

**Sixty-ninth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 7, 2025**

SENATE BILL NO. 2112
(Human Services Committee)
(At the request of the Department of Health and Human Services)

AN ACT to amend and reenact sections 25-04-00.1, 25-04-02, 25-04-04, 25-04-04.1, 25-04-05, 25-04-05.1, 25-04-08, 25-04-08.1, 25-04-14, and 25-04-17 of the North Dakota Century Code, relating to the life skills and transition center; to provide for a legislative management report; to provide for a department of health and human services study; and to provide an expiration date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 25-04-00.1 of the North Dakota Century Code is amended and reenacted as follows:

25-04-00.1. Definitions.

For the purposes of this chapter:

1. "Department" means the department of health and human services.
2. "Eligible" means an individual has been deemed eligible by the department for developmental disability services.
3. "Individual served" is an eligible individual who is a legal resident of the state of North Dakota and is receiving services from the life skills and transition center.
4. "Noneligible" means a minor who is a legal resident of the state and has not been deemed eligible by the department for developmental disability services.
5. "Nonresident individual served" includes:
 - a. Any individual served by the life skills and transition center who is under eighteen years old and whose responsible relative is not a bona fide resident of this state.
 - b. Any enrolled member of a federally recognized Indian tribe for whom the United States government has, through its statutes and regulations, a responsibility for their care.
- ~~5.6.~~ "Nonresident responsible relative" includes the nonresident spouse, father, or mother of the individual served. It includes the bureau of Indian affairs in those cases involving an enrolled member of a federally recognized Indian tribe for whom the United States government has, through its statutes and regulations, a responsibility for their care.
- ~~6.7.~~ "Nonresidential services" means rehabilitative services and supports that are provided in a family home or community setting.
- ~~7.8.~~ "Residential services" are specialized services and supports provided at the life skills and transition center facility which include both room and board and rehabilitative services in accordance with an individual's care and support plan. Residential services provided at the life skills and transition center are available to address an individual's needs for stabilization.

SECTION 2. AMENDMENT. Section 25-04-02 of the North Dakota Century Code is amended and reenacted as follows:

25-04-02. Purpose of life skills and transition center.

1. The purpose of the life skills and transition center is to serve as a specialty care and support resource for eligible individuals with developmental disabilities who are experiencing crisis or who would benefit from stabilization, and to work together with parent, guardian, or legal custodian and care teams to identify opportunities for each individual served to live in a family home or community setting of their choice when possible.
2. The life skills and transition center must be maintained to provide care, treatment, training, rehabilitation, and supervision for eligible individuals. For this purpose the department may introduce and establish such rehabilitative and support services as, in its judgment, will best prepare the individuals served to live in the most integrated, independent setting possible.
3. The life skills and transition center may provide both residential services and nonresidential services and effectuate its powers and duties to best serve eligible individuals who may benefit from those activities.
4. Upon approval of the commissioner of the department or designee and in the opinion of the superintendent of the life skills and transition center, the life skills and transition center may provide:
 - a. Residential services or nonresidential services and effectuate its powers and duties to best serve noneligible individuals who are experiencing crisis or who would benefit from stabilization and may benefit from those activities; or
 - b. Consultation services to public and private providers serving noneligible individuals.

SECTION 3. AMENDMENT. Section 25-04-04 of the North Dakota Century Code is amended and reenacted as follows:

25-04-04. Who may receive benefits of life skills and transition center.

1. Subject to this chapter and to any rules adopted by the department, the benefits of the life skills and transition center may be received only by:
 - a. Eligible individuals who may benefit from services provided by the life skills and transition center who, in the opinion of the superintendent of the life skills and transition center are of suitable age and capacity to receive care, treatment, training, rehabilitation, or supervision by the life skills and transition center or whose disabilities prevent them from receiving training and instruction in the public schools;
 - b. Eligible individuals who, in the opinion of the superintendent of the life skills and transition center, may benefit from services provided by the life skills and transition center and who are in need of stabilization supports and cannot be properly cared for in their family home or other available community settings; or
 - c. Eligible individuals who, in the opinion of the superintendent of the life skills and transition center, may benefit from either residential services or nonresidential services provided by the life skills and transition center; or
 - d. Noneligible individuals who, upon approval of the commissioner of the department or designee and in the opinion of the superintendent of the life skills and transition center, may benefit from:
 - (1) Residential services for up to ninety days, unless an extension is granted for an additional ninety days by the superintendent of the life skills and transition center to facilitate effective transition;
 - (2) Nonresidential services provided by the life skills and transition center; or

- (3) Consultation services to public and private providers serving noneligible individuals.
2. Residents and nonresidents of this state may receive services from the life skills and transition center. ~~Priority, however, must be given to residents~~Residents of this state and minors with developmental disabilities must be given priority in receiving services from the life skills and transition center.

SECTION 4. AMENDMENT. Section 25-04-04.1 of the North Dakota Century Code is amended and reenacted as follows:

25-04-04.1. Program management for an individual served.

The department shall ensure active program management is maintained for ~~eligible~~ served and noneligible individuals receiving residential services at the life skills and transition center.

SECTION 5. AMENDMENT. Section 25-04-05 of the North Dakota Century Code is amended and reenacted as follows:

25-04-05. Qualifications for accessing services provided by life skills and transition center - Educational or related services without charge for individuals twenty-one years of age and under.

1. The superintendent of the life skills and transition center may admit an eligible or noneligible individual to the life skills and transition center for residential services based on consideration of the following factors:
 - a. Ability of the life skills and transition center to provide the appropriate level of care based on the individual's need.
 - b. Health and safety considerations for both the individual served and other individuals currently being served by the life skills and transition center.
 - c. The individual may be admitted without exceeding the resident capacity of the facility as specified in the professional standards of the department.
 - d. A noneligible individual may not receive residential services to the exclusion of an eligible individual, unless the noneligible individual is receiving residential services before the life skills and transition center receives an application to admit an eligible individual for residential services.
2. The superintendent of the life skills and transition center may approve an eligible or noneligible individual for nonresidential services provided by the life skills and transition center if all of the following conditions have been met:
 - a. Application has been made on behalf of the individual by a department developmental disabilities program manager, a parent, guardian, or legal custodian, in accordance with procedures established by the department.
 - b. Information has been submitted to the life skills and transition center which allows the superintendent to determine that the ~~individual served~~eligible or noneligible individual would benefit from ~~nonresidential~~;
 - (1) Nonresidential stabilization services offered by the life skills and transition center for the purpose of avoiding institutionalization or further destabilization of the individual's living situation; or
 - (2) Consultation services to public and private providers serving noneligible individuals.

3. Notwithstanding any other provision of this chapter, no eligible individual served, twenty-one years of age or under, no noneligible individual, eighteen years of age or under, or the estate or the parent of such individual, may be charged for educational or related services provided at the life skills and transition center. Except as provided in subsection 4, the department has prior claim on all benefits accruing to such individuals served or noneligible individuals for medical and medically related services under entitlement from the federal government, medical or hospital insurance contracts, workforce safety and insurance, or medical care and disability programs. For purposes of this subsection, "related services" means transportation and such developmental, corrective, and other supportive services, as determined by the department of public instruction, as are required to assist an individual with a developmental disability to benefit from special education. The cost of related services other than medical and medically related services must be paid by the life skills and transition center, the school district of residence of the child with a developmental disability, and other appropriate state agencies and political subdivisions of this state. The department of public instruction, the department, the school district of residence, and other appropriate state agencies and political subdivisions, as determined by the department of public instruction, shall determine and agree to that portion of related services, other than medical and medically related services, for which each agency and political subdivision is liable. The department of public instruction may adopt rules necessary to implement this section.
4. Parents of an eligible individual, who is twenty-one years of age or under, are not required to file, assist in filing, agree to filing, or assign an insurance claim when filing the claim would pose a realistic threat that the parents would suffer a financial loss not incurred by similarly situated parents of children with disabilities. Financial losses do not include incidental costs such as the time needed to file or assist in filing an insurance claim or the postage needed to mail the claim. Financial losses include:
 - a. A decrease in available lifetime coverage or any other benefit under an insurance policy.
 - b. An increase in premiums or the discontinuation of a policy.
 - c. An out-of-pocket expense such as the payment of a deductible amount incurred in filing a claim unless the life skills and transition center pays or waives the out-of-pocket expense.

SECTION 6. AMENDMENT. Section 25-04-05.1 of the North Dakota Century Code is amended and reenacted as follows:

25-04-05.1. Transfer of individuals - Visiting privileges - Release and placement of individuals served.

1. The superintendent of the life skills and transition center shall have the right of temporary transfer of any individual served or noneligible individual, at the life skills and transition center, to an appropriate hospital or other specialized facility when in the superintendent's opinion the immediate health and safety of the individual or the immediate health and safety of others requires the transfer.
2. Subject to reasonable rules for the orderly operation of the life skills and transition center, any parent, guardian, or legal custodian of the individual served or noneligible individual shall have the right of visiting and communicating with the individual served or noneligible individual and authorizing visits and communications with others.
3. The superintendent may authorize the temporary discharge of any individual served or noneligible individual to the custody of the individual served's or noneligible individual's parent, guardian, or legal custodian of the individual, or to another person designated by the parent, guardian, or legal custodian. In the absence of such authorization, any parent, guardian, or legal custodian of the individual served may formally request, in writing, the individual served's temporary discharge. The discharge must be granted at the earliest reasonable opportunity,

but not more than thirty days after receipt of a written application. If a discharge is, or would be, effected contrary to the advice of the superintendent based on a recent comprehensive evaluation of the individual, the superintendent shall so advise the parent, guardian, or legal custodian in writing.

4. The superintendent may arrange for the suitable placement of ~~an~~:
 - a. An individual served outside the life skills and transition center and to discharge the individual served, provided placement has been preceded by a comprehensive evaluation. No such placement of an individual served may be effected until all reasonable efforts have been made to consult with the individual served's care team and parent, guardian, or legal custodian of the individual served; and
 - b. A noneligible individual outside the life skills and transition center or to discharge the noneligible individual.

SECTION 7. AMENDMENT. Section 25-04-08 of the North Dakota Century Code is amended and reenacted as follows:

25-04-08. Discharge of an individual served from life skills and transition center.

An individual who receives residential services at the life skills and transition center must be discharged if any one of the following conditions are present:

1. The superintendent of the life skills and transition center, on the basis of a comprehensive evaluation and in consultation with the ~~individual's~~individual served's parent, guardian, legal custodian, or care team, finds that the care, treatment, training, rehabilitation, and supervision offered by the life skills and transition center are no longer needed.
2. The parent, guardian, or legal custodian who voluntarily admitted the individual served to residential services at the life skills and transition center and who retains legal custody makes a written request for discharge.
3. The individual served is admitted on indefinite transfer to a hospital, school, or other facility, or a protective service under the jurisdiction of another state, or another agency or department of this state.
4. A court of competent jurisdiction orders the discharge of the individual served.
5. The superintendent makes a determination that the noneligible individual no longer qualifies for accessing services provided by the life skills and transition center.

SECTION 8. AMENDMENT. Section 25-04-08.1 of the North Dakota Century Code is amended and reenacted as follows:

25-04-08.1. Notification before discharge.

Before discharge the superintendent of the life skills and transition center shall meet with the parent, guardian, legal custodian, or care team of the ~~individual~~:

1. Individual served to be discharged, or with the court that ordered the individual served to receive services at the life skills and transition center pursuant to section 25-04-06.
2. Noneligible individual to be discharged.

SECTION 9. AMENDMENT. Section 25-04-14 of the North Dakota Century Code is amended and reenacted as follows:

25-04-14. Expenses chargeable against individual or individual's estate - Filing claims.

Expenses for care and treatment of each individual served or noneligible individual by the life skills and transition center must, if practicable, be in accordance with the cost of providing care and treatment for the different degrees or conditions of mental and physical health and charges may be adjusted in accordance with the individual served's or noneligible individual's ability to pay which must include an estimate of potential future receipts, including amounts from estates. The department shall recover from the individual served or noneligible individual or from a discharged individual expenses chargeable for care and treatment. If any individual served or noneligible individual is receiving social security benefits or is a veteran or a dependent of a veteran who has received, is receiving, or is entitled to receive compensation or pension from the veterans' administration, the expenses are a current claim against the individual served or noneligible individual and may be recovered monthly by the department except that any amount required by the payer of the benefits to be paid directly to the individual served or noneligible individual must, upon approval of the department, be credited to the individual served's or noneligible individual's personal account from any money thus received.

SECTION 10. AMENDMENT. Section 25-04-17 of the North Dakota Century Code is amended and reenacted as follows:

25-04-17. Reduction or writeoff of accounts - Report to legislative audit and fiscal review committee.

The department may authorize the reduction or writeoff of an individual served's or noneligible individual's past-due account from the life skills and transition center's financial records upon determining that the account is not collectible. The department, by September first after the close of each fiscal year, shall present a detailed report to the legislative audit and fiscal review committee on the status of accounts receivable for that fiscal year. The report must include:

1. An aging by individual classification of accounts remaining unpaid.
2. The amounts by individual classification by which accounts were reduced or written off for reasons other than payment during that fiscal year.

SECTION 11. LEGISLATIVE MANAGEMENT REPORT - LIFE SKILLS AND TRANSITION CENTER. The department of health and human services shall submit a report every six months during the 2025-27 biennium to legislative management regarding:

1. The number of ineligible children served under this Act by the life skills and transition center, including consultation services to public and private providers.
2. De-identified information and reasons describing barriers to utilization of community-based services for ineligible children served under this Act by the life skills and transition center, including efforts made by the life skills and transition center.
3. The activities and strategies of the department, and any statutory recommendations to improve the state's community-based services and alternative community crisis and stabilization services to ineligible children served under this Act.

SECTION 12. STUDY OF LIFE SKILLS AND TRANSITION CENTER ALTERNATIVES - DEPARTMENT OF HEALTH AND HUMAN SERVICES - REPORT TO LEGISLATIVE MANAGEMENT. During the 2025-26 interim, the department of health and human services shall study alternatives to placement at the life skills transition center. The study must include development of a continuum of care to meet the mental health needs of youth in their community and, if needed, in an appropriate psychiatric residential facility. By March 1, 2026, the department of health and human services shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the legislative management.

SECTION 13. EXPIRATION DATE. Section 2 of this Act is effective through June 30, 2027, and after that date is ineffective.

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-ninth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2112.

Senate Vote: Yeas 36 Nays 11 Absent 0

House Vote: Yeas 65 Nays 25 Absent 4

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2025.

Approved at _____ M. on _____, 2025.

Governor

Filed in this office this _____ day of _____, 2025,

at _____ o'clock _____ M.

Secretary of State