Legislative Council
600 East Boulevard Avenue, Bismarck, ND 58505

HUMAN SERVICES COMMITTEE

Wednesday, May 27, 2026
Roughrider Room, State Capitol
Bismarck, North Dakota

Senator Kyle Davison, Chairman, called the meeting to order at 9:02 a.m.

Members present: Senators Kyle Davison, Dick Dever, Kathy Hogan, Judy Lee; Representatives Karen A. Anderson, Mike Beltz, Macy Bolinske, Jayme Davis, Kathy Frelich, Jared Hendrix, Carrie McLeod, Nico Rios, Karen M. Rohr, Gregory Stemen

Members absent: Senator Michelle Powers; Representatives Dwight Kiefert, Matthew Ruby

Others present: Jennifer Henderson, North Dakota Housing Finance Agency; Paul H. Olson, North Dakota Vision Services - School for the Blind; Tina Bay, Dan Cramer, Krista Fremming, Michele Gee, Kay Larson, Emily O'Brien, and Rachel Schafer, Department of Health and Human Services; Tammy Martin and Catherine Snider, Myers and Stauffer, LC
Joe Bahr and Shannon Fleischer, Legislative Council, Bismarck
See Appendix A for additional persons present.

It was moved by Senator Dever, seconded by Representative McLeod, and carried on a voice vote that the minutes of the February 11, 2026, meeting be approved as distributed.

STUDY OF HOMELESSNESS IN NORTH DAKOTA

Ms. Jennifer Henderson, Director, Community Housing and Grants Management, North Dakota Housing Finance Agency, presented information (Appendix B) relating to the North Dakota Interagency Council on Homelessness. She reviewed presentations to the council and a survey conducted of local community providers. She noted possible recommendations from the North Dakota Interagency Council on Homelessness include:

- Continue current levels or increase funding for the Housing Incentive Fund to increase the supply of affordable housing. For the current biennium, the Housing Finance Agency was appropriated $25 million, of which $20 million was allocated for multifamily units and $5 million was allocated for single-family housing.
- Continue current levels or increase funding for the North Dakota Homeless Grant Program to meet demand for temporary housing supports and emergency shelter operations. For the current biennium, the Housing Finance Agency was appropriated $10 million.
- Support ongoing efforts by the Department of Health and Human Services to convert to certified community behavioral health clinics.
- Evaluate access to and eligibility of existing economic assistance programs, including the Supplemental Nutrition Assistance Program and the Child Care Assistance Program (CCAP).
- Increase landlord engagement and market access by increasing the Opening Doors Landlord Risk Mitigation Fund coverage and evaluating other potential incentives for landlords to accept individuals with criminal convictions.

- Educate homelessness providers regarding opportunities, including best practices, landlord mediation, economic assistance access, and other universal trainings.
- Consider expansion of the Recovery Housing Assistance Program because data is showing the program has been effective in reducing substance abuse and increasing employment rates.
- Support the re-entry housing pilot program and Reentry Housing Task Force to provide housing support for individuals exiting incarceration.

In response to questions from committee members, Ms. Henderson noted home- and community-based services may not be available to individuals staying in shelters because a shelter is considered an institution rather than a home.

Ms. Henderson presented information on the federal Continuum of Care (CoC) Program, including expected changes to the release of funding in June 2026. She noted the federal Transportation and Housing Bill was passed by Congress in January 2026 and includes $3.5 million annually for North Dakota. The bill outlined the process for renewing the United States Department of Housing and Urban Development CoC grants for fiscal year 2025. She noted domestic violence bonus projects are at risk of being eliminated and the President proposed changing the CoC Program to an expanded Emergency Solutions Grant-style block grant.

STUDY OF ACCESSIBILITY OF GOVERNMENT SERVICES FOR INDIVIDUALS WHO ARE DEAF OR HARD OF HEARING OR HAVE HEARING DIFFERENCES OR VISION IMPAIRMENT

Mr. Paul H. Olson, Superintendent, North Dakota Vision Services - School for the Blind, presented information (Appendix C) regarding the programs and services offered by North Dakota Vision Services - School for the Blind (NDVS-SB). He noted for the biennium to date, the NDVS-SB staff has served 58 infants, newborn through 36 months of age, with at least a screening relating to visual function after a referral from an early intervention partner agency.

In response to questions from committee members, Mr. Olson noted vocational rehabilitation often works with individuals age 55 and older to improve their quality of life and independence. He noted the NDVS-SB Director of Technology, David Olson, is working with the Information Technology Department on Americans with Disabilities Act website compliance.

Ms. Lilliann Johnston, Bismarck, provided comments on accessibility of government services for individuals with visual impairment, including the use of CAPTCHAs on websites and accessibility of documents on websites. She noted some job applications require a driver's license but driving is not a requirement of the position.

Mr. James Johnson, Mandan, provided comments on accessibility for individuals with disabilities and the shortage of American sign language interpreters. He noted video remote interpreting and video relay services are helpful for individuals with hearing differences and should be used in providing government services.

CHILD CARE PROVIDER LICENSING LAWS AND POLICIES

Ms. Kay Larson, Director, Early Childhood, Department of Health and Human Services, presented information (Appendix D) on the final report of the Child Care Services Advisory Committee. She noted:

- North Dakota receives federal funding through the Child Care and Development Block Grant and the Child Care and Development Fund Program, which provide guidelines to which the state must comply.
- Child care provider rules are included within North Dakota Administrative Code (NDAC) Chapters 75-03-07 to 75-03-11.1. The rules specify nine provider types, including family, group in a home, group in a facility, center, preschool, school-age, multiple license program (group/preschool or center/preschool), self-declaration, and in-home provider.

- Many communities have ordinances that affect child care facilities.
- The federal Child and Adult Care Food Program provides federal funding for reimbursements for nutritious meals and snacks to eligible children and adults enrolled for care.
- The components of streamlining the child care licensing framework include benefits for providers and benefits for regulators.
- The required qualifications for teaching staff, supervisors, and directors are education-based. A subcommittee explored the coach membership model based on the four components of formal education, ongoing professional development, experience, and demonstrated competencies versus strictly education.
- Child to staff ratios and group size were reviewed including two possible models for consideration.
- Final recommendations from the committee include:

  Establish three provider type licenses with a preschool designation for a type 2 or type 3 license.

  Type 1 - Regulated, licensed exempt

  Type 2 - Home-based child care

  Type 3 - Facility-based child care

  Change the ratio and group size, including changing infant and toddler bands.

  Change the qualifications for teaching staff, supervisors, and directors.

  Change training requirements.

  Align the age of children served by the CCAP with the federal Child Care and Development Fund Program.

  Review local ordinances.

In response to questions from committee members, Ms. Larson noted regional meetings would be used to disseminate information about any changes and indicated the changes would be prioritized.

It was moved by Representative Stemen, seconded by Senator Hogan, and carried on a voice vote to accept the *Study of Child Care Provider Licensing Final Report* from the Child Care Services Advisory Committee.

LEGISLATIVE COUNCIL PROGRAM EVALUATION OF DEPARTMENT OF HEALTH AND HUMAN SERVICES CHILD CARE SERVICES

Ms. Shannon Fleischer, Policy and Program Evaluation Division Director, Legislative Council, introduced her staff working on the program evaluation of Department of Health and Human Services child care services and gave an update on the division.

Mr. Joe Bahr, Program Evaluator, Legislative Council, presented information (Appendix E) on the child care services evaluation. Mr. Bahr noted the history, scope, and status of the evaluation. He noted the evaluation included surveys of parents and child care providers.

In response to a question from a committee member, Mr. Bahr noted only state licensed child care providers were surveyed.

In response to questions from committee members, Ms. Larson and Dr. Rachel Schafer, Director, Economic Assistance Section, Department of Health and Human Services, noted tribal child care providers may receive CCAP funding depending on the children they are caring for and the individual circumstances of the family.

REPORTS

Ms. Krista Fremming, Interim Executive Director, Medical Services Division, Department of Health and Human Services, presented information (Appendix F) on psychiatric residential treatment facilities with an update on Senate Bill No. 2399 (2025). She introduced Ms. Catherine Snider, Principal, and Ms. Tammy Martin, Certified Public Accountant, Myers and Stauffer, LC, who presented information (Appendix G) on a psychiatric residential treatment rate model and value-based purchasing study. Ms. Snider noted:

- The recommendation is to consider a global budget with a value-based purchasing quality performance component.
- The anticipated benefits include provider financial stability and improved care quality and accountability.
- The payment incentives are based on outcomes that encourage effective treatment planning and care coordination and potentially support improving youth transitions to community-based services.
- A phased approach would include statutory changes and funding requests by the department.

In response to questions from committee members, Ms. Snider noted only Nevada has adopted this program and is in the implementation phase. She noted this model provides a way to measure improvements in care quality, utilization management, and system performance.

In response to questions from committee members, Ms. Fremming noted the study was to create a sustainable and predictable payment system with quality metrics. She noted the department plans to include this in its budget request.

Ms. Michele Gee, Director, Economic Assistance Division, Department of Health and Human Services, presented information (Appendix H) on the direct payment programs to licensed child care providers pursuant to Section 2 of Senate Bill No. 1015 (2025). Ms. Gee noted:

- The application form was kept short and communicated to both families and providers using different methods including the Department of Health and Human Services CCAP website, email, and the Department of Health and Human Services newsletter.
- Through April 2026, bonus payments were provided to 155 CCAP providers caring for 978 children and 167 non-CCAP providers caring for 2,297 children.
- The providers indicated the funds were used for workforce stabilization and quality improvements.

In response to questions from committee members, Ms. Gee noted the ratio of CCAP versus non-CCAP recipients is based on the families receiving the benefit. She noted the program likely will spend approximately $7 million of the $11 million appropriated for the program.

Dr. Dan Cramer, Statewide Clinical Director, Behavioral Health Clinics, Department of Health and Human Services, presented information (Appendix I) on alternatives to placement at the Life Skills and Transition Center (LSTC) pursuant to Section 11 of Senate Bill No. 2112 (2025). Dr. Cramer noted recommendations from the report include:

- Increase behavioral health workforce recruitment, retention, and training capacity.
- Develop youth-specific crisis stabilization and response.
- Enhance rural behavioral health infrastructure through partnerships and telebehavioral health expansion.
- Strengthen care coordination across systems and levels of care.

Ms. Emily O'Brien, Deputy Commissioner, Department of Health and Human Services, presented information (Appendix J) on the semiannual report on the number of ineligible children served by the LSTC during the period November 18, 2025, through May 27, 2026. She noted two referrals involved ineligible youth and no ineligible youth currently reside at the LSTC.

In response to questions from committee members, Ms. O'Brien noted the department is reviewing information on the LSTC campus and working to serve the intended population while minimizing the physical footprint of the center.

Ms. Tina Bay, Director, Developmental Disabilities Division, Department of Health and Human Services, provided information (Appendix K) on the developmental disabilities system reimbursement project. She noted the steering committee has been meeting twice a year and she provided information on the performance indicators. She reviewed the recommendations of the committee including to remove the committee language from statute.

Ms. Fremming presented information (Appendix L) on the Tribal Health Care Coordination Fund (Appendix M). She noted the basics of the program, progress since the last report, and funds distributed for programs.

Ms. Bay presented information (Appendix N) on the Family Paid Caregiver Pilot Program. She noted 75 applications have been approved, no applications are pending, 137 individuals are on the wait list, and 108 applications were denied during the period July 1, 2025, through April 30, 2026. She discussed a recent North Dakota Supreme Court ruling requiring an update to the assessment scoring process for applications in NDAC Chapter 75-02-13 and noted no applications can be processed until the rule changes become effective.

Ms. Fremming presented information (Appendix O) on the Children's Health Insurance Program (CHIP), which covers children with family incomes between 152 percent and 205 percent of the federal poverty level. She noted if the income is below that level, the child is covered with regular Medicaid and the coverage is the same. She noted the state receives a higher level of federal matching funds under CHIP.

In response to a question from a committee member, Ms. Fremming noted the federal match rate is 66 percent for CHIP.

No further business appearing, Chairman Davison adjourned the meeting at 2:52 p.m.

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Keith Mantz
Fiscal Analyst

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Victoria Christian
Counsel

ATTACH:15