

Chair Nelson and members of the House Appropriations Human Resources Committee, my name is Rhonda Allery. I serve as the Mountain Lakes Human Service Zone Director, which includes the service area of Benson, Ramsey, Rolette, and Towner counties. In addition, I am a member of the North Dakota Human Service Zone Director Association. Thank you for this opportunity to testify in support of HB 1012.

The human service zone model launched in January 2020 as part of a property tax reform effort. Human service zones provide the local delivery of economic assistance and child welfare programs to the citizens of North Dakota, and there are 19 throughout the state. House Bill 1012 appropriates funding for human service zone operations as part of the Health and Human Services budget (457-fund).

Your packet includes three handouts that help illustrate the roles, achievements, and needs of North Dakota’s human service zones.

- **“What Do Human Service Zones (HSZ) Do?”** provides a snapshot of core zone-administered services, which are included in the proposed budget.
- **“The State of Human Service Zones”** maps out geographical zone boundaries. It also provides a summary of significant zone achievements
- **“HSZ and HHS Budget Relationships”** highlights many of the connections between the human service zone and department budgets.

We hope these handouts will be useful references as the committee evaluates and finalizes funding.

The Health and Human Services Zone Operations Team collaborates with zone directors to develop the human service zone budget. We utilize a standardized chart of accounts to support consistency in zone budgets and expenditure reporting. This guides our projection of future costs and identification of opportunities to enhance efficiency. The funding provided by the 68<sup>th</sup> Legislative Assembly related to equity and compression was instrumental in addressing salary disparities between zone employees. Considerable progress was made toward addressing salary disparities and compensating zone employees for their hard work and expertise. In addition, zone team member turnover and vacancy rates

have been stabilized. This support was crucial to these accomplishments, and we appreciate the support we've received.

We also recognize and appreciate the broader investment of transition to human service zones. Over the past four years, staffing models have changed to better address service needs and zone operations. Combined with a standardized chart of accounts, shared budgeting responsibilities, and enhanced communication, we are able to budget with increased accuracy and efficacy. Our proposed budget is, in part, a byproduct of those improvements.

We are pleased that the proposed biennial budget for human service zones reflects only a 7.7% increase to accommodate necessary adjustments to compensation packages and zone-administered programs. In particular, we would like to highlight four highly impactful and interrelated programs for which we request your support.

**CHINS (children in need of service)**: Prior to August 2022, the Juvenile Court system served children in need of services. As part of juvenile justice reforms, this was transition to human service zones.

This program helps to prevent unnecessary youth involvement with the juvenile justice system by recognizing that youth are NOT adults, and that punitive juvenile justice worsens mental, behavioral, and relational health outcomes. It also puts them at risk for the denial of programs and services that are essential to their development into healthy adults, and for increased interactions with law enforcement, child welfare, and juvenile or adult criminal justice systems. Because of this, we cannot overstate the importance of treating youth with dignity, which includes ensuring that our services factor in their physical and emotional development.

In light of these considerations, we respectfully urge you to support the CHINS line item within HB 1012. We also ask for your support of appropriations related to a truancy study (HB 1129) and the North Dakota Children's Cabinet (SB 2176). These line items and bills do not merely support the continuance of the CHINS program. CHINS is still in the early stages of development, and the budgetary support that we're requesting is, at its core, an essential resource in ongoing program development. By supporting children in need of service through studies and additional networking, you are supporting practical, evidence-based program design.

To that end, we also support the proposed amendment to HB 1129, which provides funding to the Department of Public Instruction to address student attendance and

absenteeism. While it may be tempting to simply increase CHINS headcount, this is unlikely to produce the desired impact on truancy. The adequate resourcing of our schools is both an urgent need and a crucial measure to address truancy concerns, including where those concerns are compounded by unique community challenges.

Similarly, an anticipated amendment to HB 1328 would provide funding for diversion programming, providing schools with an additional resource to address “unruly” behavior. Diversion services were previously provided via a variety of contracted vendors as a means for schools to identify problematic behaviors and resolve them with accountability. Diversion programs are considered effective, as studies show it can reduce recidivism rates compared to traditional court processing, particularly when implemented with low-risk youth.

**Child Care Assistance Program and Housing Supports:** Strong, healthy families — including healthy and functional foster families — cannot exist without the provision of housing and childcare. Human service zones regularly work with citizens who struggle to access these fundamental needs. As a result, we request your support in expanding childcare assistance programs to include foster youth.

**Technology:** We urge you to support the technology requests with special emphasis on the eligibility system (SPACES) and the child welfare case management system (OCEANS). These investments have a daily impact on zone work. Reliable and modern technology systems are critical to effective, compliant program administration, employee performance management, data-driven decisioning, and documentation for federal reporting.

**CFS Budget:** The Children and Family Services (CFS) budget has a significant impact on the delivery of child welfare services at the zone level. In particular, we urge you to support post-adoption services to mitigate the risk of disruption that children and their adoptive families face.

In addition, your support is requested for the ICWA Family Preservationist Program along with pre-petition legal representation (Legal Services ND), social work stipends (University of North Dakota), and Kinship legal representation for legal guardianship. The increased funding request for Title IV-E Prevention services includes as-needed support for families and children (including CHINS).

Furthermore, we support the request for shelter care funding, Nexus PATH therapeutic treatment foster care, and Chafee/Independent Living Services. These services are critical to the zone's child welfare service continuum, and to the wellbeing of North Dakota residents.

We urge support for this budgetary item and for the continuation of performance-based contract funding.

Thank you for your consideration. I stand for questions from the committee.