer.
 - (2) An individual who is engaged in an illegal enterprise or occupation.
 - (3) The spouse of an employer or the child under the age of twenty-two of an employer. For purposes of this paragraph and section 65-07-01, "child" means any legitimate child, stepchild, adopted child, foster child, or acknowledged illegitimate child.
 - (4) A real estate broker or real estate salesperson, provided the individual meets the following three requirements:
 - (a) The salesperson or broker must be a licensed real estate agent under section 43-23-05.

- (b) Substantially all of the salesperson's or broker's remuneration for the services performed as a real estate agent must be directly related to sales or other efforts rather than to the number of hours worked.
 - (c) A written agreement must exist between the salesperson or broker and the person for which the salesperson or broker works, which agreement must provide the salesperson or broker will not be treated as an employee but rather as an independent contractor.
- (5) The members of the board of directors of a business corporation who are not employed in any capacity by the corporation other than as members of the board of directors.
- (6) An individual delivering newspapers or shopping news, if substantially all of the individual's remuneration is directly related to sales or other efforts rather than to the number of hours worked and a written agreement exists between the individual and the publisher of the newspaper or shopping news which states the individual is an independent contractor.
- (7) An employer.

SECTION 138. REPEAL. Chapter 50-03 and sections 50-06-20.1 and 50-06.2-05 of the North Dakota Century Code are repealed.

SECTION 139. REPEAL. Sections 50-01-03, 50-01.1-02.1, 50-01.2-03.1, 50-01.2-06, 50-06-05.7, 50-06-06.1, and 50-25.1-06.1 of the North Dakota Century Code are repealed.

SECTION 140. REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY - DEPARTMENT OF HUMAN SERVICES. The department of human services shall submit to the appropriations committees of the sixty-seventh legislative assembly a report with metrics that include the cost per unit of work for transactional services or caseloads and other performance metrics as available. The department of human services shall submit trends in these metrics for selected programs or geographies that have undergone concentrated process improvement efforts under pilot projects or otherwise in collaboration with the department.

SECTION 141. CONTINGENT APPROPRIATION AND AUTHORIZATION. Subject to the availability of funds, the department of human services may adjust or increase full-time equivalent positions of the department of human services in order to carry out the powers and duties of the department of human services as follows:

1. Up to thirty-three full-time equivalent positions included in Senate Bill No. 2012, as approved by the sixty-sixth legislative assembly, may be adjusted or increased only if one or more human service zones transfers powers and duties associated with one or more programs, services, or functions from a human service zone to the department of human services.
2. Any positions added to the department of human services under this section would be position transfers from the human service zone and may not result in :
 - a. A net addition of positions delivering human services programs, services, or functions under the appropriation provided in Senate Bill No. 2012, as approved by the sixty-sixth legislative assembly.
 - b. An increase in county social services employees or human service zone team members delivering human services programs, services, or functions.
3. The funds for salaries, wages, and operating costs associated with any position added to the department of human services under this section must be paid for with the line items of

salaries and wages and operating costs authorized in Senate Bill No. 2012, as approved by the sixty-sixth legislative assembly.

4. The department of human services shall notify the office of management and budget and report to the budget section after June 30, 2020, if one or more full-time equivalent positions are authorized under this section of this Act. The department of human services shall include in the notification and report the amount of salaries, wages, and operating costs withheld from human service zone formula payments because of a transfer of powers and duties and the corresponding full-time equivalent positions.
5. The department of human services shall notify the appropriations committees of the sixty-seventh legislative assembly of any full-time equivalent positions transferred pursuant to this section.
6. Of the thirty-three full-time equivalent positions in this section, the department of human services may adjust or increase full-time equivalent positions as transfers from one or more human service zones up to:
 - a. Fourteen full-time equivalent positions if the department of human services assumes powers and duties associated with foster care assistance or IV-E eligibility determination.
 - b. Sixteen full-time equivalent positions if the department of human services assumes powers and duties associated with long-term care eligibility determination.
 - c. Three full-time equivalent positions to serve as quality control to the human service zones.
7. Of the thirty-three full-time equivalent positions in this section, the department of human services may adjust or increase full-time equivalent positions as transfers from one or more human service zones for management support to administer the powers and duties transferred.

SECTION 142. TRANSFER OF EMPLOYEES - HEALTH INSURANCE COVERAGE.

1. The following full-time equivalent positions of a county or human service zone become full-time equivalent positions of the department of human services upon notice of transfer to the human service zone director or county commissioners:
 - a. Four full-time equivalent positions to serve as human service zone operational directors to provide supervision and technical assistance to the human service zones.
 - b. Twenty-seven full-time equivalent child care licensing positions.
 - c. Two full-time equivalent adoption assistance eligibility determination and adoption case management or related administration positions.
 - d. Sixty-four full-time equivalent home and community-based services case management positions.
 - e. Three full-time equivalent positions to assist with the human service zones, human service zone plans, or formula payments, or to relieve human service zones of miscellaneous duties, including estate recovery.
 - f. Seven full-time equivalent positions to serve as quality control to the human service zones.
2. Of the one hundred seven full-time equivalent positions in this section, the department of human services may adjust or increase full-time equivalent positions as transfers from one or more host counties for management support to administer the powers and duties transferred.

3. Any employee who becomes a state employee under this section or section 141 is entitled to receive a salary in an amount not less than the salary received as an employee of the county or host county.
4. The department may limit future salary increases for an employee who is transferred under this section or section 141 who received a salary increase from their former county commissioners or county social service board for the calendar years 2018 or 2019 above the salary increase provided by the legislative assembly for state employees or who receive a wage above equitable compensation.
5. Each year of county or host county employment of an employee who is transferred under this section or section 141 will be considered a year of state employment for purposes of section 54-06-14.
6. Before the transfer of the full-time equivalent position from the county or host county to the department of human services, the county or host county shall pay the employer's share of any premium that is necessary to continue any existing health insurance coverage for an employee who is transferred under this section for one month after the effective date of this transfer.
7. Any equipment, including technology-related equipment, furnishings, and supplies in the control and custody of a county or human service zone on the effective date of an employment transfer from the county or host county to the department of human services under this section or section 141, may be transferred to the control and custody of the department of human services if requested.
8. Any position added to the department of human services under this section would be position transfers from the human service zone and may not result in:
 - a. A net addition of positions delivering human services programs, services, or functions under the appropriation provided in Senate Bill No. 2012, as approved by the sixty-sixth legislative assembly.
 - b. An increase in county social services employees or human service zone team members delivering human services programs, services, or functions.

SECTION 143. EFFECTIVE DATE. Sections 64 and 142 of this Act become effective on August 1, 2019. Sections 132, 133, 134, and 135 are effective for taxable years beginning after December 31, 2018. Sections 1, 3 through 13, 15, 16 through 25, 27 through 30, 32, 33, 35, 37 through 60, 65 through 74, 76 through 82, 84 through 91, 93 through 129, 131, 136, 137, 139, 140, and 141 of this Act become effective on January 1, 2020.

SECTION 144. EXPIRATION DATE. Sections 14, 26, 31, 34, and 36 of this Act are effective through December 31, 2019, and after that date are ineffective.

SECTION 145. EMERGENCY. Section 130 of this Act is declared to be an emergency measure.

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-sixth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2124 and that two-thirds of the members-elect of the Senate voted in favor of said law.

Vote: Yeas 46 Nays 1 Absent 0

President of the Senate

Secretary of the Senate

This certifies that two-thirds of the members-elect of the House of Representatives voted in favor of said law.

Vote: Yeas 82 Nays 3 Absent 9

Speaker of the House

Chief Clerk of the House

Received by the Governor at _____ M. on _____, 2019.

Approved at _____ M. on _____, 2019.

Governor

Filed in this office this _____ day of _____, 2019,

at _____ o'clock _____ M.

Secretary of State