

Testimony to the  
**Senate Appropriations Committee**  
March 10, 2021  
Chad Peterson, Cass County Commission Chair

**Regarding: House Bill 1012**

Chairman Holmberg and members of the Senate Appropriations Committee, I am Chad Peterson, Cass County Commission Chair, and I am writing to share my broad support for House Bill 1012. I appreciate and share the desire to continue the process that started many years ago and finally came to fruition bringing a logical transition of these services to the appropriate level of government. The only remaining struggle is that this takeover didn't take into account the differences, both present and future, between each newly created zone. I would like to touch on a number of these items that relate specifically to the Cass County and the newly formed Cass County Human Services Zone (CCHSZ). Please note, that just because I am referencing the CCHSZ doesn't mean these examples don't also affect other zones.

The CCHSZ is home to more than 20% of North Dakota's population yet serves 30% of the North Dakota social services caseload. With this caseload comes dynamics that create a very different level of complexity when compared to other zones.

One example is our continuous population increase and the trailing potential for increasing caseloads within the CCHSZ. This caseload will require the need for additional staff or reinventing service delivery. When the zone was created the Cass County Social Services Board (CCSSB) put a request for additional staff forward to the Department of Human Services (DHS). Thankfully, between the legislative leadership and the team at DHS some of these requests were met, but more are still needed as our county continues to grow. We are aware of the reinvention of some service delivery (and example would be economic assistance) and look forward to working with DHS to right that need and streamline service delivery in coming years.

Another area of concern would be funding legal service to support the CCHSZ. In CCHSZ we field more child protective service calls, higher levels of foster care support and greater numbers of child removal cases than many of our peers. For these reasons and many others, we are compelled to have a dedicated, specialized legal team to support the CCHSZ. Please note, this support team is the same team that supported social services prior to formation of the zone. And with very little effort the CCHSZ could quantify the dedicated time for the zone legal staff. Currently the county budget for legal services is roughly \$573,635. The zone is currently being reimbursed at \$439,950. When the transition is made to the 25% formula local tax payers will be subsidizing what is easily identifiable as a CCHSZ expense. This leaves local taxpayers via our general fund to pay for these additional legal services.

As you are aware Cass County taxpayers paid to build a large complex, the Cass County Annex, that continue to house these services. The zone is only reimbursed \$472,071 for cost allocation which includes everything from administrative support to building utilities. An example of what could be a large disparity between zones, we are aware of a number of zones that are reimbursed directly for leases that they have entered into. It would be a curious study to see what this facility would cost to rent should Cass County choose to sell the building and then require rental assistance from DHS.

Staff compensation is another area that should be discussed. In Cass we do our best to ensure all staffing skill levels are paid uniformly throughout the county. The salaries are determined using independent consultant surveys that help us determine market rate for each position. The goal for Cass is to never lead nor lag the market and create a stable workforce. This environment helps promote longevity, which in turn increases productivity and saves taxpayers money. With the state takeover, we've seen pay rates within social services fall behind their peer groups. We would welcome the opportunity to discuss how pay levels are established and bring our team back to a uniform level of compensation.

Indirect costs are a growing area of concern. In some zones it is difficult for a zone to segregate these line items because these accessories are shared by many divisions within a courthouse. However, like legal

services, it is easy for the CCHSZ to determine dedicated costs as little 'office infrastructure' (i.e. copiers, phones, etc.) as the zone is housed in a separate building and very little has ever been shared between social services and other divisions. We would welcome the discussion on this item as well.

As mentioned before, the caseload levels are beyond what most of our peers will ever experience. To control costs and deliver unique services that better serve our population, our team has been incredibly innovative. This innovation has created relationships with both public and private entities outside the courthouse. We've been partners with cities and schools in programs like the Jefferson School Project that helps stabilize families and promote school attendance. This family support often helps minimize the need for interactions with social services. We've also been aided by private groups like the Cooper House in Fargo that provides supportive housing for 42 chronically homeless individuals. I would encourage you to look into these programs, provide funding for innovation and to provide funding at or above current levels for those programs that are already established.

From top to bottom, the team that North Dakota inherited from Cass county is amazing on many levels. If you recall, Cass was the baseline for caseload standards. This was done for a good reason. We are good at what we do. We have specialists in every field out of necessity. And we, now North Dakota, are blessed to have that team. We encourage you to support the CCHSZ, work with us to fund innovation and fund the needs of this and other zones now and into the future.

Again, Chairman Holmberg and members of the Senate Appropriations Committee, I am writing to share my broad support for House Bill 1012.