

Testimony for HB 1012

Senate Appropriations Committee

March 10, 2021

Chairman Holmberg and members of the Senate Appropriations Committee, I am Steven Reiser, Director of Dakota Central Human Service Zone. I am also a member of the North Dakota Human Service Zone Association. Please accept this testimony in favor of HB 1012.

The counties of McLean, Mercer, Oliver and Sheridan formed a social service district in 2006 and started operating as district on January 1, 2007. The mission of the district was to provide a better service to the county residents and when possible lower costs. In 2007 Dakota Central employed 36 staff. At the end of 2019 Dakota Central employed 31 staff. There can be cost savings and efficiencies found when counties join together but it takes time. Even though caseloads have grown from 2007 Dakota Central is able to employ fewer staff. If you look at 2020 staff numbers Dakota Central is down to 25 staff because of 4 staff transferring to state employment and reducing two more staff.

Zones have done a lot in one year and are working hard to improve services and find efficiencies but there has to be financial stability to the achieve kind of improvements we all hope for.

The amendments added to the bill by the House Appropriations were positive but fall short of what is needed for zone funding. SB 2086 is the policy bill passed regarding zones. In this bill reserve fund limits were increased to \$250,000 in smaller zones. I believe the intent of raising this limit from \$100,000 was to allow for more decision making at the local level for administrating human service programs. Using all of the reserve funds that zones have now to replace the dollars that the zone budget is short for the last biennium will not allow for this type of close to the client decision making. If 19 zones were allowed to keep \$100,000 this would amount to \$1.9 million in additional spending. It would be \$4.75 million for \$250,000 limits.

Thank you for allowing me to testify and I would answer any questions you might have.