

PROPOSED AMENDMENTS TO SENATE BILL NO. 2086

Page 1, line 1, after "Act" insert "to create and enact a new section to chapter 50-01.1 of the North Dakota Century Code, relating to the human service zone's power and duties to accept gifts and donations and"

Page 1, line 2, after "14-15-11" insert ", 50-01.1-01"

Page 1, line 2, after "50-01-1-08" insert ", 50-01.2-01"

Page 1, line 3, after "50-33-02" insert ", 50-35-01"

Page 10, after line 16 insert:

**"SECTION 8. 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. "Department" means the department of human services.
2. "Direct costs" means costs that are charged directly to the human service zone human services fund. Direct costs are directly related to human service zone team members or human service zone services including compensation, fringe benefits, and operating costs that are otherwise not considered indirect costs. ~~Direct costs must be consistently treated within all human service zones and may not be included in indirect costs.~~
3. "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.
- ~~3.4.~~ "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.
- ~~4.5.~~ "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.
- ~~5.6.~~ "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.
- ~~6.7.~~ "Human services" means:

**Commented [AJE1]:** I did not include "such as training" as it is unnecessary as the term "including" is being used.

**Commented [AJE2]:** I still need to think if this is the proper language to use.

**Commented [AJE3]:** For indirect costs we use "all counties as it relates to human service zones". I just want to make sure that usage was intentional.

**Commented [AJE4]:** This is more of a statement and not a definition. I am trying to think of a location where this should be inserted into a section of law. For discussion, I added a new subsection to section 50-35-04. If it is remains in section 50-35-04, it needs to be removed from here.

- 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.

~~7-8.~~ "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 that are otherwise not considered direct costs. ~~These~~ Indirect 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. Indirect costs must be consistently treated within all counties as it relates to human service zones and may not be included in direct costs.

**Commented [AJE5]:** I still need to think if this is the proper language to use.

~~8-9.~~ "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;

**Commented [AJE6]:** This is more of a statement and not a definition. I am trying to think of a location where this should be inserted into a section of law. For discussion, I added a new subsection to section 50-35-04. If it is remains in section 50-35-04, it needs to be removed from here.

- f. Refugee assistance programs;
- g. Basic care services;
- h. Energy assistance programs; and
- i. Information and referral."

Page 11, line 14, after "zone" insert "Indirect costs of the human service zone may not become direct costs without written approval of the department"

**Commented [AJE7]:** Loral, you also added "direct to indirect" but I am wondering why? We set the budget so doesn't that already cover our approval if we do change direct to indirect?

Page 12, after line 25 insert:

"**SECTION 11.** A new section to chapter 50-01.1 of the North Dakota Century Code is created and enacted as follows:

**Human service zones accepting gift and donations.**

Human service zones have the powers and duties 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 human service zone, 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. Property and funds received by the human service zone under this section is not considered income to the human service zone.

**SECTION 12. AMENDMENT.** Section 50-01.2-01 of the North Dakota Century Code is amended and reenacted as follows:

**50-01.2-01. Human service zone board - Members - Qualifications.**

The board of county commissioners of each county within the human service zone shall appoint the appointed members of the human service zone board based upon fitness to serve as members by reason of character, experience, and training without regard to political affiliation. Appointed members of the human service zone board must consist of local elected officials and other key community partners. Each county must be represented on the human service zone board by ~~at least~~only 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."

Page 16, after line 19 insert:



**"SECTION 18. AMENDMENT.** Section 50-35-01 of the North Dakota Century Code is amended and reenacted 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. "Direct costs" means costs that are charged directly to the human service zone human services fund. Direct costs are directly related to human service zone team members or human service zone services including compensation, fringe benefits, and operating costs that are otherwise not considered indirect costs. ~~Direct costs must be consistently treated within all human service zones and may not be included in indirect costs.~~
3. "Director" means the executive director of the department or the executive director's designee.
- 3.4. "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.
- 4.5. "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.

**Commented [AJE8]:** I did not include "such as training" as it is unnecessary as the term "including" is being used.

**Commented [AJE9]:** I still need to think if this is the proper language to use.

**Commented [AJE10]:** This is more of a statement and not a definition. I am trying to think of a location where this should be inserted into a section of law. For discussion, I added a new subsection to section 50-35-04. If it remains in section 50-35-04, it needs to be removed from here.

5-6. "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.

6-7. "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.

7-8. "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 that are otherwise not considered direct costs. ~~These~~ Indirect 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. Indirect costs must be consistently treated within all counties as it relates to human service zones and may not be included in direct costs.

**Commented [AJE11]:** I still need to think if this is the proper language to use.

**Commented [AJE12]:** This is more of a statement and not a definition. I am trying to think of a location where this should be inserted into a section of law. For discussion, I added a new subsection to section 50-35-04. If it remains in section 50-35-04, it needs to be removed from here.

Page 17, line 3, replace "provide information to county commissioners outlining the" with "develop a"

Page 17, line 5, after "conditions" insert "and factors"

Page 17, line 5, after "may" insert "or may not"

Page 17, line 6, after "zone" insert "and the department"

Page 17, line 9, after the period insert "Before August 1, 2022, the department shall report to the legislative management the process developed for allowing a human service zone to opt in to state employment."

Page 17, line 10, remove "sixty-eighth"

Page 17, after line 11, insert:

"5. During the 2021-23 interim, the department, with assistance from the North Dakota association of counties and human service zone directors, shall study indirect costs. The study must identify a plan defining the process to calculate payment for indirect costs. Before August 1, 2022, the department shall report to the legislative management the process developed to calculate payment for indirect costs."

**Commented [AJE13]:** I am proposing a study as we don't have time now to do it right. My concern is if we don't take the proper time, we could be harming the zones or the counties. For example, if the calculation favors the county, the zone's budget will see a decrease. If the calculation favors the delivery of human services, the county will see a need to increase what it pays. I think a study will help the department to set forth a proper budget for the human service zones and the delivery of human services.

Page 18, line 1, remove "The director may subtract from a human service zone's payment any amount included"

Page 18, remove line 2

Page 18, line 3, remove "6."

Page 18, line 8, after "calculate" insert ", in collaboration with the human service zone director or designee."

Page 19, line 13, after "2024" insert "Indirect costs of the human service zone may not become direct costs without written approval of the department"

**Commented [AJE14]:** Laural, you also added "direct to indirect" but I am wondering why? We set the budget so doesn't that already cover our approval if we do change direct to indirect?

Page 19, after line 16 insert:

"5. Direct costs must be consistently treated within all human service zones and may not be included in indirect costs.

6. Indirect costs must be consistently treated within all counties as it relates to human service zones and may not be included in direct costs."

Page 20, line 16, remove "The director may reduce the human service zone's payment as"

Page 20, remove line 17

Renumber Accordingly