

2013 SENATE APPROPRIATIONS

SB 2182

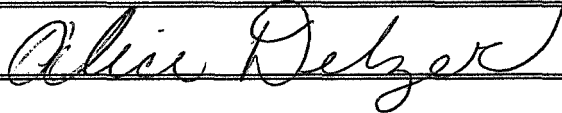
2013 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee Harvest Room, State Capitol

SB 2182
01-25-2013
Job # 17764

☐ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A Bill for an Appropriation for the Department of Human Services for transitional employment services

Minutes:

See attached testimony

Chairman Holmberg called the committee to order on Friday, January 25, 2013 at 10:30 am in regards to SB 2182. All committee members were present. Sheila M. Sandness, Legislative Council and Tammy R. Dolan, OMB, were also present.

Chairman Holmberg This is the last hearing of the day. The summary sheets are coming out.

Senator Grabinger, Represent District 12 come in support of SB 2182. He presented attached testimony # 1. I ask you to reinstate the funding for this vital program for the sake of both the individuals involved and our city.

Chairman Holmberg I hope you understand we are at a slight disadvantage, the budget is over in the House right now. It will not pass out as fast as our previous bill.

Senator Kelzer: How about the other seven Human Services Centers will they be coming in individually also or is this unique?

Senator Grabinger: I can't answer for others, ours were funded through an OAR, it wasn't a budgeted item, it hasn't been included in the OAR future budget, and that is why we are here today to ask for this in our community

Chairman Holmberg: Lori Laschkewitsch is the budget analyst we will have a subcommittee today that will look at this bill. (5.40)

Jeff Paiement Director of Progress Enterprises Inc. In support of this bill. Attached testimony #2 consisting of a letter from Brent, one of our consumers. Give this bill favorable consideration.

No questions. Subcommittee on this bill will be: Senator Kilzer, Senator Gary Lee and Senator Mathern

Representative Jessica Haak, District 12 Testimony attached # 3 in favor of SB 2182. (9.43)

Vice Chairman Bowman: with all of the programs in Human Services why is this one left out. This seems awfully similar to what we do in Bowman, ENABLE people, what is the difference in this particular group.

Rep. Haak: This is through the Human Service Center and it was not funded that is why we are here today.

Stuart Savelkoul Executive Director of the North Dakota Public Employees Association
We represent a number of folks at the South Central Human Service Center who have overseen this program for some time and desperately would like to see it continued. If this bill is not passed, and this program is not funded through this specific initiative the continuation of this program will be lost and that would be a real tragedy for the folks at that region. The NDPEA fully supports this bill.

Senator Warner: Walk us through the legalities of minimum wage laws, as related to this program.

Stuart Savelkoul: I defer this question to either Senator Grabinger or maybe Alex

Vice Chairman Bowman: How is it currently funded?

Stuart Savelkoul Previously it had been coming out of the State Hospital's budget and switched to the Human Service Centers budget and it has been kind of floating around who is going to pick up the cost of the program. It had been fit into other agencies budget as it worked, rather than as a specific line item.

Alex Schweitzer, Director of Field Services for the Department of Human Services which includes oversight for the two institutions and the eight human service centers (which have come under our direction within the last eight months). This program started in 2001 at the State Hospital. We funded the entire program out of the state hospital budget for both state hospital patients and people in the community (anyone discharged from the hospital). We saw it as an extension of an opportunity to work and become productive citizens, a good piece of the therapeutic process. We funded it up until 2009-11 biennium. Because of budgets, this was an area we felt needed some changes. We continued to fund the hospital portion but asked at that time for South Central Human Service (SCHS) to fund the portion for the community people that were being monitored and supervised by the Human Service Center employees. When we did the budget again this year, the Governor asked for a hold-even budget; we put in a number of OAR's, a number of them were funded. The SCHS put in an OAR in the amount \$308,000.00, this OAR was not funded. We take no position on it, that's the details of how this came about.

Senator Robinson: How many clients are we talking about in this program?

Alex Schweitzer, From the state hospital, in 2012: 62 people, South-central: 34.

Senator Robinson: Without programs like this how many clients will end up back under the care of the state hospital?

Alex Schweitzer It would be speculative of me to say how many. I will say that this program is part of a holistic approach to deal with people with mental illness. We look at spiritual aspects and at work. Work is important.

Senator Mathern I presume there is this type of funding in different areas of the state, how are they funded, and why was this not part of the actual original budget of the Dept. of Human Services in that it was already being funded before.

Alex Schweitzer: This program is unique, because Progress Enterprises does this type of work where they have the person going to the job site. Each Human Service Center determines what they feel their service mix should be. We have basic core services they must follow and part of those services is to treat people with mental illness. South Central chose this as one of the areas they wanted funded. It was put forward as a recommendation from the Administrator at South Central, because it was not in the base budget it had to be an OAR. I cannot answer why it was not funded from that point forward.

Senator Mathern: If it was funded in the past, why was it not in the base budget?

Alex Schweitzer it was never funded in the base budget at South Central it was in the State's Hospital base budget. We still have it in our budget the only difference is that we have other needs at the State Hospital so we asked the community to carve it out into their budget. They brought it forward as an OAR in the 1113 budget as well. It was not funded in the executive budget. Same situation as now.

Senator Kilzer: Is the program not going on at the present time? Is it being funded through some other agency?

Alex Schweitzer The program is going on. The past Administrator of the department, the CFO and the previous Executive Director had agreed to fund this if the Human Service Center could find the money within their budget. The money spent on this program is from efficiencies not part of the budget. They have spent \$148,000 in this biennium.

Senator Kilzer could you provide me what the funding has been in 2001, including both the state hospital and South Central Humans Services.

Alex Schweitzer will provide that to information to Senator Kilzer.

Senator Wanzek: I am a co-sponsor of the bill. I do support the efforts of Progress Enterprise, I care too.

John Val Emter (23:40) I've been dealing with something since 1997, I was forced to go to Medcenter One. How does a person determine that something is wrong with you? Could

this program help me? There is certain people like me that keep falling through the cracks, because of honesty; we need people to help find the truth. How do I get out of this? Can I go to them; can they accept me into the program?

Chairman Holmberg This committee has no idea at that particular level. I suggest you do talk to them. We don't know enough about it, we have not had the opportunity to hear the big picture on Human Services budget because it is over at the House. We will be looking at the bill. Thank you for coming and sharing with us.

Allen Falk, Director of the Progress Community Center (PCC) of Jamestown, one of the eight regional recovery centers in the state. In support of SB 2182 and provided Testimony attached # 4. The testimony contains a letter from Marty stating that Progress Enterprises has given him the confidence to get a job at Wall Mart. I would recommend this program to anyone who wants to become an effective responsible citizen in the community. I have been able to completely stay out of trouble.

Senator Mathern: Does Progress continue contact with employers when it places persons with employers?

Allen Falk I work for Progress. Triumph does the placement in the community and Progress somewhat keeps in touch with them because of the activity center.

Chairman Holmberg: Anyone else wishes to testify today? No. Closed the hearing.

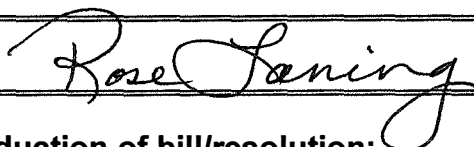
2013 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee Harvest Room, State Capitol

SB 2182 subcommittee
January 31, 2013
Job # 18115

☐ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

This is a subcommittee hearing on SB 2182 relating to an appropriation for the Dept. of Human Services for transitional employment services.

Minutes:

Senator Kilzer opened the subcommittee hearing on SB 2182. **Senator Lee** and **Senator Mathern** were also present.

Legislative Council - Sheila M. Sandness
OMB - Tammy Dolan

Senator Kilzer would like more detail of the history of this appropriation going back about 10-12 years. He'd also like to know how many people or patients have been served and how do they track their customers. How successful are they?

Senator Mathern: It was contracted out to Progress.

Sheila M. Sandness: You'd like a 10-12 funding history, but the number of people served by the program, did you want that for the same period of time?

Senator Kilzer: 6-8 years is fine.

Senator Mathern: How is this similar covered in other human services centers?

Senator Kilzer said that may be tied in with it being part of the state hospital budget.

Senator Gary Lee: Why wasn't it in the Human Services and was it cut from the Jamestown hospital budget?

Alex Schweitzer, Director of Field Services for the Department of Human Services

Alex Schweitzer said this was in the Human Services budget as an optional adjustment request. It wasn't in the base budget so the governor's instructions were for each

department in DHS to present a hold even budget so this was put in by South Central Human Service Center as an optional adjustment request.

Senator Gary Lee: Where funded before?

Alex Schweitzer: It was funded through the State Hospital. It's been an OAR for the last 2 years.

Senator Kilzer: The numbers served - whether they are patients or clients. How long do they serve each one and any results?

(8:30) **Alex Schweitzer** discussed numbers of clients. Services are provided by Progress. The hospital paid them for our budget. Ours is a budgeted item and South Central paid them with roll-up dollars in the 11-13 biennium and they are paying through efficiencies. They don't have a contract with Progress, but they are sending some clients and paying through efficiencies. The director of the department and the chief financial officer allowed them to do that.

Senator Kilzer: And if we wouldn't fund them for the next biennium?

Alex Schweitzer: The only way the clients would receive services is through efficiencies.

Senator Kilzer: The amount of appropriation over the last 10 years.....

Alex Schweitzer has info back to 2003 and will send it to Sheila M. Sandness.

Senator Mathern asked if a similar service to this provided in other regions - like vocational or workshops in Fargo.

Alex Schweitzer said he was probably thinking of a developmental disabilities that is being funded through SE in Fargo.

Senator Mathern: We don't have other non-profits around the state that does this?

Alex Schweitzer: No. This is a unique one. Progress not only provides work activity programs but they also run some residential facilities for people with serious mental illness. They have a facility in Rolla and Lake Region that Progress actually owns the building. The center contracts with them to provide residential services. They do more than employment type things; they also operate provide property facilities for individuals that need residential - more long term mentally ill and have a difficult time. If they were not in those facilities, they'd be in the state hospital.

Senator Mathern: Is this program unique to Stutsman County because of the State Hospital?

Alex Schweitzer: Yes. In Lake Region and SC, there are no in-patient private facilities so that's why this program developed. Many that leave the state hospital stay in this region because of this service and a variety of other services, they just stay there. It's their choice.

We don't dictate to a patient where they reside. There are a number of facilities in Jamestown. The community is very open - because of the state hospital - it makes a big difference. We don't have the issues we'd have in certain parts of the state setting up residential facilities.

Senator Mathern: In this appropriation request, your department decided this was needed in a hold even budget. What would you budget for this?

Alex Schweitzer: We'd budget what we put in the OAR. It came out of the Human Service and was part of their budget.

Senator Kilzer has to leave and Senator Gary Lee took over the meeting.

Discussion followed about the bill and the OAR that is in the House.

Senator Gary Lee: Is this meeting the needs of the community that are asking for the service?

Alex Schweitzer: If you ask the people in the human service center, they would like to have it funded. They're still providing the service but it's always a matter of trying to find the money to do it because they have to find efficiencies to do it right now.

Senator Mathern: Who makes these decisions - which one is funded or isn't.

Alex Schweitzer: This was presented by the center, reviewed by the executive management committee at the department. They made two cuts, but they decided to move this forward as an OAR by the executive budget team.

Tammy Dolan said this was a in a long list of OARs that were presented and they funded many on the list.

Alex Schweitzer: We do this as a service and hope it will be funded. There were a lot of them that were funded. We have six residential facilities that were funded in the governor's budget that are in the House right now.

Senator Gary Lee thanked him for coming and we'll meet again next week.

2013 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee

Harvest Room, State Capitol

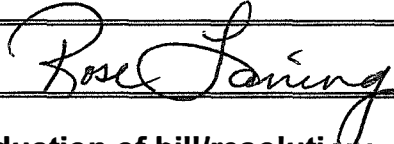
SB 2182 subcommittee

February 6, 2013

Job # 18374

☐ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

This is a subcommittee hearing on the Department of Human Services for transitional employment services.

Minutes:

Testimony attached # 1

Legislative Council - Adam Mathiak

OMB - Tammy Dolan

Senator Kilzer opened the subcommittee hearing on SB 2182. **Senator Lee** and **Senator Mathern** were also present.

Senator Kilzer asked for the figures for the year that Senator Gary Lee has on his ipad. All the committee members have the letter from Alex. Did you want to review that?

Alex Schweitzer, Director of Field Services for the Department of Human Services

Testimony attached # 1

Last week I handed out the January 28, 2013 budget. This week I sent 3 documents: a history of funding and the funding sources (2/4/2013). That is information I pulled together since the 2005 biennium up to 2013. It shows the billings for south-central, the North Dakota state hospital billings and the total billings in those years and what the department paid Progress Enterprises Inc. which is the 4th column, under contract. It shows by biennium what was paid thru the DHS schedule. Last column shows payments by month and per biennium. We could pay up to \$600,000. The only difference is when you get 2011-13, the hospital and SC negotiate separate contracts \$300,000 for the entire biennium. South Central negotiated \$218,000 with Progress for the entire biennium. Out of \$518,000, we paid \$390,000 as a department between the two entities.

Senator Mathern: is that where appropriation amount for this bill comes from?

Alex SC management took the number of clients they thought they would serve and used that as a number. One thing that has changed significantly (budgets are prepared well in advance of the session to give to the governor) is that we are seeing more and more people being placed in competitive employment rather than in transitional programs because there is such a demand for employees for housekeeping at motels, waitresses, dishwashers, etc... The \$318,000 was based on what they thought the need would be at

the time. It was presented as an OAR (Optional Adjustment Request). The governor funded 30 of the 36 OARs. This is a capacity OAR - Human services prioritize the OARs- this one was one of the lower ones.

Senator Kilzer: what would you do if you got no money at all?

Alex: The only way to fund any transitional employment would be from the savings in the budget from SC or the State hospital. It would be funded through savings. We'd have to wait 6 months before we could actually serve people, because we have to know if we had the money or not.

Senator Kilzer - You had said that you were intent in a hold even budget, as the governor wanted and that's why you forgot to include it.

Alex - We included it as an OAR because it went beyond the hold even.

Senator Kilzer- If you had a hold even would you be spending the same amount?

Alex- The \$218,000 in the present biennium is within the SCHSC allocation. They can't spend above what their budget is. They can spend savings within their budget and that is what they are doing. State Hospital can only spend the \$300,000 as well. We have spent \$390,000 to date with 6 months left.

Senator Lee- A lot of these people are getting now competitive employment in the Jamestown, area does that affect the numbers you have presented?

Alex: I think the \$218 might be a little more than they would probably need.

Senator Kilzer- Has this program being funded on its own in the past? Do we have this kind of funding for people who leave other state institutions?

Alex -Funded thru the state hospital budget, because most of these people start at the state hospital and transition to community. 2009-11 it was funded in the state hospital budget. We don't have Progress Enterprises statewide but we do have extended services in every human service center budget, they do employment stuff. They don't have a workshop like Progress. Progress is unique to the lake and south central regions. Vocational Rehabilitation is funded also to support some of these people. Most are funded through progress or extended services budget at human service centers. There is real demand for entry level type jobs (housekeeping, etc.). The hospital managed to place about 6 patients over the last 5 years. South central, because their individuals are a little more stable, managed to place about 6/yr. in the region for the last 3 years. There are some positive outcomes. If you have a persistent mental illness, that gives them something to do each day, entry level type of work.

Senator Kilzer Does Jamestown have a facility like Pride in Bismarck.

Alex Progress is for the seriously mentally ill. Pride is for the developmentally disabled.

Senator Mathern- Is this money used for sheltered workshop, case management, social activities or just on job placement? We have a staff person who is looking for jobs for these people. Is there coaching and follow up?

Alex: There is other funding for social activities Progress is job placement for individuals who are in transition. They are in the hospital or in south central they need time until they can be competitively employed. Between the case manager and the job coach at Progress, hopefully they can develop skills to become employed. Learning how to arrange transportation, get up in the morning, how to do a job and sticking to it. It's beneficial program, but it's not for everyone.

Senator Kilzer Does Progress have other clients besides state hospital and SC?

Alex, this program is strictly for the hospital and south central. The 60 from us and 34 at SC is pretty much what they do. I sent you a client count from 2005-12. The money spent and the number of successful placement is about \$10,000 per client. That's for staff, job coaching, to assist them during the day, etc... They submit a budget.

Senator Kilzer do we get these folks off of Medicaid? If we want to have some objective measurements - is there a lower measuring step for success?

Alex: We do have individual that would not need food stamps or other type of assistance programs .Some of them will be on Medicaid only because it covers their health care. Surely there are some, who have benefit packages. Dakota Farms offer benefits package as well as Wal-Mart. I can get that information for you.

Senator Mathern Hopefully someone is helping them so they stay out of the hospital and that is where the savings are.

Alex It's about \$400/day at the state hospital. In acute stay, depending whether it is a public or private hospital, it could be from \$400 to \$1000/day depending on the patient's needs. There has been some reduction in cost at the state hospital. We have leveled off our expenses for a number of years because of the ability to do community based care.

Senator Mathern Jamestown is a unique situation because the state hospital is there and people gravitate to it. I think we should fund this. I don't know if amount is right.

Alex: The data I gave you is up to date with actual numbers; they spent \$170 of the \$218 thousand allocation. The referrals through Progress are down, because of the unemployment in the region. We've increase 09-11 biennial budget from \$25,000 to \$30,000/mo. and increased the total biennial by \$120,000. We spent almost right up to that. For 2013 the hospital decreased based on what we saw as our need at the time. .

Senator Kilzer why have less need?

Alex: We no longer funded the SC side in 11-13. That's when we stopped funding the entire program. In 11-13 we funded only the hospital. The \$218,000 is the efficiencies they found (south central). They aren't going to spend anywhere near that, about \$240,000 will

be the total. \$308,000 was their best guess at the time. Funding for South Central is not in House Bill 1012. If you pass this bill, they would be funded. If you don't pass the bill, they would be unfunded. The \$308,000 is for south central, is not funded and not even considered because it is not in the Governor's budget. The \$300,000 is for the hospital that is in our base budget that is in the House and is funded at this point.

Senator Gary Lee: If their number goes down, your number goes down too.

Senator Mathern: Is Progress making a pitch on the house side for this money?

Alex: No. They asked me if they should on Senate side. 27:31

Senator Mathern: I suggest we draw up amendment, pass it - and then when we get human services budget over here, we can still make another decision about whether or not to take that amount and carry it. We'll have another shot at this (28:20) I asked around and they aren't really connected. They have a lack of resources. It would be nice if it was part of Human Services budget, but it isn't. Take the dollar amount to what appears to be needed, pass the bill and take it up later.

Senator Kilzer: I need to mull on it a bit more. What you are suggesting would be subject to what House Bill 1012 is like when we get it.

Senator Mathern asked Adam Mathiak to draw amendment changing amount to \$240,000.

Senator Gary Lee: this was helpful to me.

Senator Kilzer: It's nice to know that \$208,000 is subject to a little updating.

Alex - handed out business cards in case additional information is needed.

2013 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee

Harvest Room, State Capitol

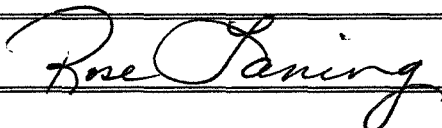
SB 2182 subcommittee

February 12, 2013

Job # 18853

☐ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

This is a subcommittee hearing on the Department of Human Services for transitional employment services. An appropriation to the South Central Human Services Center.

Minutes:

Testimony attached # 1

Legislative Council - Becky J. Keller
OMB - Tammy Dolan

Senator Kilzer opened the subcommittee hearing on SB 2182. Senator Lee and Senator Mathern were also present.

Senator Mathern handed out amendment 13.0611.01001 (**attached # 1**)

He explains that Jamestown has a residual need and this bill makes sure those services are there that are needed. The service can be provided at the level that Alex Schweitzer thinks would meet the need. This amendment will decrease the appropriation to \$240,000.

Senator Mathern moved the amendment.
Senator Gary Lee seconded the motion.

Discussion

Committee discusses that this would be just for the transitional employment services for South Central Human Service Center but it would be contracted out. They ask Alex Schweitzer for a review. He reviews for them the expenses of the department and the number of clients they have served. The committee asks him about the clients, how long they stay, if it is optional. He says they are encouraged to be in the program. They ask him how much is in the budget for South Central to which Becky Keller responds there is \$16.7 million and that it is an increase of \$327,000 over the present biennium. Mr. Schweitzer says most of it is in wage and salaries. The committee discusses the value of these programs and how long some of the clients have been on these programs. Mr. Schweitzer relates there were less people at the state hospital and more community placements. He explains that some clients need more supervision and are difficult to work with.

A roll call vote was taken on the amendment - Yea: 3 Nay: 0 Absent: 0

**Senator Mathern moved do pass to SB 2182 as amended.
No second.**

Discussion

Senator Kilzer says he is uncomfortable without the DOH budget in front of them; he would rather put it in the DOH bill. Senator G. Lee has concerns that it wasn't supported as a priority and agrees with Senator Kilzer about the DOH budget but he believes the program has merit. Senator Mathern relays his concern on why this didn't get the attention.

**Senator Gary Lee moved Moved Do Not Pass as amended on SB 2182.
Senator Kilzer seconded the motion.**

A roll call vote was taken. Yea: 2 Nay: 1 Absent: 0

Senator Kilzer would like to attach this to the Health Dept. or Human Services budget.

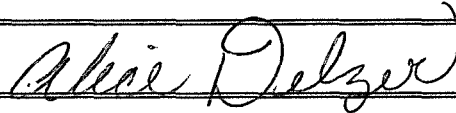
2013 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee Harvest Room, State Capitol

SB 2182
02-20-2013
Job # 19230

☐ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

Re: transitional employment services - Department of Human Services (Do Not Pass.)

Minutes:

Chairman Holmberg called the committee to order on Wednesday, February 20, 2013. All committee members were present.

Brady Larson -Legislative Council

Joe Morrisette- OMB

This bill relates to the funding of a program of mental health patients who come out of the state hospital and live mainly in the area of the South Central Human Service Center. It's related to the funding of this particular area. The funding is with a contract with a group called PROGRESS. They work with mentally ill patients to get them employed. The success rate is not real high but it is something anyway. They have records to show that a small number of these people do become employed. As far as the funding, there is \$300,000 in the present budget of the state hospital. There is no funding in the budget of south central human service center, it wasn't in the present biennium. They have gotten by, this was not in the governor's budget, but it is in the budget for the state hospital of \$300,000. I would ask Senator Gary Lee for additional comments he might have regarding this bill. .

Senator Gary Lee I move a do not pass on 2182. 2nd by Vice Chairman Bowman.

Senator Gary Lee : I confirm what he said. The state hospital has money in the budget, they are continuing to utilize the program in conjunction with southeast human services. They seem to find efficiencies in their current budget to keep the program running. It seems the number of people they service might be decreasing because of competitive employment and opportunities in the region. Seems to be

working without additional funds and we recommend a do not pass out of the subcommittee.

Senator Mathern- I would ask you to defeat the motion. I have amendments I would propose, if the motion is defeated, which would reduce the appropriation. Essentially Jamestown has a greater burden in terms of persons with mental illness, because our state hospital is there. Oftentimes patients come from around the state and especially the long term patients, they create connections in the community. When they get discharged they stay there. It becomes a great need for the community. I think it makes sense we fund this in Jamestown. These people move back into hospital care if they don't get this one on one coaching and encouragement to get a job and keep a job. That is what this nonprofit, Progress, does. I encourage defeat the motion, take it up again, and take the amendment with the reduced appropriation, which reflects the reduced numbers. It didn't make it in the governor's budget, it just sort of lingered on all the time. Everybody thought if the savings were found in the past, they can be found in the future, they did not put in in as a budget item.

Senator Robinson - If you recall, the testimony of a young man who was losing his job there because of tight budgets. I think it is unfortunate it did not make it into the budget. This is proactive, it gets people to work, improves the quality of life and prevents reentry in the state hospital. I hope we can resist this.

Senator Wanzek- I am going to resist the motion as well, because of the extra burden put on the state hospital. I understood there was no money in the state hospital budget dedicated for this purpose, there is?

Senator Gary Lee- we met with Alex Schweitzer, he did note there is \$300,000 in his budget for this program The southeastern human services doesn't have money in their budget, they did not prioritize it as a high item.

Senator Mathern- referrals to this nonprofit organization come from a number of entities: the state hospital, human service center and the people in the community. When there is a direct referral the state hospital provides some funding for this agency.

Senator Kilzer this is the only human service center that would be funded.

Roll Call vote was taken on a Do Not Pass on SB 2182. Yea: 8; Nay: 5; Absent: 0. Motion Carried Senator Gary Lee will carry the bill.

Date: 2-20-13Roll Call Vote # 12013 SENATE STANDING COMMITTEE
ROLL CALL VOTESBILL/RESOLUTION NO. 2182Senate Appropriations Committee☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken DNPMotion Made By Lee Seconded By Bowman

| Senators | Yes | No | Senator | Yes | No |
|------------------------------|-----|----|-------------------------|-----|----|
| Chairman Ray Holmberg | ✓ | | Senator Tim Mathern | | ✓ |
| Co-Vice Chairman Bill Bowman | ✓ | | Senator David O'Connell | | ✓ |
| Co-Vice Chair Tony Grindberg | ✓ | | Senator Larry Robinson | | ✓ |
| Senator Ralph Kilzer | ✓ | | Senator John Warner | | ✓ |
| Senator Karen Krebsbach | ✓ | | | | |
| Senator Robert Erbele | ✓ | | | | |
| Senator Terry Wanzek | | ✓ | | | |
| Senator Ron Carlisle | ✓ | | | | |
| Senator Gary Lee | ✓ | | | | |
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Total (Yes) 8 No 5

Absent _____

Floor Assignment Lee

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2182: Appropriations Committee (Sen. Holmberg, Chairman) recommends **DO NOT PASS** (8 YEAS, 5 NAYS, 0 ABSENT AND NOT VOTING). SB 2182 was placed on the Eleventh order on the calendar.

2013 TESTIMONY

SB 2182

Chairman Holmberg and members of the committee. My name is John Grabinger and I reside in Jamestown. I represent district 12 in the state Senate and I come before you today in support of SB2182. I sponsored this bill because I have a group of constituents who are directly impacted by this program. Either from the perspective as clients of the Human service dept. and/or also employee's that work directly with the clients that utilize this very worthwhile program. This bill asks that the human service dept. be funded with up to 308,000. dollars for this program. From the info I have been able to garnish from Mr. Alex Schweitzer and his financial manager these figures are the amount discontinued or not sought in the current budget for our centers funding in order to maintain this program. You see, I care: that the opportunity for some challenged citizens to gain a measure of self worth, be continued. I care that these individuals be given a good reason to get up, take a shower, and get ready to work. I care that these same individuals have a need for some responsibility in their lives. I care that there day include getting out in the public and that they be required to be attentive to some assigned tasks. I care that our community is helped in providing a program that assists in the effort to keep many of these individuals out in their homes in our community, rather than in an institution.

I have personally witnessed the impact this program has had on some of the individuals I have just eluded too. Finally, I humbly ask you to care as well and reinstate the funding for this vital program for the sake of both the individuals involved and our city.

I would also add that behind me are individuals that clearly have more knowledge about the details of this program and will be better able to explain the bang for the buck to the state, if you will. Although, if you have questions for me I'd be happy to try and answer them for you?

1-25-13

Testimony
Senate Bill 2182
Senate Appropriations Committee
Senator Holmberg, Chairman
January 25, 2013

Chairman Holmberg, members of the Senate Appropriations Committee, I am Jeff Paiement, Director of Progress Enterprises, Inc. of Jamestown. I am here today to speak in support of SB2182, which would provide funds to the Department of Human Services for transitional employment services.

Progress provides a range of community-based services, one of which is employment for individuals with mental illness. I am here today to provide testimony on behalf of one of our consumers, Brent [REDACTED], who is unable to be here today.

Brent writes:

"Thank you ladies and gentlemen for allowing me to speak to you about my experience at Progress Enterprises. My experience has been in retail work for 20 years; following that I was diagnosed with a mental illness and spent many years North Dakota State Hospital. The doctors had told me that I might never get well but I heard a voice one day that said, "You do not belong here anymore." After that program, I was well enough and graduated into Transitional Living and was offered the opportunity to work at Progress Enterprises.

During that time, I developed the skills that allowed me to venture out into the community and believe in myself, that I was a productive member of society. They helped me discover the pride I had within, to take heed in my appearance and my social skills, and taught me that no matter how small or big a task was, it was an important part of our daily world. I gained the will to rise every morning, and venture out into the community to Progress

Enterprises and begin my new journey in the work field.

They taught me to be punctual, dress appropriately and have appropriate work place social skills. I was able to learn skills in woodworking and gain knowledge of machinery and safety. With the knowledge gained, help and the encouragement of my two Progress Enterprise supervisors Chuck and Steve and my case manager Tim Harr, I was now prepared to establish myself in the community through the Triumph Program with Tim Hart.

With the help of Progress Enterprises and Triumph, I was offered a job opportunity at Wal-Mart. I was employed there for 1 year and then let go. My personal and mental health issues were deteriorating and my wish to go back to Progress Enterprises was no longer an option available to me because the program was full.

I am currently unemployed and have applied at numerous businesses with no luck, and I feel I have nowhere to go for help. I believe if Progress Enterprises could see more people, and I was able to return to them for a period of time and refresh those vital personal, social and workforce skills, I would now be in a better financial, social and most importantly mental place in my life.

I hope you would please give this bill serious consideration as it would definitely change lives, including my own, for the positive outcomes that will last forever.

Thank you very for hearing my story."

That concludes the testimony; I will be happy to answer any questions.

Thank you Mr. Chairman and Senate Appropriations committee.

I urge you to support SB 2182. This bill would provide funding for clients of the Human Service Dept. in Jamestown. This would be a good investment of dollars, if you look at it from a fiscal standpoint. These clients are either recovering from an addiction or have a mental disability which inhibits them from sustaining a typical job. These funds are used to allow clients to hold down jobs within Progress. UTC Aerospace Programs, formerly known as Goodrich, has a relationship with Progress that allows clients to build parts for UTC in a workshop right on the Progress campus. I've toured the facility and it is really something to watch the clients take such pride in their work. These types of jobs allow the clients of Human Service Dept. to contribute to a non-profit company, earn a small stipend, and ultimately it gives them a reason to get up in the morning.

Often times, when Progress clients do not have work, or in the case that happened recently were laid off due to a round of budget cuts, the clients can lose that sense of independence and head on a downward spiral. This can lead to being institutionalized again, which in turn is costing the state money. By investing this minimal amount of money into this program you would be helping clients who come to Jamestown from all over the state gain back that sense of independence.

It is important to remember the impact that having a job can have on a client when they are dealing with difficult situations in their life. It allows a sense of independence, keeps them earning income for their own personal use and out of institutions, and truly benefits the entire community.

I would urge your support of SB 2182 and would stand for any questions. Rep. Jessica Haak District 12

Testimony
Senate Bill 2182
Senate Appropriations Committee
Senator Holmberg, Chairman
January 25, 2013

Chairman Holmberg, members of the Senate Appropriations Committee, I am Allen Falk, Director of the Progress Community Center (PCC) of Jamestown. This is one of the eight regional recovery centers in the state.

I am here today to speak in support of SB2182, which would provide funds to the Department of Human Services for transitional employment services. Progress provides a range of community-based services, which many of the consumer members of our center participate in as part of their recovery. I am here today to provide testimony on behalf of one of our members, Marty Olson, who is unable to be here today.

Marty writes:

"Hello North Dakota friends. My name is Marty [REDACTED]. The reason I am giving information today is because I have a story to tell. I became disabled in the year 1979. I spent 5 years in the North Dakota State Hospital. I also had a lot of admissions into the psych unit in Bismarck. I came to Jamestown because I needed a change. I began coming to Progress Community Center the very day I came to Jamestown. I am very, very happy here.

I got my first job here in Jamestown, not because I had to, but because I wanted to work. I worked at Progress Enterprises. My case manager Tim helped me get that job. It was a very enhancing experience because I needed the confidence to believe I could work, which through Progress I achieved. I stepped up a notch by nagging my next boss Allen to hire me at PCC, and worked at the center for 3 straight years. When I was laid off it was a very

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disappointing experience, especially because of a reason that was not anything to do with me or my performance, but due to budget limits.

I spent 1 year being unemployed. It was a very unhappy time for me. I was literally depressed to the point where something had to happen to get me out of that rut. I was listening to the radio one night in my apartment and an announcement came over the air saying Wal-Mart was accepting applications for lawn and garden employees. That next day I went to apply, and was accepted by Wal-Mart immediately after my interview.

I knew it was going to be an uphill battle, but I was prepared for it; for I had gained the experience with everything I did here at the activity center. I have been working at Wal-Mart practically for 1 year, as of current. I am doing what I love to do, working with plants, keeping them alive.

I would recommend this program at Progress to anyone who wants to become an effective responsible citizen in the community. This program helped me achieve my goals for what I am today. I gained the confidence that I needed to work at Wal-Mart because of the help I got at Progress. Because of coming to the activity center I have been able to completely stay out of trouble.

I am positive that this program benefited me and helped me achieve my goals. People here at Progress are a team. There is no "I" in team as everyone's aim is for the same goal and all is possible. If I could have one wish it would be to see that others could have the same positive experience I had here at the center."

This concludes the testimony; I'd be happy to answer any questions.

Alex C. Schweitzer #1
SB 2182
2-6-13

To: Senator Ralph Kilzer, Senate Appropriations Committee
From: Alex C. Schweitzer, DHS Director of Field Services
Re: Senate Bill 2182 - Request for Patient Outcomes
Date: February 5, 2013

Summary:

Transitional employment is provided in the South Central region of North Dakota, Region 6, and starts at the North Dakota State Hospital as part of the treatment and stabilization for consumers with serious and persistent mental illnesses that are not ready for competitive, integrated employment in the community. This is a short-term placement where consumers with serious and persistent mental illness are stabilized while developing work skills and daily structure. The setting is a structured workshop setting, operated by a private provider of transitional employment services, Progress Enterprises of Jamestown, North Dakota. This setting allows consumers with serious and persistent mental illness to receive staff support and learn work skills in a safe environment. The goal of the program is potentially a referral to Vocational Rehabilitation (VR) services for integrated competitive employment possibly through VR job placement or their supported employment program. Consumers are referred to Progress Enterprises from both the North Dakota State Hospital (NDSH) and the South Central Human Service Center (SCHSC).

Competitive employment opportunities in the last few years have been readily available because of the low unemployment rate in this region and the state, and the needs of local employers for workers. Thus, individuals

with serious and persistent mental illness have been employed at local nursing homes in laundry and housekeeping positions, at the Wal Mart, at the Bagel Plant and at local restaurants.

Outcomes:

1. The NDSH has placed six patients in competitive employment over the past five years.
2. The SCHSC has placed six patients per year from 2009 through 2011 in competitive employment.

Senate Bill 2182 – Transitional Employment
Contractor – Progress Enterprises –Jamestown, ND
History of Funding and Funding Sources
February 4th, 2013

| Biennium | SCHSC Billings | NDSH Billings | Total Billed | DHS Paid | Contract |
|-----------|----------------|---------------|--------------|------------------------|--|
| 2005-2007 | \$218,544 | \$390,568 | \$609,112 | \$600,000 | Actual billing for SCHSC and NDSH up to \$25,000 per mo. - \$600,000 per biennium |
| 2007-2009 | \$401,527 | \$341,303 | \$742,830 | \$599,941 | Actual billing for SCHSC and NDSH up to \$25,000 per mo. - \$600,000 per biennium |
| 2009-2011 | \$574,354 | \$273,766 | \$848,120 | \$718,197 | Actual billing for SCHSC and NDSH up to \$30,000 per mo. - \$720,000 per biennium |
| 2011-2013 | \$170,000 | \$220,000 | \$390,000 | \$390,000 ¹ | Actual billing for NDSH up to \$12,500 per mo. - \$300,000 per biennium and SCHSC negotiated amount of \$218,000 for the biennium. |
| Total | \$1,364,425 | \$1,225,637 | \$2,590,062 | \$2,308,138 | |

¹ Paid through the first 18 months of the current biennium (11-13)

Senate Bill 2182 – Transitional Employment
Contractor – Progress Enterprises – Jamestown, ND

Client Count

February 4th, 2013

| Year | NDSH | SCHSC |
|-------|------|-------|
| 2005 | 28 | 26 |
| 2006 | 50 | 40 |
| 2007 | 49 | 32 |
| 2008 | 68 | 40 |
| 2009 | 59 | 47 |
| 2010 | 39 | 38 |
| 2011 | 62 | 34 |
| 2012 | 60 | 34 |
| Total | 415 | 291 |

13.0611.01001
Title.

Prepared by the Legislative Council staff for
Senator Mathern
February 6, 2013

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PROPOSED AMENDMENTS TO SENATE BILL NO. 2182

Page 1, line 5, replace "\$308,000" with "\$240,000"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment decreases the appropriation to the department of human services for transitional employment services from \$308,000 to \$240,000.