

**HOUSE BILL NO. 1091**

Introduced by

Human Services Committee

(At the request of the Department of Human Services)

1 A BILL for an Act to create and enact a new section to chapter 50-11 of the North Dakota  
2 Century Code, relating to the use of an automated clearing house to facilitate payment; to  
3 amend and reenact subsection 1 of section 50-06-01.4, subsection 8 of section 50-11-00.1, and  
4 sections 50-11-02 and 50-11-03.2 of the North Dakota Century Code, relating to shelter care  
5 services, foster care for children, foster care approval and licensing of facilities, and the use of  
6 public funds; and to provide ~~an effective date~~for application.

7 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

8 **SECTION 1. AMENDMENT.** Subsection 1 of section 50-06-01.4 of the North Dakota  
9 Century Code is amended and reenacted as follows:

- 10 1. The department includes the state hospital, the regional human service centers, a  
11 vocational rehabilitation unit, and other units or offices and administrative and fiscal  
12 support services as the executive director determines necessary. The department  
13 must be structured to promote efficient and effective operations and, consistent with  
14 fulfilling its prescribed statutory duties, shall act as the official agency of the state in  
15 the discharge of the following functions not otherwise by law made the responsibility of  
16 another state agency:
- 17 a. Administration of programs for children and families, including adoption services  
18 and the licensure of child-placing agencies, foster care services and the licensure  
19 of foster care arrangements, certification of shelter care services, child protection  
20 services, children's trust fund, licensure of early childhood programs, refugee  
21 services, in-home community-based services, quality control, and administration  
22 of the interstate compacts on the placement of children and juveniles.

- 1           b. Administration of programs for individuals with developmental disabilities,  
2           including licensure of facilities and services, and the design and implementation  
3           of a community-based service system for persons in need of habilitation.
- 4           c. Administration of aging service programs, including nutrition, transportation,  
5           advocacy, social, ombudsman, recreation, and related services funded under the  
6           Older Americans Act of 1965 [42 U.S.C. 3001 et seq.], home and  
7           community-based services, licensure of adult foster care homes, and the  
8           committee on aging.
- 9           d. Administration of behavioral health programs, including:
- 10           (1) A policy division responsible for reviewing and identifying service needs and  
11           activities in the state's behavioral health system in an effort to ensure health  
12           and safety, access to services, and quality of services; establishing quality  
13           assurance standards for the licensure of substance use disorder program  
14           services and facilities; and providing policy leadership in partnership with  
15           public and private entities; and
- 16           (2) A service delivery division responsible for providing chronic disease  
17           management, regional intervention services, and twenty-four-hour crisis  
18           services for individuals with behavioral health disorders.
- 19           e. Administration of economic assistance programs, including temporary assistance  
20           for needy families, the supplemental nutrition assistance program, home energy  
21           assistance, child care assistance, refugee assistance, work experience, work  
22           incentive, and quality control.
- 23           f. Administration of medical service programs, including medical assistance for  
24           children's health insurance program, Medicaid waivers, early and periodic  
25           screening, diagnosis and treatment, utilization control, autism services, and  
26           claims processing.
- 27           g. Administration of general assistance.
- 28           h. Administration of child support.

29           **SECTION 2. AMENDMENT.** Subsection 8 of section 50-11-00.1 of the North Dakota  
30 Century Code is amended and reenacted as follows:

1           8. "Foster care for children" means the provision of substitute parental child care for  
2           those children who are in need of care for which the child's parent, guardian, or  
3           custodian is unable, neglects, or refuses to provide, and includes the provision of food,  
4           shelter, security and safety, guidance, and comfort on a twenty-four-hour basis, to one  
5           or more children under twenty-one years of age to safeguard the child's growth and  
6           development and to minimize and counteract hazards to the child's emotional health  
7           inherent in the separation from the child's family. Foster care may be provided in a  
8           licensed or approved family foster home for children, supervised independent living  
9           program, or qualified residential treatment program.

10           **SECTION 3. AMENDMENT.** Section 50-11-02 of the North Dakota Century Code is  
11           amended and reenacted as follows:

12           **50-11-02. License granted - Term - Conditions.**

- 13           1. The department shall grant a license for the operation of a facility receiving persons for  
14           foster care, for a period of not more than two years, to reputable and responsible  
15           persons upon showing that:
- 16           a. The premises to be used are in fit sanitary condition and properly equipped to  
17           provide good care for all persons who may be received;
  - 18           b. The persons in active charge of the facility are properly qualified to carry on  
19           efficiently the duties required of them;
  - 20           c. The facility is likely to be conducted for the public good in accordance with sound  
21           social policy and with due regard to the health, morality, and well-being of all  
22           persons cared for in the facility; ~~and~~
  - 23           d. The facility will be maintained according to the standards prescribed for its  
24           conduct by the rules of the department;
  - 25           e. The applicant has not had a previous facility license denied within two years of  
26           the date of the current application, unless waived by the department after the  
27           department considers the health and safety of children and the licensing history  
28           of the applicant; and
  - 29           f. The applicant has not had a previous facility license revoked within five years of  
30           the date of the current application, unless waived by the department after the

1                    department considers the health and safety of children and the licensing history  
2                    of the applicant.

3            2. Before licensing or approving a facility providing foster care for children or adults, the  
4            department shall seek a criminal history record when required by this chapter. The  
5            department shall consider any criminal history record information available at the time  
6            a licensing or approval decision is made.

7            3. The department shall determine, in accordance with rules of the department, whether  
8            a license may be issued to a facility that houses or employs any individual who has a  
9            criminal record.

10           **SECTION 4. AMENDMENT.** Section 50-11-03.2 of the North Dakota Century Code is  
11 amended and reenacted as follows:

12            **50-11-03.2. Use of public funds.**

13            Public funds for the purchase of foster care for children or adults may be used only in  
14 facilities licensed or approved by the department. No person acting on behalf of any state,  
15 county, or local governmental entity may arrange for or promote care provided in a facility that  
16 does not have a license or approval issued by the department. This section does not apply to  
17 any home or institution under the management and control of the state. Nonfederal funds may  
18 be used to reimburse the costs of shelter care placements for no more than seven days if the  
19 shelter care services are certified by the department. If the entity has diligently pursued other  
20 placement, the department may grant an extension for the health and safety of the child or due  
21 to unforeseeable circumstances.

22            **SECTION 5.** A new section to chapter 50-11 of the North Dakota Century Code is created  
23 and enacted as follows:

24            **Automated clearing house payments.**

25            The department shall provide payment to family foster home for children, supervised  
26 independent living program, and qualified residential treatment program for children providers  
27 using an automated clearing house to provide for electronic fund transfers. To receive payment,  
28 family foster home for children, supervised independent living program, and qualified residential  
29 treatment program for children providers and applicants shall provide sufficient documentation  
30 to enable the department to provide electronic funds transfers through an automated clearing  
31 house. No other forms of payment are permitted, unless approved by the department.

1 ~~SECTION 6. EFFECTIVE DATE. Section 5 of this Act becomes effective on January 1,~~  
2 ~~2022.~~

3 **SECTION 6. APPLICATION.** The department of human services shall stagger  
4 implementation of section 5 of this Act so it applies:

- 5 1. On January 1, 2022, to foster home for children, supervised independent living  
6 program, and qualified residential treatment program for children providers first  
7 certified on or after January 1, 2022; and
- 8 2. On January 1, 2023, to foster home for children, supervised independent living  
9 program, and qualified residential treatment program for children providers in  
10 existence on December 31, 2021.