

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1108

2001 HOUSE HUMAN SERVICES

HB 1108

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1108

House Human Services Committee

☐ Conference Committee

Hearing Date January 15, 2001

Tape Number	Side A	Side B	Meter #
Tape 1	X		0 to 5108
Committee Clerk Signature <i>Corinne Easton</i>			

Minutes:

Chairman Price, Vice Chairman Devlin, Rep. Dosch, Rep. Galvin, Rep. Klein, Rep. Pollert, Rep. Porter, Rep. Tieman, Rep. Weiler, Rep. Weisz, Rep. Cleary, Rep. Metcalf, Rep. Niemeier, Rep. Sandvig.

Chairman Price: Opened the hearing on HB 1108.

Blaine Nordwall: Director of Economic Assistance Policy for the Department of Human Services. House Bill 1108 reflects several modest changes in the statute under which the department administers the Temporary Assistance for Needy Families program. We also request the committee consider two amendments to correct a word choice and to avoid potential conflict with HB 1037. (See Testimony)

Rep. Metcalf: Referring back to Bill 1037 in regard to domestic violence. 1037 also talks about domestic violence in subsection "i", and in this Bill 1108 in that same subparagraph it does not refer to domestic violence. Should they both read the same then?

Blaine Nordwall: They both should read the same. The problem is that if you have the same subdivision that is amended in two different ways, then the Legislative Council would be faced with questions about which is the later to be enacted. Our only concern is that there not be confusion or a conflict.

Rep. Metcalf: I guess my question is should it be in "j" as well as in "e"? The terminology.

Blaine Nordwall: The department recommended an alternative amendment to the language that was submitted on behalf of the interim committee. It would essentially create a new subsection. Instead of addressing this subsection with these changes, it would create a new subsection. If the Legislature saw fit to adopt both amendments and pass both bills - whatever the Legislature's desire, the important thing is that it makes sense.

Chairman Price: On page 5, the single application. Part of our goal was to make it easier for the recipient to not have to go through numbers of forms, numbers of questions, and numbers of people - the one-stop type thing and because she's not going to be there for very long, do you think we have any potential of making any headway with it?

Blaine Nordwall: I think the secretary is entirely correct in her assessment of what the federal TANF statute allows her to do. I don't think a different assessment will be forthcoming from a different secretary. What I don't know is whether we will be pressured to have a variety of Medicaid applications forms. The secretary of the United State Department of Health and Human Services is dealing with states who may not have the same local agency administering the TANF and Medicaid program. As a matter of fact there are quite a few states where that is the case. So I suspect this is the one-stop shop that would concern this Legislature and has for our agency for some time.

Rep. Niemeier: On page 5 under "u" and "w" we have progressive stricken from sanctions.

What might these sanctions be, besides termination of benefit? What is progressive removed?

Blaine Nordwall: In our progressive sanctioning it could be not cooperating in participation in work activities and child support. Also when participating in the Medicaid program where children are required to come in for regular medical examinations. First we warn them, and the second thing we do is take part of the grant away that affects the parent, and the third is that we say we will take the whole grant away. What we would like to do is not abandon progressive sanctioning, but to have an environment in which we could do progressive sanctioning in cases where appropriate. I think it is immoral that we impose sanctions on people who can't comply.

Rep. Niemeier: On "Z" in your discussion of removing the benefit cap, I am looking at that we have been enforcing the benefit cap for three and a half years and now Indiana Court has ruled that it is unconstitutional. Is there any possibility that our state can be hit with litigation to recover benefits in that time period?

Blaine Nordwall: What the Indiana Court found to be unconstitutional was the assignment part of it, not the benefit cap.

Susan Beehler: Lobbyist for R-KIDS. In her testimony (attached) she addressed the Assignment of Support Rights. She stated that support rights was difficult to understand. She explained that support rights means money, child support. Arrears (past due child support) could be money to the child owed but not collected. Unassigned arrears (money collected or uncollected after the family no longer gets welfare. Pre-assistance arrears is arrears which accumulated before the parent got welfare. Post-assistance arrears is arrears which accumulated after the parent got off welfare. Bill 1108 does not clearly state how the arrearages will be distributed. On page 2 line 28 "eligibility" leaves me feeling concerned why doesn't it say when assistance is terminated?

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House Human Services Committee
Bill/Resolution Number HB 1108
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Does that mean if you are eligible for 60 months, they could still hold the arrearages collected on your behalf even if you went off welfare after 9 months, and would the amount collected go to that "secret unreimbursed fund? Does this mean the state still gets the arrearage and the federal mandate has not been acted? Because of these concerns we urge a DO NOT PASS on HB 1108 as written.

Chairman Price: Closed the hearing on HB 1108.

COMMITTEE WORK:

Chairman Price: Let's go to HB 1108.

Rep. Weisz: I move a DO PASS as amended.

Vice Chairman Devlin: Second.

14 YES 0 NO 0 ABSENT CARRIED BY REP. WEISZ

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1108 A

House Human Services Committee

☐ Conference Committee

Hearing Date February 20, 2001

Tape Number	Side A	Side B	Meter #
Tape 2		X	(Tape didn't work)
Committee Clerk Signature <i>Corinne Easton</i>			

Minutes:

COMMITTEE WORK:

REP. WEISZ: Move the amendments.

REP. DOSCH: Second.

(14 Yes, 0 No, 0 Absent)

REP. NIEMEIER: Move 1st Amendment (Do Pass).

REP. CLEARY: Second.

(4 Yes, 10 No, 0 Absent)

REP. NIEMEIER: Moved 2nd Amendment (Do Pass).

REP. SANDVIG: Second.

(10 Yes, 4 No, 0 Absent)

REP. WEISZ: DO PASS AS AMENDED.

REP. DEVLIN: SECOND.

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House Human Services Committee

Bill/Resolution Number HB 1108

Hearing Date February 20, 2001

14 YES 0 NO 0 ABSENT CARRIED BY REP. WEISZ

FISCAL NOTE
Requested by Legislative Council
02/22/2001

Bill/Resolution No.:

Amendment to: HB 1108

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill removes obsolete references to the welfare reform demonstration project, updates the requirements surrounding child support assignments, Temporary Assistance for Needy Families (TANF) and Indian unemployment calculation directions so they are in compliance with Federal law. The bill specifically allows the Department to conduct local demonstration projects for hard-to-serve TANF cases. This bill also calls for the Department to process Domestic Violence cases under incapacity determination. This bill has no fiscal impact.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Name:	Brenda M. Weisz	Agency:	Department of Human Services
Phone Number:	328-2307	Date Prepared:	02/27/2001

FISCAL NOTE
Requested by Legislative Council
12/21/2000

Bill/Resolution No.: HB 1108

Amendment to:

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill removes obsolete references to the welfare reform demonstration project, updates the requirements surrounding child support assignments, Temporary Assistance for Need Families (TANF) and Indian unemployment calculation directions so they are in compliance with federal law. In addition, this bill specifically allows the Department to conduct local demonstration projects for hard-to-serve TANF cases.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Name:	Brenda M. Welsz	Agency:	Department of Human Services
Phone Number:	328-2397	Date Prepared:	01/12/2001

PROPOSED AMENDMENTS TO HOUSE BILL NO 1108

Page 3, line 30, after "14-08.1-05.1" Insert ", including up to twenty-four months of postsecondary education."

Page 4, line 25, overstrike "Consider exempting" and insert immediately thereafter "Exempt" and after "accounts" insert "and provide one hundred percent matching funds from the maintenance of effort payments"

Page 5, line 26, remove "z", remove "Except", and overstrike "In cases of pregnancy resulting from rape"

Page 5, overstrike lines 27 through 30

Page 6, line 1, replace "aa" with "z"

Page 6, line 3, replace "bb" with "aa"

Page 6, line 14, replace "cc" with "bb"

Renumber accordingly

Date: 2-20-01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1108

House Human Services Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken Moved the Amendment

Motion Made By Rep. Weisz Seconded By Rep. Dosch

Representatives	Yes	No	Representatives	Yes	No
Clara Sue Price - Chairman	✓		Audrey Cleary	✓	
William Devlin - V. Chairman	✓		Ralph Metcalf	✓	
Mark Dosch	✓		Carol Niemeier	✓	
Pat Galvin	✓		Sally Sandvig	✓	
Frank Klein	✓				
Chet Pollert	✓				
Todd Porter	✓				
Wayne Tieman	✓				
Dave Weiler	✓				
Robin Weisz	✓				

Total (Yes) 14 No _____

Absent _____

Floor Assignment _____

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

Date: 2-20-01
Roll Call Vote #: 2

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1108

House Human Services Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken Moved 1st Amendment (DO PASS)

Motion Made By Rep. Niemeier Seconded By Rep. Cleary

Representatives	Yes	No	Representatives	Yes	No
Clara Sue Price - Chairman		✓	Audrey Cleary	✓	
William Devlin - V. Chairman		✓	Ralph Metcalf	✓	
Mark Dosch		✓	Carol Niemeier	✓	
Pat Galvin		✓	Sally Sandvig	✓	
Frank Klein		✓			
Chet Pollert		✓			
Todd Porter		✓			
Wayne Tieman		✓			
Dave Weiler		✓			
Robin Welsz		✓			

Total (Yes) 4 No 10

Absent _____

Floor Assignment _____

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

PROPOSED AMENDMENTS TO HB 1108

Page 3, line 12, remove "domestic violence perpetrated against a"

Page 3, line 13, remove "parent," and after "hardship" insert "including a parent subject to domestic violence as defined in section 14-07.1-01"

Page 6, after line 18, insert:

SECTION 6. Declaration of Intent. The intent of this act is as follows:

1. The department of human services shall:
 - a. Inform all temporary assistance for needy families applicants and recipients of the options available under the domestic violence option;
 - b. Screen all applicants to determine who are past or present victims of domestic violence or at risk of further domestic violence;
 - c. Refer these individuals to a local domestic violence sexual assault organization for safety planning and supportive services; and
 - d. Determine if good cause exists to waive work requirements or time limits on receipt of benefits for victims of domestic violence
2. For purposes of this section:
 - a. "Domestic violence option" means the provision of title IV-A under which a state may elect to implement a special program to serve victims of domestic violence.
 - b. "Domestic violence sexual assault organization" has the meaning provided in section 14-07.1-01.
 - c. "Victims of domestic violence" means a person subject to domestic violence as defined in section 14-07.1-01."

Renumber accordingly

VR
2/21/01

HOUSE AMENDMENTS to HB1108 HOUSE HUMAN SERVICES 2-21-01
Page 1, line 1, after "Act" insert "to create and enact a new section to chapter 50-09 of the North Dakota Century Code, relating to victims of domestic violence;"

HOUSE AMENDMENTS to HB1108 HOUSE HUMAN SERVICES 2-21-01
Page 3, line 12, remove "~~domestic violence perpetrated against a~~"

Page 3, line 13, remove "parent," and after "hardship" insert "including a parent subject to domestic violence as defined in section 14-07.1-01"

HOUSE AMENDMENTS to HB1108 HOUSE HUMAN SERVICES 2-21-01
Page 6, line 15, replace "~~identified~~" with "identical"

Page 6, after line 16, Insert:

"SECTION 5. A new section to chapter 50-09 of the North Dakota Century Code is created and enacted as follows:

Victims of domestic violence - Duties of state agency.

1. The state agency shall:
 - a. Inform all temporary assistance for needy families applicants and recipients of the options available under the domestic violence option;
 - b. Screen all applicants to determine who are past or present victims of domestic violence or at risk of further domestic violence;
 - c. Refer these individuals to a local domestic violence sexual assault organization for safety planning and supportive services; and
 - d. Determine if good cause exists to waive work requirements or time limits on receipt of benefits for victims of domestic violence.
2. For purposes of this section:
 - a. "Domestic violence option" means the provision of title IV-A under which a state may elect to implement a special program to serve victims of domestic violence.
 - b. "Domestic violence sexual assault organization" has the meaning provided in section 14-07.1-01.
 - c. "Victims of domestic violence" means a person subject to domestic violence as defined in section 14-07.1-01."

Renumber accordingly

Date: 2-20-01
Roll Call Vote #: 3

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. H B 1108

House Human Services Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken Moved ^{2nd Amendment} ~~DO PASS~~ DO PASS

Motion Made By Niemeier Seconded By Sandvig

Representatives	Yes	No	Representatives	Yes	No
Clara Sue Price - Chairman		✓	Audrey Cleary	✓	
William Devlin - V. Chairman		✓	Ralph Metcalf	✓	
Mark Dosch		✓	Carol Niemeier	✓	
Pat Galvin		✓	Sally Sandvig	✓	
Frank Klein		✓			
Chet Pollert		✓			
Todd Porter		✓			
Wayne Tieman		✓			
Dave Weiler		✓			
Robin Weisz		✓			

Total (Yes) 10 No 4

Absent _____

Floor Assignment _____

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

Date: 2-20-01
Roll Call Vote #: 47

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1108

House Human Services Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken DO PASS AS AMENDED

Motion Made By Rep. Weising Seconded By Rep. Devlin

Representatives	Yes	No	Representatives	Yes	No
Rep. Clara Sue Price, Chairman	✓		Rep. Audrey Cleary	✓	
Rep. William Devlin, V, Chairman	✓		Rep. Ralph Metcalf	✓	
Rep. Mark Dosch	✓		Rep. Carol Niemeier	✓	
Rep. Pat Galvin	✓		Rep. Sally Sandvig	✓	
Rep. Frank Klein	✓				
Rep. Chet Pollert	✓				
Rep. Todd Porter	✓				
Rep. Wayne Tieman	✓				
Rep. Dave Weiler	✓				
Rep. Robin Welsz	✓				

Total (Yes) 14 No _____

Absent _____

Floor Assignment Rep. Weising

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

REPORT OF STANDING COMMITTEE

HB 1108: Human Services Committee (Rep. Price, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1108 was placed on the Sixth order on the calendar.

Page 1, line 1, after "Act" insert "to create and enact a new section to chapter 50-09 of the North Dakota Century Code, relating to victims of domestic violence;"

Page 3, line 12, remove "domestic violence perpetrated against a"
Insert "including a parent subject to domestic violence as defined in section 14-07.1-01"

Page 6, line 15, replace "identified" with "identical"

Page 6, after line 16, Insert:

"SECTION 5. A new section to chapter 50-09 of the North Dakota Century Code is created and enacted as follows:

Victims of domestic violence - Duties of state agency.

1. The state agency shall:

- a. Inform all temporary assistance for needy families applicants and recipients of the options available under the domestic violence option;
- b. Screen all applicants to determine who are past or present victims of domestic violence or at risk of further domestic violence;
- c. Refer these individuals to a local domestic violence sexual assault organization for safety planning and supportive services; and
- d. Determine if good cause exists to waive work requirements or time limits on receipt of benefits for victims of domestic violence.

2. For purposes of this section:

- a. "Domestic violence option" means the provision of title IV-A under which a state may elect to implement a special program to serve victims of domestic violence.
- b. "Domestic violence sexual assault organization" has the meaning provided in section 14-07.1-01.
- c. "Victims of domestic violence" means a person subject to domestic violence as defined in section 14-07.1-01."

Renumber accordingly

2001 SENATE HUMAN SERVICES

HB 1108

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1108

Senate Human Services Committee

☐ Conference Committee

Hearing Date March 7, 2001

Tape Number	Side A	Side B	Meter #
1	X		
Committee Clerk Signature <i>Carol Koldenichuk</i>			

Minutes:

Vice-Chairman Kilzer called the Human Services Committee to order. Senator Lee was absent due to illness in her family.

The hearing was opened on HB 1108.

BLAINE NORDWALL, Dept of Human Services, introduced the bill. (Written testimony) He presented amendments. SENATOR MATHERN: Is there a need for section of domestic violence? MR. NORDWALL: Our concern is that it will give us a higher profile, that it is a high priority of legislature. Maybe we will get some people to say there is domestic violence in their life. SENATOR KILZER: Does it give you more identification? MR. NORDWALL: Anything we can do to alert them is positive.

LINDA ISAKSON, ND Council on Abused Women, supports bill. (Written testimony) Also supports amendments.

CONNIE HILDEBRAND, ND Social workers, supports bill. (Written testimony)

Page 2

Senate Human Services Committee

Bill/Resolution Number HB 1108

Hearing Date March 7, 2001

KATHY PFEIFLE, Social Workers, supports bill. (Written testimony).

No other testimony. The hearing was closed on HB 1108.

Discussion was held on this bill. John Haugen, Dept of Human Services, explained the relationship of 1108 to 2414.

SENATOR FISCHER moved a DO PASS. SENATOR MATHERN seconded the motion. Roll call vote carried 6-0-0. SENATOR MATHERN will carry the bill.

Date: 3/7/01

Senate HUMAN SERVICES Committee

Legislative Council Amendment Number

Motion Made By Sen Fischer Seconded By Sen Matheson

[illegible]

Floor Assignment See Matheson

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

REPORT OF STANDING COMMITTEE (410)
March 15, 2001 3:23 p.m.

Module No: SR-45-5757
Carrier: T. Mathern
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1108, as engrossed: Human Services Committee (Sen. Lee, Chairman) recommends
DO PASS (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1108
was placed on the Fourteenth order on the calendar.

2001 TESTIMONY

HB 1108

	<u>1997</u>	<u>1998</u>	<u>1999</u>
ND Residents	826	847	883
Out of State	396	395	462
Total	1222	1242	1345

Native American	76	119	76	1999 race data is ND resident only
Blacks	19	29	24	
Other	1105	1094	783	

Married	251	245	252
Unmarried	969	968	1085

**TESTIMONY BEFORE THE
HOUSE HUMAN SERVICES COMMITTEE
REGARDING
HOUSE BILL NO. 1108
January 15, 2001**

Chairman Price, members of the House Human Services Committee, my name is Blaine L. Nordwall. I am director of Economic Assistance Policy for the Department of Human Services.

House Bill 1108 reflects several modest changes in the statute under which the department administers the Temporary Assistance for Needy Families program in North Dakota. We also are requesting this Committee consider two amendments to this bill to correct a word choice and to avoid potential conflict with House Bill 1037, which this Committee heard on Wednesday, January 10. I will mention and describe these draft amendments when discussing the parts of the bill they relate to.

A short history of North Dakota welfare reform is appropriate here.

In 1995, following extensive interim study, the Legislature directed the Department of Human Services to undertake a welfare reform demonstration project called "Training, Education, Employment, and Management" (TEEM). This demonstration project was to combine benefits under the Aid to Families with Dependent Children, Fuel Assistance (Low Income Home Energy Assistance, or LIHEAP), and Food Stamp programs into a single cash payment. The program was to be administered through an electronic data system, referred to as the TEEM system, that would determine eligibility based on program rules, provide an electronically enhanced interactive assessment of each family, and afford appropriate referrals based upon those

assessments. The department secured necessary waivers and implemented the demonstration project.

North Dakota's TEEM demonstration project was barely under way when federal welfare reform came along. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) became law August 22, 1996. Under federal welfare reform, each state would receive a block grant to administer a Temporary Assistance for Needy Families (TANF) program to replace the AFDC program. States would be required to convert to the TANF program no later than July 1, 1997.

North Dakota could not long continue its demonstration project. The federal agency responsible for administering the Food Stamp Program was adamantly opposed to any extension or enlargement of the Food Stamp Program's participation in TEEM. Federal Food Stamp officials identified TEEM as a Food Stamp "cash-out" program under which recipients receive cash instead of benefits redeemable only for groceries. Federal officials had collected ample evidence to demonstrate that families able to cash out food stamps spend less on groceries than families who did not have that option. North Dakota was required to remove the Food Stamp benefit from TEEM, effective in May 1996.

In response to these circumstances, the 1997 Legislative Assembly provided extensive instructions as to the requirements for the Temporary Assistance for Needy Families program, but also left the TEEM demonstration project on the books. On July 1, 1997, when North Dakota was required to implement TANF, the department terminated the demonstration project.

With this change, both staff and clients have become accustomed to referring to the program as the TANF program. The use of the term "TEEM" lives on only as the name of the interactive electronic eligibility system. Even that use

must soon change. The system is currently undergoing revision so that it can also be used to administer Medicaid benefits to families and children. The department's long-term plans call for using that system to administer all Medicaid, TANF, Child Care, and Food Stamp benefits. We anticipate changing the name of the system to "Vision."

This history is relevant to the several portions of this bill that remove reference to the "Training, Education, Employment, and Management" program, and also that remove reference to the demonstration project.

Section 1 of the bill amends subsection 2 of section 50-01.2-00.1 to replace reference to Training, Education, Employment, and Management with reference to Temporary Assistance for Needy Families.

Sections 2 and 3 of the bill are present because North Dakota law does not currently comply with the assignment requirements of federal law. 42 U.S.C. § 608(a)(3) requires all family members who receive TANF cash assistance to assign rights of support. The existing state law requires assignment of child support, but not spousal support.

In preparing a draft to make the necessary changes, we noted that both sections 50-09-06 and 50-09-06.1 used essentially identical language to require an application for assistance and an assignment of support rights, with 50-09-06 applying generally, and 50-09-06.1 applying in foster care cases. To try and make the statutes more understandable, the amendments in Section 2 of the bill would cause section 50-09-06 to be a general section relating to applications for assistance. Section 3 would amend section 50-09-06.1 so that it is a general statute requiring assignment of support rights for any TANF family member and any child in foster care. The only substantive change is to require assignment of all support rights, rather than only child support rights.

Section 4 of the bill amends subsection 1 of section 50-09-29. This subsection contains the state statutory requirements for administration of the TANF program. Section 4 is also the section to which all draft amendments to this bill pertain.

Page 3, lines 4 and 5 of the bill, would remove a reference to "Training, Education, Employment, and Management."

Page 3, lines 12 and 13, proposes an exemption for victims of domestic violence. Our first draft amendment, Attachment A, would remove that language. This Committee has before it House Bill 1037, which deals more comprehensively with the TANF program's response to domestic violence. The action taken on House Bill 1037 will guide the department's policy in this matter, so we believe the domestic violence language may be appropriately deleted from this bill.

Page 3, lines 26 through 28, would remove existing language in subdivision g, which required the department to seek approval of federal officials to use a "simplified Food Stamp program" to provide food stamp benefits to eligible TANF households. Federal requirements imposed with respect to the "simplified Food Stamp program" made its implementation anything but simple. As a result, the only state in the nation that was able to use that provision to any real purpose was Arkansas. The issue became moot when federal policy changed to allow more TANF program beneficiaries to become automatically eligible for Food Stamps.

Page 4, lines 11 through 13, would remove language that requires North Dakota to impose a shorter lifetime limit than 60 months if a TANF applicant came to North Dakota from a state that imposed a shorter lifetime limit. The United States Supreme Court declared a similar California law unconstitutional

as an impediment on freedom to travel from state to state. We have been advised by the North Dakota Attorney General that this law would not withstand a similar challenge. We have never actually had occasion to apply this law.

Page 4, lines 20 through 22, would replace a reference to "Training, Education, Employment, and Management" with "Temporary Assistance for Needy Families," and would remove reference to a required effective date already past.

Page 4, lines 26 through 28, would change the details of the instruction for determining unemployment rates in Indian country. The unemployment data provided by Job Service North Dakota does not, and as a practical matter cannot, be associated only with Indian reservation lands, particularly in Rolette County, where a checkerboard of trust lands exists. These changes would provide for county-by-county employment data.

Page 5, lines 4 and 5, would remove language that allows us to approve, as work activities, only those activities that count in calculating federal work participation rates.

The current law was written at a time when the legislature foresaw great difficulty in meeting federally imposed work participation rates of 30% of the adult caseload in 1998, to 50% of the adult caseload in 2002. However, the federal work participation rate requirements allowed credit for caseload reduction. Because of substantial caseload reduction, North Dakota's "real" work participation rate requirement for federal fiscal year 2001 is approximately one percent.

The consequence of allowing only limited work activities has not been to assure compliance with federal work participation rate requirements. Rather, it has been to limit the types of activities in which hard-to-serve TANF participants may engage. By removing this narrow limit, we would be able to treat, as a work activity, virtually any activity that constructively moves a person in the direction of work preparedness. Examples might include participation in mental health services for a depressed individual, participation in services provided by a domestic violence organization for a victim of domestic violence, language activities for refugees, GED studies for individuals above age 20, or drug and alcohol treatment.

Page 5, lines 6, 8, and 15, would remove the requirement that sanctions for non-cooperation be "progressive." Progressive sanctions involve starting with a warning, continuing through reduction of the grant to eliminate the non-cooperating adults' portion, and eventually providing no grant at all. We have two reasons to be concerned about progressive sanctions. First, some TANF household members are immediately adamant in their refusal to cooperate. In such cases, there is no good reason not to immediately impose the sanction of termination of assistance. Secondly, we are discovering that a large number of sanctioned participants actually don't know or understand what conduct is required of them for cooperation. This is the case in spite of our provision of carefully worded explanations of the reason for each sanction. We believe that some of these individuals are not really capable of understanding the written notices and others are essentially incapable of undertaking the tasks asked of them. We hope, through pilot projects that rely upon local knowledge and local efforts, to secure household participation and cooperation not through the use of sanctions, but through more constructive methods.

Page 5, lines 20 and 21, would replace "Training, Education, Employment, and Management" with "Temporary Assistance for Needy Families," and would remove a reference to an effective date already past.

Page 5, lines 23 through 25. This change would remove language that requires the department to seek the approval of the Secretary of Health and Human Services to develop and use a single application form. The Secretary of Health and Human Services does not have authority to provide such an approval with respect to the TANF program. And, in her duties with respect to the Medicaid program, the Secretary pressures states to develop separate and specialized application forms for different Medicaid groups. Because we are confident the Secretary can never approve such a request, we recommend deletion of the requirement.

Page 5, line 26, removes a reference to an effective date already past. The Committee may also want to consider an amendment that would actually delete all of the subdivision found at page 5, lines 26 through 30, because of an Indiana federal court decision.

This subdivision provides that the TANF assistance amount would not ordinarily increase when a child is born to a recipient who was receiving cash assistance when she became pregnant. This is referred to as a "benefit cap." As the department indicated to the 1997 legislature, we implemented this requirement by treating benefit cap cases exactly as all other TANF cases, except the assistance amount would not increase upon the child's birth. One thing that meant was the automatic assignment of any child support that the child might receive. Indiana did the same thing, and the federal court determined that the required assignment of child support amounted to a taking of private property for public purposes without just compensation, all in violation of the United States Constitution. This provision has been in effect

since July 1, 1998, and has since affected 267 individuals. We have collected and retained \$6,959 in assigned child support between July 1, 1998 and December 31, 2000. Only 59 of the 267 benefit cap children have established child support orders, and only 25 of those cases show any collections. However, one of those cases illustrates the problem. We collected \$680 in child support over six months, retained it all, and provided no additional TANF benefits to the family.

We have calculated the cost to change the TEEM system to eliminate the assignment. We have also calculated the cost to change the TEEM system to eliminate the benefit cap requirement. Elimination of the benefit cap requirement is substantially less. Our cost estimates for system revisions to remove the assignment are \$99,687. System revision costs to remove the benefit cap are only \$42,957. Of course, if North Dakota makes neither change and is some day subject to a court order similar to that imposed on the Indiana program, we would likely be faced with the cost of system revisions and also the cost of retroactively restoring the assigned and collected child support, and likely substantial litigation costs. If this Committee wishes to use House Bill 1108 as a means of addressing this concern, some additional amendments to Section 3 of the bill would be necessary to remove the assignment, or to Section 4 of the bill to remove the benefit cap.

Page 6, lines 14 through 16, specifically are intended to authorize demonstration projects such that TANF benefits and services might be different in one part of the state than another. The provision of services and benefits under TANF is not required by federal law to be uniform throughout a state. For instance, a planned pilot to provide Job Opportunities and Basic Skills (JOBS) program services to unemployed non-custodial parents who have not paid required child support is reasonable. Providing those services

statewide without first learning about the difficulties or advantages is not reasonable.

On page 6, line 15, the word "Identified" should be "Identical." The request is for authority to provide benefits and services that are not Identical throughout the state. Attachment B is a draft amendment to change "Identified" to "Identical."

Section 5 of the bill would repeal sections 50-06-01.8, which originally authorized the TEEM demonstration project, and 50-09-26, which described the transition from AFDC to TANF. Copies of those sections are attached as Attachments C and D.

I'll try to answer any questions the Committee may have.

Presented by:

Blaine L. Nordwall
Director, Economic Assistance Policy
ND Department of Human Services

Prepared by the North Dakota
Department of Human Services
1/11/01

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1108

Page 3, line 12, remove "domestic violence perpetrated against a"

Page 3, line 13, remove "parent."

Renumber accordingly

Prepared by the North Dakota
Department of Human Services
1/10/01

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1108

Page 6, line 15, replace "identified" with "identical"

Renumber accordingly

DEPARTMENT OF HUMAN SERVICES

50-06-01.8

50-06-01.8. Department to seek waiver to establish training, education, employment, and management program — Waiver may be terminated — Program characteristics — Cooperation with governmental bodies — Interim rulemaking.

1. The department of human services shall seek, from appropriate federal officials, authorization to establish a demonstration project to combine the benefits provided under the state's aid to families with dependent children, temporary assistance for needy families, fuel assistance, and food stamp programs, pursuant to title IV-A of the Social Security Act, as enacted before August 22, 1996 [42 U.S.C. 601 et seq.], title IV-A of the Social Security Act, as enacted August 22, 1996 [42 U.S.C. 601 et seq.], the low-income home energy assistance program [42 U.S.C. 8621-8629], and the Food Stamp Act [7 U.S.C. 2011-2027].
2. Subject to the approval of the legislative council, the department of human services may terminate any waiver secured under subsection 1, or the demonstration project described in subsection 1, if necessary or desirable for the statewide implementation of the training, education, employment, and management program, or otherwise.
3. The training, education, employment, and management program established under this section must provide for uniform and consistent treatment of income and assets in determining eligibility; provide for the creation of a uniform method of budgeting and computing benefits, a consistent certification period for the receipt of benefits, and uniform reporting requirements; provide for necessary child care to allow a participant to meet educational and employment goals; and provide for universal employment and training to assist individuals in becoming self-sufficient. The training, education, employment, and management program may be administered notwithstanding the requirements of section 50-01.2-03, subsections 17 and 19 of section 50-06-05.1, chapter 50-09, and section 50-11.1-11.1, relating to the administration of the temporary assistance for needy families, fuel assistance, and food stamp programs. The training, education, employment, and management program may require any participant to cooperate with child support enforcement efforts.
4. The department of economic development and finance, job service North Dakota, county social service boards, and any other state agency determined appropriate shall cooperate with the department to ensure the success of the program. Local government agencies are encouraged to cooperate with the department.
5. Rules adopted to implement the demonstration project may be adopted as interim final rules without a finding that emergency rulemaking is necessary, and the interim final rules may take effect on a date no earlier than the date of filing with the legislative council of the notice of proposed adoption of a rule required by subsection 4 of section 28-32-02.

Source: S.L. 1996, ch. 459, § 1; 1997, ch. 51, § 37; 1997, ch. 404, §§ 51, 52; 1999, ch. 50, § 68.

section 68 of chapter 50, S.L. 1999 became effective August 1, 1999.

Effective Date.

The 1999 amendment of this section by

50-09-26. Transition to training, education, employment, and management program. In counties in which a demonstration project established under section 50-06-01.8 is operating, the state agency shall supervise and direct county administration of temporary assistance to needy families, in the form of the training, education, employment, and management program. In all other counties, the state agency shall supervise and direct county administration of temporary assistance to needy families, substantially in the form of the aid to families with dependent children program established under 42 U.S.C. 601 et seq., as amended before August 22, 1996 [49 Stat. 627 et seq.], provided that the requirements of 42 U.S.C. 601 et seq., as amended by section 103 of Pub. L. 104-193, 110 Stat. 2112 et seq., as amended, are met. Beginning January 1, 1998, the state agency shall convert temporary assistance to needy families cases, previously administered substantially in the form of aid to families with dependent children cases, to administration in the form of the training, education, employment, and management program. After July 1, 1998, or as soon thereafter as may be feasible, the state agency shall supervise and direct county administration of all temporary assistance to needy families in the form of the training, education, employment, and management program.

Source: S.L. 1997, ch. 404, § 73.

Testimony HB1108

Monday January 15, 2001 Human Service Committee
Fort Union room

Good morning Chairman Representative Price and members of the Human Service Committee,

My name is Susan Beehler, an unpaid lobbyist for R-KIDS, Remembering Kids in Divorce Settlements, a working mom with 5 children, a custodial parent and a wife to a non-custodial parent, a girl scout leader to two troops in Mandan, and training to become a advocate for AARC.

Before the appropriations committee in 1997, I testified in favor for a bill (SB 2203 a copy attached). That bill would have changed 50.09.06 (line 1 on page 2 HB1108) **ASSIGNMENT OF SUPPORT RIGHTS**. That bill failed in 1997, I believe it was because of the fiscal note, of supposedly \$3 million per biennium. The director of Child Support Enforcement stated the bill was premature, because the Federal Mandate, the Mandate that created welfare reform (I have attached that mandate dealing with assignment of support rights) would need to be changed in October 2000, and what effect how arrearages are handled.

Assignment of support rights is difficult to understand.

I will try to define them:

Support rights mean MONEY, child support

Arrears: past due child support (could be money to the child owed but not collected)

Assigned arrears: MONEY collected or uncollected which will go to the federal, state and county government for public assistance received by the family, foster care, "welfare" In 1997 this would include any arrears the child had coming before the parent went on "welfare" and during the time that "welfare" was given to the parent, I do not now if this included food stamps, medical assistance, or child care or education programs. I could not understand what figures the department used to detriment how much the liability was for receiving "welfare". I think those figures are secret or something because you can not even easily figure out if the state received any child support during the time you are on welfare, at least I haven't been able to figure it out.

Unassigned arrears: MONEY collected or uncollected after the family no longer gets

"welfare".

Then to complicate things more there is:

Pre-assistance Arrears is arrears which accumulated before the parent got "welfare"

Post-assistance Arrears is arrears, which accumulated after the parent got off "welfare"

Unreimbursed Public Assistance the money that the government spent on "welfare" for that family and child support was not enough to cover the bill. This amount could be deducted from the arrears that had accumulated before assistance.

For instance a mom and dad gets divorced, the judge determines who gets custody of their child, the custodial parent, and the other parent is the non-custodial parent. The non-custodial parent takes off maybe because it is too painful to stay or is just a jerk. The non-custodial parent is unable to be located and has not paid child support. The custodial tries to find the other parent, and can't. Two years have passed the support owed has now reached \$7200. Out of desperation, the rights (money) are signed away; the parent in the 80's had little idea what they were signing away now on the "welfare form it is clearer". The child support office locates the non-custodial parent within 3 months, they want to review the support to possibly raise it, they collect a lump sum of money \$5000 and setup a repayment plan the rest the non-custodial support is raised a \$100. The custodial parent does not know they have modified the order because the right was signed away. The custodial does not know they have found the non-custodial and continues to draw welfare. The \$5000 is in the state coffers, the custodial parent is still on welfare and the child has lost out on money that could have paid for better transportation, a down payment on a home, the relationship with the non-custodial parent.

I have enclosed a form I signed in 1984, I believe the state has probably collected more child support from my ex than I ever have. The child support office has never been able to give me a consistent figure of what I actually signed off on and what they received. I have requested them but have not received them or been able to verify any figure I have.

Assignments have actually made the state money, money on the backs of desperate parents and their children. Our state in 1995 brought back to our general fund \$3.52 for every \$1 they spent on collecting it; the child support office was profitability for our state.

To correct a wrong and to eliminate dependency on the welfare system, the federal mandate gives the money back to the children. Someone believed that by giving the child support to the family first it would allow the family to live independently, free of the system.

Bill 1108 does not clearly state how the arrearages will be distributed. We feel this bill as written is not in the child's best interest.

On page 2 line 28 "eligibility" leaves me feeling concerned why doesn't it say when assistance is terminated? Does that mean if you are eligible for 60 months, they could still hold the arrearages collected on your behalf even if you went off welfare after 9 months, and would the amount collected go to that "secret" unreimbursed fund? Does mean the state still gets the arrearage and the federal mandate has not been enacted?

On page 4 line 11-13 why has this been eliminated? Is this now in administrative rules?

Is there a fiscal note attached to this bill? If not why would a \$3 million bill be attached to a bill that was supposedly complying prematurely with a federal mandate.

These questions must be investigated and answered so any doubt of what this bill will actually do is resolved.

Because of these concerns we urge a do not pass on HB1108 as written.

SENATE BILL NO. 2203

9:00 AM
2/4
Ft Lincoln

Introduced by

Senators Berg, DeMers, Fischer

Representatives R. Kelsch, Kerzman

- 1 A BILL for an Act to create and enact a new section to chapter 14-09 of the North Dakota
2 Century Code, relating to the distribution of collected child support; and to provide an effective
3 date.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1.** A new section to chapter 14-09 of the North Dakota Century Code is
6 created and enacted as follows:

7 **Child support arrearages - Distribution.**

- 8 1. If the amount of child support arrearages collected on behalf of a family that
9 formerly received assistance from the state exceeds the amount required to be
10 paid to the family for the month in which collected, the state shall distribute the
11 amount collected as follows:
- 12 a. For arrearages which accrued before the family received assistance from the
13 state or which accrued after the family ceased to receive assistance from the
14 state, the state shall first distribute the amount collected to the family to the
15 extent necessary to satisfy any support arrearages.
- 16 b. For arrearages that accrued while the family received assistance from the
17 state, the state shall pay to the federal government the federal share of the
18 amount collected and shall distribute to the family the state share of the
19 amount collected.
- 20 c. After the application of subdivisions a and b, the state may retain the state
21 share of the amount collected, but only to the extent necessary to reimburse
22 amounts paid to the family as assistance by the state.
- 23 2. The state shall treat any support arrearages collected as accruing in the following
24 order:

Fifty-fifth
Legislative Assembly

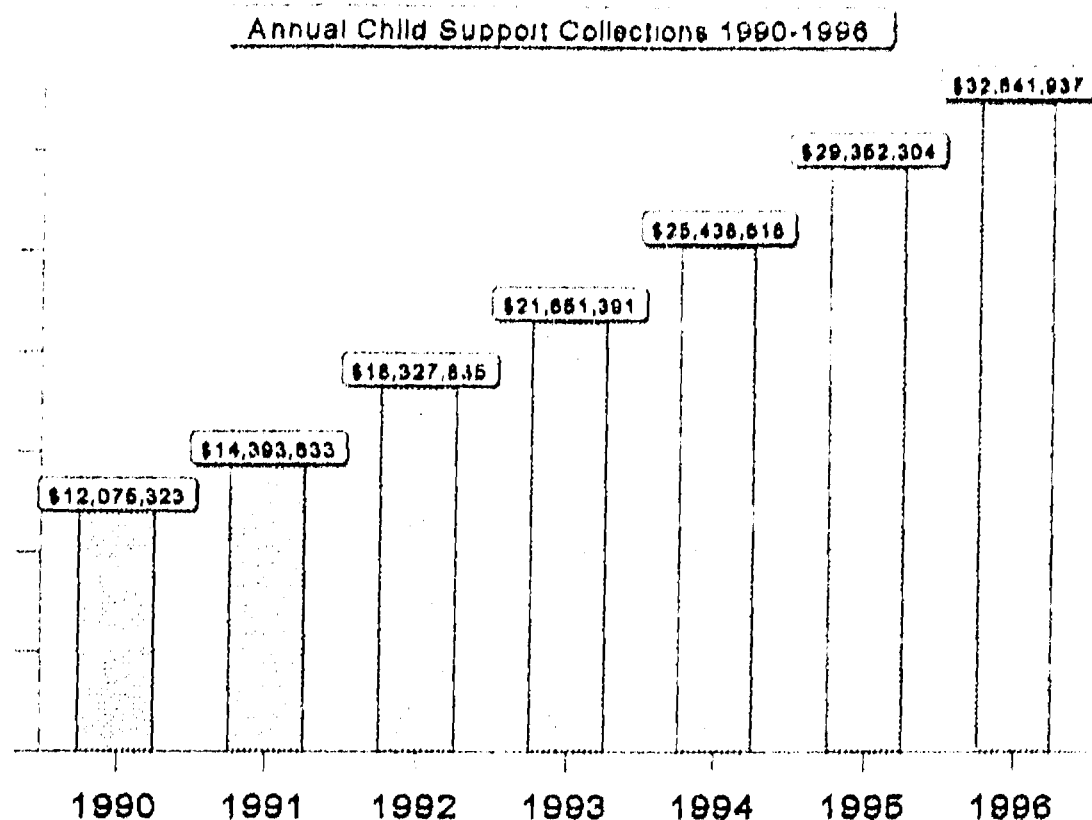
- 1 a. To the period after the family ceased to receive assistance.
- 2 b. To the period before the family received assistance.
- 3 c. To the period while the family was receiving assistance.

4 **SECTION 2. EFFECTIVE DATE.** This Act becomes effective on October 1, 1997. If
5 necessary, the department of human services shall seek, from appropriate federal officials,
6 authorization to implement this Act on October 1, 1997.

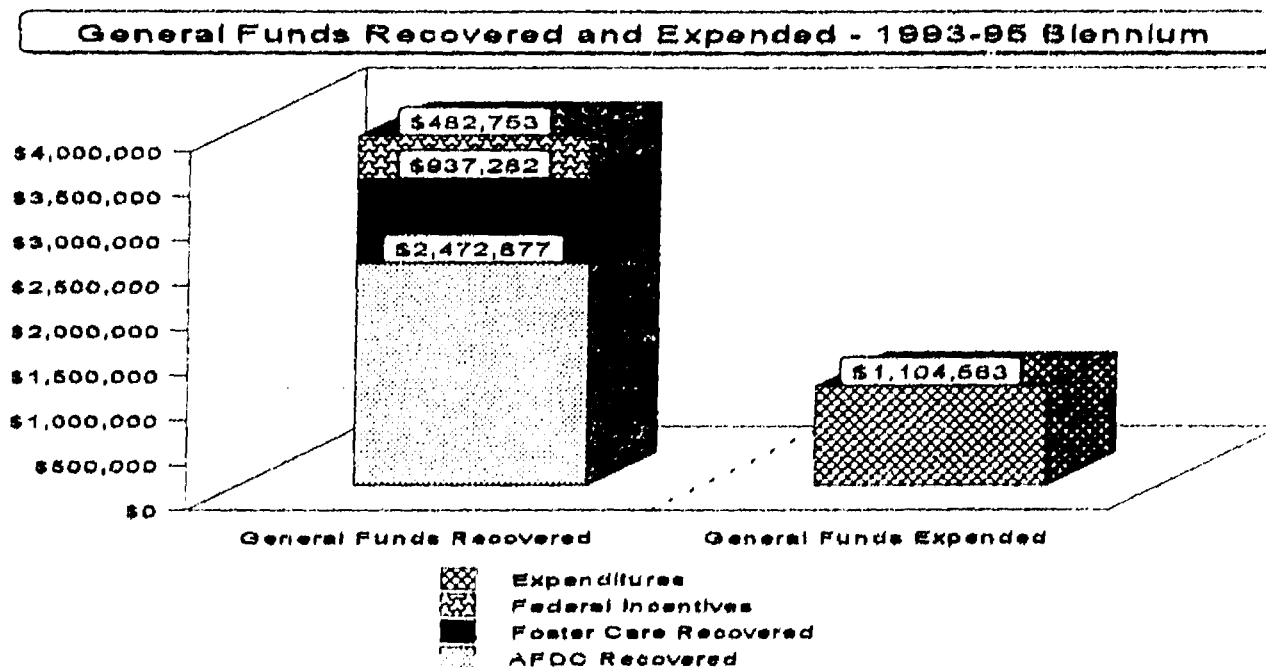
NORTH DAKOTA CHILD SUPPORT ENFORCEMENT

FACT SHEET

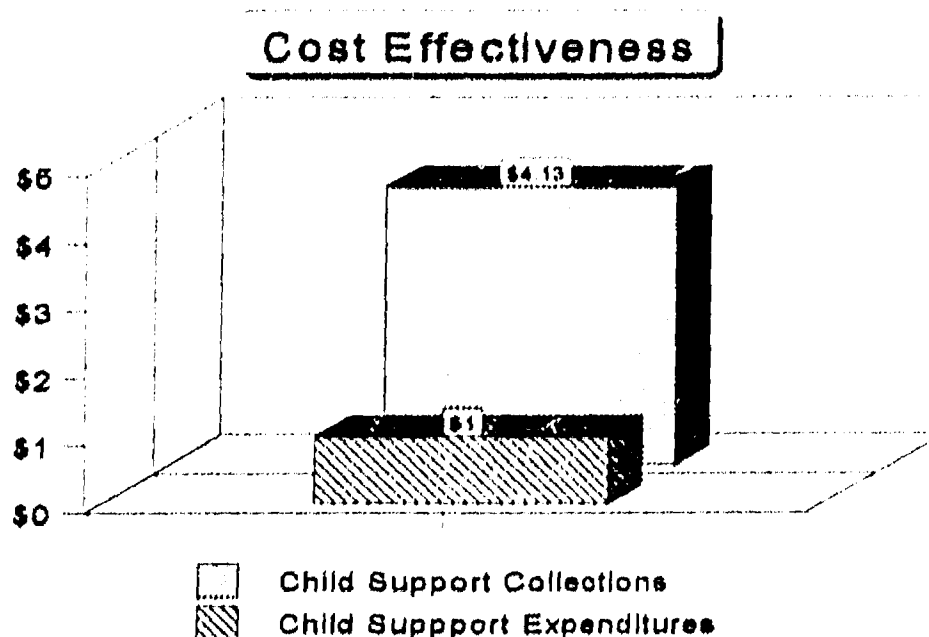
- From 1990 to 1996, total child support collections have increased by 270%.



- In the 1993-95 biennium, the net general fund benefit from the child support enforcement program was **\$2,778,349**. For every \$1 spent in general funds on the program, **\$3.62** was returned to the general fund.



- In 1995, 23% of North Dakota AFDC assistance payments were recovered through child support collections. According to federal reports, the national average in 1994 was 12.5%. (19th Annual Report to Congress)
- In federal FY 1994, \$4.13 in child support was collected in North Dakota for every \$1 spent on the program. The national average was \$3.86. (19th Annual Report to Congress)



- **Services:** In addition to enforcing child support orders, other services provided include locating absent parents, establishing child support orders and establishing paternitys.

In 1996:

- ✓ 4,969 absent parents were located.
 - ✓ 1,347 paternitys were established.
 - ✓ 1,888 child support orders were established.
- The North Dakota Child Support Enforcement Agency ranked in a tie for 4th in the nation in rankings of overall IV-D program effectiveness by the U.S. House Ways and Means Committee in their study of the Child Support Enforcement program. Report dated January 1991.

Prepared by: Child Support Enforcement Agency
 ND Department of Human Services
 (701) 328-3582 or toll-free in ND 1-800-755-8530
 FAX: 1-701-328-5497
 TDD: 1-800-366-6888

Dated: January 1997

Director testimony SB 2203
1997

3. Unassigned Arrears: Arrears which accrue after the family no longer receives public assistance. Subsequent receipt of public assistance benefits can result in unassigned arrears becoming assigned arrears.
4. Pre-Assistance Arrears: Arrears which accrue before a family receives public assistance.
5. Post-Assistance Arrears: Arrears which accrue after the family ceases to receive public assistance.
6. Unreimbursed Public Assistance: That amount of public assistance expended on the family which is not reimbursed by child support collections. This is the limit of the claim the government has on the Assigned Arrears.
7. Retained Collections: That amount of child support collections retained by the State to offset unreimbursed public assistance.

Under SB 2203, collections on arrears would be first applied to both pre-assistance and post-assistance arrears and both would be paid to the family. In effect, SB 2203 renders pre-assistance arrears unassigned. SB 2203 also would require that the state's share of collections made on arrears which accrued while the family was receiving public assistance be paid to the family.

Director Testimony SB 2203
1997

pre-assistance arrears are assigned and that collections on arrears are applied to assigned arrears until unreimbursed public assistance is satisfied. As written, SB 2203 is contrary to the federal law governing the distribution of child support collections.

However, under the federal welfare legislation, the distribution formula is changing. Effective October 1, 1997, post-assistance arrears will be paid to the family before assigned arrears are retained by the State. Pre-assistance arrears will still be assigned. In addition, the federal law has additional changes which will take effect October 1, 2000, unless Congress otherwise changes the law in response to a report it will receive concerning the effect of the 1997 change in keeping families off assistance. The changes proposed to take effect in 2000 would render pre-assistance arrears unassigned and pay unassigned arrears to the families first, essentially the changes sought in SB 2203.

In light of these proposed changes in the federal law, it appears SB 2203 may be premature. One of the reasons the distribution provisions of federal law are delayed is to give the states and counties, as well as the federal government, an opportunity to react to and budget for the reductions in retained collections. To adopt the changes proposed by SB 2203 would not only conflict with federal law in some areas but deprive North Dakota of the ability to gradually adapt to these dramatic changes in the distribution formula.

NOTICE OF RIGHT TO CLAIM "GOOD CAUSE" Part A

Federal law requires strict enforcement of legal support obligations of parents to their dependent children. In most instances, such enforcement is also in the best interests of the children themselves. Potential benefits to them include their future right to inheritance, social security, veterans or other government benefits, as well as the knowledge that they are being supported, at least in part, by their absent parents. In some cases children will benefit because the support payments will be larger than the AFDC grants. The public also profits from an active child support enforcement effort by virtue of a reduced tax burden.

The law requires that you as an applicant/recipient of AFDC cooperate in securing child support from the absent parent(s) as a condition to receiving assistance. "Cooperation" means that you must name the absent parent of any child for whom you are seeking aid and give information needed to locate and obtain support from that parent. If the child was born out of wedlock, you will be expected to assist in legally establishing his/her paternity. You are also required to turn over to the Child Support Enforcement Agency any child support payments you might receive directly from the absent parent after you have assigned all child support rights to the state (you will receive your full AFDC grant during this time). You may be asked to come to the county social service board, child support office, or court to sign papers or give information, as may be necessary.

You may have "good cause" not to cooperate with the state's effort to collect child support. You may be excused from cooperating if you believe that cooperation would not be in the best interest of your child and if you can provide evidence to support this claim. If, however, it is determined that your cooperation would not be contrary to your child's best interest you will be required to assist in the support collection effort. Your refusal to cooperate in that event will cause the removal of your needs from the grant and the selection of a protective payee to receive the AFDC payment on behalf of your child although you would have the right to request that your application be withdrawn or case closed.

If you think you might want to file a "good cause" exemption or would like to learn more about it, please indicate this to your eligibility technician. A more detailed written explanation of the circumstances under which "good cause" may be established and the type of evidence needed to decide the issue will be given to you immediately.

I have read and received a copy of this statement concerning my right to claim "good cause" for refusing to cooperate.

10/16/84
Date

Susan Biegler
Signature of applicant/recipient

Distribution:

2c Original : To applicant
Canary : CSSB file

2c

2c

2c



Go to 1st query term(s)

-CITE-

42 USC Sec. 657

01/05/99

-EXPCITE-

TITLE 42 - THE PUBLIC HEALTH AND WELFARE

CHAPTER 7 - SOCIAL SECURITY

SUBCHAPTER IV - GRANTS TO STATES FOR AID AND SERVICES TO NEEDY

FAMILIES WITH CHILDREN AND FOR CHILD-WELFARE SERVICES

Part D - Child Support and Establishment of Paternity

-HEAD-

Sec. 657. Distribution of collected support

-STATUTE-

(a) In general

Subject to subsections (e) and (f) of this section, an amount collected on behalf of a family as support by a State pursuant to a plan approved under this part shall be distributed as follows:

(1) Families receiving assistance

In the case of a family receiving assistance from the State, the State shall -

(A) pay to the Federal Government the Federal share of the amount so collected; and

(B) retain, or distribute to the family, the State share of the amount so collected.

In no event shall the total of the amounts paid to the Federal Government and retained by the State exceed the total of the amounts that have been paid to the family as assistance by the State.

(2) Families that formerly received assistance

In the case of a family that formerly received assistance from

the State:

(A) Current support payments

To the extent that the amount so collected does not exceed the amount required to be paid to the family for the month in which collected, the State shall distribute the amount so collected to the family.

(B) Payments of arrearages

To the extent that the amount so collected exceeds the amount required to be paid to the family for the month in which collected, the State shall distribute the amount so collected as follows:

(i) Distribution of arrearages that accrued after the family ceased to receive assistance

(I) Pre-October 1997

Except as provided in subclause (II), the provisions of this section as in effect and applied on the day before August 22, 1996 (other than subsection (b)(1) (as so in effect)), shall apply with respect to the distribution of support arrearages that -

(aa) accrued after the family ceased to receive assistance, and

(bb) are collected before October 1, 1997.

(II) Post-September 1997

With respect to the amount so collected on or after October 1, 1997 (or before such date, at the option of the State) -

(aa) In general

The State shall first distribute the amount so collected (other than any amount described in clause (iv)) to the family to the extent necessary to satisfy any support arrearages with respect to the family that accrued after the family ceased to receive assistance

from the State.

(bb) Reimbursement of governments for assistance provided to the family

After the application of division (aa) and clause (ii)(1)(aa) with respect to the amount so collected, the State shall retain the State share of the amount so collected, and pay to the Federal Government the Federal share (as defined in subsection (c)(2) of this section) of the amount so collected, but only to the extent necessary to reimburse amounts paid to the family as assistance by the State.

(cc) Distribution of the remainder to the family

To the extent that neither division (aa) nor division (bb) applies to the amount so collected, the State shall distribute the amount to the family.

(ii) Distribution of arrearages that accrued before the family received assistance

(I) Pre-October 2000

Except as provided in subclause (11), the provisions of this section as in effect and applied on the day before August 22, 1996 (other than subsection (b)(1) (as so in effect)), shall apply with respect to the distribution of support arrearages that -

(aa) accrued before the family received assistance, and

(bb) are collected before October 1, 2000.

(II) Post-September 2000

Unless, based on the report required by paragraph (5), the Congress determines otherwise, with respect to the amount so collected on or after October 1, 2000 (or before such date, at the option of the State) -

(aa) In general

The State shall first distribute the amount so

collected (other than any amount described in clause (iv)) to the family to the extent necessary to satisfy any support arrearages with respect to the family that accrued before the family received assistance from the State.

(bb) Reimbursement of governments for assistance provided to the family

After the application of clause (i)(11)(aa) and division (aa) with respect to the amount so collected, the State shall retain the State share of the amount so collected, and pay to the Federal Government the Federal share (as defined in subsection (c)(2) of this section) of the amount so collected, but only to the extent necessary to reimburse amounts paid to the family as assistance by the State.

(cc) Distribution of the remainder to the family

To the extent that neither division (aa) nor division (bb) applies to the amount so collected, the State shall distribute the amount to the family.

(iii) Distribution of arrearages that accrued while the family received assistance

In the case of a family described in this subparagraph, the provisions of paragraph (1) shall apply with respect to the distribution of support arrearages that accrued while the family received assistance.

(iv) Amounts collected pursuant to section 664

Notwithstanding any other provision of this section, any amount of support collected pursuant to section 664 of this title shall be retained by the State to the extent past-due support has been assigned to the State as a condition of receiving assistance from the State, up to the amount necessary to reimburse the State for amounts paid to the

family as assistance by the State. The State shall pay to the Federal Government the Federal share of the amounts so retained. To the extent the amount collected pursuant to section 664 of this title exceeds the amount so retained, the State shall distribute the excess to the family.

(v) Ordering rules for distributions

For purposes of this subparagraph, unless an earlier effective date is required by this section, effective October 1, 2000, the State shall treat any support arrearages collected, except for amounts collected pursuant to section 664 of this title, as accruing in the following order:

(I) To the period after the family ceased to receive assistance.

(II) To the period before the family received assistance.

(III) To the period while the family was receiving assistance.

(3) Families that never received assistance

In the case of any other family, the State shall distribute the amount so collected to the family.

(4) Families under certain agreements

In the case of an amount collected for a family in accordance with a cooperative agreement under section 654(33) of this title, distribute the amount so collected pursuant to the terms of the agreement.

(5) Study and report

Not later than October 1, 1999, the Secretary shall report to the Congress the Secretary's findings with respect to -

(A) whether the distribution of **post-assistance** arrearages to families has been effective in moving people off of welfare and keeping them off of welfare;

(B) whether early implementation of a pre-assistance arrearage program by some States has been effective in moving

people off of welfare and keeping them off of welfare;

(C) what the overall impact has been of the amendments made by the Personal Responsibility and Work*Opportunity Act of 1996 with respect to child support enforcement in moving people off of welfare and keeping them off of welfare; and

(D) based on the information and data the Secretary has obtained, what changes, if any, should be made in the policies related to the distribution of child support arrearages.

(6) State option for applicability

Notwithstanding any other provision of this subsection, a State may elect to apply the rules described in clauses (i)(II), (ii)(II), and (v) of paragraph (2)(B) to support arrearages collected on and after October 1, 1998, and, if the State makes such an election, shall apply the provisions of this section, as in effect and applied on the day before August 22, 1996, other than subsection (b)(1) (as so in effect), to amounts collected before October 1, 1998.

(b) Continuation of assignments.

Any rights to support obligations, assigned to a State as a condition of receiving assistance from the State under part A of this subchapter and in effect on September 30, 1997 (or such earlier date, on or after August 22, 1996, as the State may choose), shall remain assigned after such date.

(c) Definitions

As used in subsection (a) of this section:

(1) Assistance

The term "assistance from the State" means -

(A) assistance under the State program funded under part A of this subchapter or under the State plan approved under part A of this subchapter (as in effect on the day before August 22, 1996); and

(B) foster care maintenance payments under the State plan



North Dakota Right to Life Association

** How many cases affect
the OAD 267*

January 15, 2001

HB 1108

FROM: Stacey Pflieger, Executive Director
TO: Interested Legislators
SUBJ: "Family Caps"

North Dakota Right to Life continues its strong opposition to the North Dakota "family cap".

Since the "family cap" was passed in 1997, we have seen a rise in the abortion numbers in North Dakota. This is of great concern to our organization.

Until the passage of the "family cap", North Dakota was able to boast about its abortion statistics, citing a peak in 1982 with a continual decline...that is until 1998 and 1999 when we see a steady incline in the abortion statistics. (See attached 1999 Statistics.)

I have attached a North Dakota Right to Life Press Release dated March 4, 1997. This document defines our position regarding the "family cap".

Please feel free to contact me regarding this issue if you have any questions.

1999 NORTH DAKOTA ABORTION STATISTICS

Total Induced Abortions in North Dakota:

1,345

Previous Abortions:

0	940
1	268
2	94
3	17
4	8
5	2
7	1
8	1
unknown	14

Woman's Education:

Grade 1-9	15
Grades 10-12	680
1-4 yrs college	602
unknown	43

Age of Woman:

Under 15	2
15-19	292
20-24	489
25-29	245
30-34	168
35-39	102
40 and over	42
unknown	5

Marital Status:

Married	268
Not Married	1,029
Unknown	48

Reported Complications:

None	1,337
Infection	4
Retained Products	2
Hemorrhage	1
Other	1

Abortions Per Year*:

1979	483
1980	833
1981	2,554
1982	3,076
1983	3,028
1984	2,872
1985	2,826
1986	2,664
1987	2,562
1988	2,221
1989	1,761
1990	1,723
1991	1,602
1992	1,493
1993	1,406
1994	1,301
1995	1,334
1996	1,291
1997	1,219
1998	1,242
1999	1,345

*Reporting was not required before 1979

Woman's Place of Residence:

North Dakota	883
Minnesota	371
South Dakota	8
Iowa	3 or Less
Wisconsin	3 or Less
Manitoba	3 or Less
Ohio	3 or Less
Pennsylvania	3 or Less
Utah	3 or Less
Unknown	3 or Less

Living Children of Aborted Women:

No Children	638
One Child	318
Two Children	255
Three Children	93
Four Children	28
Five Children	8
Six Children	2
Eight Children	1
Unknown	2

Abortions by Age of Preborn:

1-4 weeks	0
5-8 weeks	794
9-12 weeks	410
13 weeks	62
14 weeks	30
15 weeks	19
16 weeks	17
17 weeks	2
Unknown	11

By Race of Mother:

Other	25
White	1,178
Black	18
Native American	121
Unknown	3

**Abortions Reported by the Fargo
Women's Health Organization:**

706

**Abortions Reported by the Red River
Valley Women's Clinic:**

639

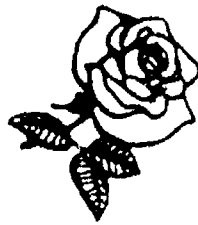
These statistics were received from the North
Dakota Department of Health.

NOTE: These statistics have usually been
available in the late spring. NDRL had
to request these statistics on numerous
occasions this year, finally receiving them
in September. NDRL has now been
informed that this information will not be
available in future years until late July
or possibly even August.

By North Dakota County of Residence:

Out of State	462
Adams	3 or Less
Barnes	9
Benson	4
Bottineau	7
Burleigh	118
Cass	278
Cavalier	3 or Less
Dickey	5
Divide	3 or Less
Eddy	3 or Less
Foster	7
Grand Forks	137
Griggs	3 or Less
Lamoure	3 or Less
Logan	3 or Less
McHenry	3 or Less
McKenzie	4
McLean	7
Mercer	5
Morton	30
Mountrail	8
Nelson	3 or Less
Oliver	3 or Less
Pembina	6
Pierce	3 or Less
Ramsey	16
Ransom	6
Renville	3 or Less
Richland	21
Rolette	12
Sargent	4
Sioux	6
Stark	17
Steele	3 or Less
Stutsman	37
Towner	3 or Less
Traill	4
Walsh	13
Ward	84
Williams	16

NORTH DAKOTA



Right to Life

ASSOCIATION

514 N. 8th St., Suite 2 • P.O. Box 551 • Bismarck, ND 58502 • (701) 258-3811

FOR IMMEDIATE RELEASE

Date: March 4, 1997

Contact: Viva Hagen-Pond, Executive Director

Phone: 701-663-9119 (h) 701-258-3811(o)

NDRL STRONGLY OPPOSES "FAMILY CAPS"

(A summary of remarks made by the Executive Director of the North Dakota Right to Life Association Viva Hagen-Pond at the North Dakota State Legislature Senate Hearing on HB 1226 (TANIF - Welfare Reform) at 4:45 p.m. on March 4, 1997)

This "family cap" provision does just one thing. It denies assistance for clothing and non-food essentials to a child whose birth occurred while her family was receiving assistance. Can it be that the message here is that North Dakota now believes it is somehow immoral for a poor family to allow their child to be born? The state of New Jersey adopted a family cap and pre-born children paid for it with their lives. The abortion rate among poor women rose alarming. At the same time, there is no study that proves family caps reduces illegitimacy.

As alarming as an increase of financially pressured abortions in North Dakota would be, it is just as alarming to see a change in attitudes toward needy children. Family caps make third class citizens out of babies that had no say in how they were conceived or when they were born.

It is a tenet of the North Dakota Right to Life Association that no just society can declare that some human beings do not deserve the protection of the law because of their race, degree of dependency on others, sex, or age. That is why we reject abortion as a legitimate solution to societal or financial problems. This family cap clearly signals a departure from the pro-life, pro-child, pro-family ethic we North Dakotans take such pride in. Family caps makes a new statement. And that statement is that not all babies are born equal - some babies do not deserve assistance under TANIF because of when they were born and to whom they were born.

I've heard it said around the Capitol that "we need to get tough with welfare recipients." Well, this is tough, real tough on the actual recipient of this clothing allowance benefit: the baby.

This provision places sanctions on the child, not the parent. The child born under the "family cap" will be denied the only assistance currently available which provides for necessities such as diapers, baby bottles and replacement nipples, a safety car seat, diaper rash ointment, a snow suit, blankets, bath soap, crib safety pads, and co-payments for medical expenses. My question is, just what is it that this child has done that we should declare her less needful or deserving of clothing and other essentials than her earlier born siblings?

North Dakota Conference of Social Welfare

Research Planning & Legislative Committee



Chairperson Lee and Senate Human Service Committee.

I am Kathy Pfeifle and am speaking to you on behalf of the North Dakota Conference of Social Welfare and to provide testimony on HB 1108.

The NDCSW has identified five priority areas for the 57th Legislative Session. They are; Affordable Health Care including CHIP's and medical care coverage for kids, TANF, Guardianship issues, Domestic Violence and Services for the Elderly including Adult Protection Services and HCBS.

The NDCSW supports HB 1108. Domestic violence is a priority issue for the NDCSW and it should be a priority for everyone. Anyone is at risk of abuse be it physical or emotional. Your children maybe at risk at some time in their lives. Domestic violence has neither financial boundaries nor social class limits. It is everywhere. It is a silent secret in many homes in America today. Just because the bruises are gone, the emotional side effects and fear of abuse stays with the person for a long time. Only, with a lot of support and time can a victim try to put their lives back together. Giving a victim another chance for the domestic violence cycle to be broken is very important to the life of the victim and the children that are affected.

Please consider approval of HB 1108 including the section 5 provisions on domestic violence.

Thank you for your time and I would be happy to answer any questions you may have.



National Association of Social Workers
NORTH DAKOTA CHAPTER
P.O. Box 1775
Bismarck, ND 58502-1775
Telephone 701-223-4161
Fax Number 701-224-9824
E-Mail nasw@apnd.com
Web Site www.apnd.com/nasw

March 7, 2001

Chairwoman Lee, Vice Chairman Kilzer, and Members of the Senate Human Services Committee:

My name is Connie M. Hildebrand. I am Legislative Chair of the North Dakota Chapter of the National Association of Social Workers. We speak in favor of HB 1108, Section 5, for one simple reason:

Now is the time!

Yes, now is time for all "good men" to recognize and come to the aid of those victimized by our country because, they loved someone. They loved someone, who *could not* love back. Instead, the person they loved disrespected, ridiculed, threatened and beat them into submission, and TANF can, if *you* allow it, continue to perpetrate that abuse.

Now is the time!

is an exquisite statement. It is located in Section 5, 1-d and simply states, "the state agency shall determine if *good cause* exists to waive work requirements or time limits on receipt of benefits for victims of domestic violence," but it means everything to those who are trying, desperately, most often with young children, to survive.

I have worked with the Department of Human Services for some thirty-five years, and I trust them to make that "good cause" decision. Do you?

Vote yes on HB 1108 because, now is the time.

Respectfully submitted,

Connie M. Hildebrand, LICSW
Chair, Legislative Committee, NASW-ND

BISMARCK
 Abused Adult Resource Center
 222-8370
 BOTTINEAU
 Crisis Center
 222-2028
 DAKOTA
 Alternatives for
 Abused Families
 1-888-662-7378
 DICKINSON
 Domestic Violence and
 Rape Crisis Center
 225-4506
 ELLENDALE
 Kadish House
 349-4729
 FARGO
 Rape and Abuse Crisis Center
 800-344-7273
 FORT BERTHOLD RESERVATION
 Coalition Against
 Domestic Violence
 627-4171
 FORT YATES
 Tender Heart Against
 Domestic Violence
 854-3861 Ext. 228
 GRAFTON
 Tri-County Crisis
 Intervention Center
 854-3861 Ext. 228
 GRAND FORKS
 Community Violence
 Intervention Center
 755-1055
 JAMESTOWN
 S.A.F.E. Shelter
 888-353-7233
 McLEAN COUNTY
 McLean Family
 Resource Center
 800-651-8643
 MERCER COUNTY
 Women's Action and
 Resource Center
 873-2274
 MINOT
 Domestic Violence Crisis
 Center
 852-2258
 RANSOM COUNTY
 Abuse Resource Network
 683-5061
 STANLEY
 Domestic Violence Program,
 NW, ND
 628-3233
 VALLEY CITY
 Abused Persons Outreach
 Center
 875-0078
 WASHBURN
 Survivors Crisis Center
 642-2115
 WILLISTON
 Family Crisis Shelter
 572-0757

HB1108

Senator Judy Lee
 Chair, Senate Human Services
 HB1108
 March 5, 2001

Senator Lee and Members of the Committee;

For the record my name is Linda Isakson and I am speaking on behalf of the North Dakota Council on Abused Women's Services and Coalition Against Sexual Assault. The members of NDCAWS/CASAND stand in support of House Bill 1108.

Since the Temporary Assistance to Needy Families was adopted, we have asked that victims of domestic violence be allowed some considerations. This bill does that in Section Five.

Through this bill a strong statement is being made to:

- Notify all applicants of TANF that the Family Violence Option is available to them if domestic violence is a problem in their lives.
- Establish a screening process that identifies survivors of violence past and present.
- Refer survivors to one of nineteen local domestic violence projects for safety planning and supportive services.
- Determine if good cause exists for alternatives to work requirements and time limit extensions.

By strengthening this provision, we are providing a safer, more secure environment for survivors of domestic violence to voluntarily report the victimization and the extent to which it is causing problems in their lives.

Attached to my testimony is research done on our behalf by a number of social work students at University of Minnesota. This research gives an accurate picture of what is occurring in other states when this process supports survivors of domestic violence.

The fiscal benefit to the state will be realized by identifying the needs of survivors sooner and wrapping services around them. Hopefully, it will keep survivors from going in and out of the TANF system and staying productively employed.

CAWS is committed to working with the department of Human Services to help move survivors of domestic violence from economic dependency to the self-sufficiency of their families. With the adoption of this section we open the door to more productive partnerships between state, county and providers. We will continue to work on a training proposal for county, Job Service, and domestic violence personnel and assist in creating notification materials that will be supportive of survivors. By working together, we can be a better resource for victims of domestic violence and their families.

We urge your support of House Bill 1108. If I may be of assistance please call me at 255-6240.

Linda Isakson

North Dakota Council on Abused Women's Services • Coalition Against Sexual Assault in North Dakota
 418 East Rosser #320 • Bismarck, ND 58501 • Phone: (701) 255-6240 • Toll Free 1-800-472-2911 • Fax: 255-1904



To: Budget Committee on Human Services
Department of Human Services
North Dakota House of Representatives and Senators
Linda Isakson, Policy Coordinator, CAWS
National Association of Social Workers

From: Glenda Trochman, LSW
Rachel Behm, LSW
Patti Sele, LSW

Re: House Bill # 1108

Date: February 22, 2001

We are graduate students with the University of Minnesota School of Social Work working on a domestic violence project regarding the Family Violence Options under TANF. We are also coordinating efforts with Linda Isakson, Policy Coordinator of CAWS. Our intent is to provide you with information regarding the use of the Family Violence Option in TANF.

Currently, North Dakota policy has allowed victims of domestic violence to exempt from certain requirements by use of the Family Violence Option. However, our concern is that only one waiver has been granted since the initiation and in researching other state's usage of the Family Violence Option, a key component to accessing that option is Universal Notification.

Research provided by Attorney Jill Davies of the National Resource Center on Domestic Violence in 2001, has demonstrated that at a minimum, assistance programs need to be responsive, empowering, supportive and provide the resources that battered women need to be safe and secure. A survey of all 50 states completed by the Taylor Institute in 1999, (please see Table 1) shows that the states that are utilizing Universal Notification have a greater number of domestic violence victims accessing waivers through that option.

In Grand Forks County alone there were 53 women and 51 children seeking emergency housing through the Community Violence Intervention Center shelter in the year 2000. This dramatically illustrates the fact that the Family Violence Option is not being offered effectively throughout the state of North Dakota to those most in need. Research provided by the National Resource Center on Domestic Violence indicates that when most individuals leave a violent home in search of shelter, they are leaving behind financial stability and are not able to meet the eligibility requirements of TANF for a number of reasons. These individuals fear for their safety, the safety of their children, and other difficulties including mental health and physical impairments as a result of the domestic violence they experienced. In addition, their abusive ex-partner may prevent them from meeting TANF requirements or establishing self-sufficiency as a means of control.

According to Jill Davis, National Resource Center on Domestic Violence (2001), it is recommended that client disclosures of domestic violence should be informed and voluntary. They recommend that states use universal notification as one way to do just that.

To ensure that universal notification meet the goals of informed and voluntary disclosure, the following strategies are recommended:

- Training for welfare workers and administrators about the particular safety and privacy concerns faced by some battered women;
- Training for domestic violence advocates on assistance program requirements and options for battered women;
- That this training be implemented and supported through the leadership of the Department of Human Services;
- That all participants must be informed of their rights and options under the program, including eligibility for waivers, extensions, or exemptions because of family violence and that this information be offered verbally and written throughout the application and recertification process;
- That ongoing evaluation of the effects of current programs on battered women and their children be implemented at the state level.

In closing, we respectfully request your support of the amendment of House Bill 1108. Through the use of Universal Notification and training implemented by the Department of Human Services the Family Violence Option will finally meet its goal of serving the victims of domestic violence in the state of North Dakota.

Thank you for your time and consideration.

Glenda Trochman, LSW

Rachel A. Belun, LSW

Patti Solo, LSW

**TESTIMONY BEFORE THE
SENATE HUMAN SERVICES COMMITTEE
REGARDING**

ENGROSSED HOUSE BILL NO. 1108

March 7, 2001

Chairman Lee, members of the Senate Human Services Committee, my name is Blaine L. Nordwall. I am director of Economic Assistance Policy for the Department of Human Services.

House Bill 1108 reflects several modest changes in the statute under which the department administers the Temporary Assistance for Needy Families program in North Dakota. We also are requesting this Committee consider an amendment to this bill to address the possibility that Senate Bill 2414, the benefit cap removal bill, does not become effective.

A short history of North Dakota welfare reform is appropriate here.

In 1995, following extensive interim study, the Legislature directed the Department of Human Services to undertake a welfare reform demonstration project called "Training, Education, Employment, and Management" (TEEM). This demonstration project was to combine benefits under the Aid to Families with Dependent Children (AFDC), Fuel Assistance (Low Income Home Energy Assistance, or LIHEAP), and Food Stamp programs into a single cash payment. The program was to be administered through an electronic data system, referred to as the TEEM system, that would determine eligibility based on program rules, provide an electronically enhanced interactive assessment of each family, and afford appropriate referrals based upon those assessments. The department secured necessary waivers and implemented the demonstration project.

North Dakota's TEEM demonstration project was barely under way when federal welfare reform came along. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) became law August 22, 1996. Under federal welfare reform, each state would receive a block grant to administer a Temporary Assistance for Needy Families (TANF) program to replace the AFDC program. States would be required to convert to the TANF program no later than July 1, 1997.

North Dakota could not long continue its demonstration project. The federal agency responsible for administering the Food Stamp Program was adamantly opposed to any extension or enlargement of the Food Stamp Program's participation in TEEM. Federal Food Stamp officials identified TEEM as a Food Stamp "cash-out" program under which recipients receive cash instead of benefits redeemable only for groceries. Federal officials had collected ample evidence to demonstrate that families able to cash out food stamps spend less on groceries than families who did not have that option. North Dakota was required to remove the Food Stamp benefit from TEEM, effective in May 1996.

In response to these circumstances, the 1997 Legislative Assembly provided extensive instructions as to the requirements for the TANF program, but also left the TEEM demonstration project on the books. On July 1, 1997, when North Dakota was required to implement TANF, the department terminated the demonstration project.

With this change, both staff and clients have become accustomed to referring to the program as the TANF program. The use of the term "TEEM" lives on only as the name of the interactive electronic eligibility system. Even that use must soon change. The system is currently undergoing revision so that it can also be used to administer Medicaid benefits to families and children. The department's long-term plans call for using that system to administer all

Medicaid, TANF, Child Care, and Food Stamp benefits. We anticipate changing the name of the system to "Vision."

This history is relevant to the several portions of this bill that remove reference to the "training, education, employment, and management" program, and also that remove reference to the demonstration project.

Section 1 of the bill amends subsection 2 of section 50-01.2-00.1 to replace reference to "training, education, employment, and management" with reference to "temporary assistance for needy families."

Sections 2 and 3 of the bill are present because North Dakota law does not currently comply with the assignment requirements of federal law. 42 U.S.C. § 608(a)(3) requires all family members who receive TANF cash assistance to assign rights of support. The existing state law requires assignment of child support, but not spousal support.

In preparing a draft to make the necessary changes, we noted that both sections 50-09-06 and 50-09-06.1 used essentially identical language to require an application for assistance and an assignment of support rights, with 50-09-06 applying generally, and 50-09-06.1 applying in foster care cases. To try and make the statutes more understandable, the amendments in Section 2 of the bill would cause section 50-09-06 to be a general section relating to applications for assistance. Section 3 would amend section 50-09-06.1 so that it is a general statute requiring assignment of all support rights under this chapter, including any TANF family member and any child in foster care. The only substantive change is to require assignment of all support rights, rather than only child support rights.

As you may recall from the hearing on Senate Bill 2414, we are concerned that child support assignments in benefit cap cases may be subject to effective

challenge in court. If Senate Bill 2414 becomes effective, that concern disappears. If Senate Bill 2414 does not become effective, what then?

The benefit cap provision has been in effect since July 1, 1998, and has affected 267 families through December 2000. We have collected and retained \$6,959 in assigned child support between July 1, 1998, and December 31, 2000. Only 59 of the 267 benefit cap children have established child support orders, and only 25 of those cases show any collections. However, one of those cases illustrates the concern. We collected \$680 in child support over six months, retained it all, and provided no additional TANF benefits to the family. We have estimated the cost to change the TEEM system to eliminate the assignment in benefit cap cases is \$99,687.

We have prepared an amendment to section 50-09-06.1 that would be effective only if Senate Bill 2414 does not become effective. Essentially, this amendment would add a new subsection to section 50-09-06.1 to prevent an assignment of child support for any child subject to a benefit cap. That amendment is Attachment A to my written testimony. We would appreciate this Committee's consideration of this amendment.

Section 4 of the bill amends subsection 1 of section 50-09-29. This subsection contains the state statutory requirements for administration of the TANF program.

Page 3, lines 4 and 5 of the bill, would remove a reference to "training, education, employment, and management."

Page 3, lines 12 and 13, would exempt victims of domestic violence from the 60-month lifetime limit on TANF benefits. This exemption refers to "domestic violence as defined in section 14-07.1-01." A copy of that definition is Attachment B to my written testimony.

Page 3, lines 26 through 28, would remove existing language in subdivision g, which required the department to seek approval of federal officials to use a "simplified" Food Stamp program to provide food stamp benefits to eligible TANF households. Federal requirements imposed with respect to the "simplified" Food Stamp program made its implementation anything but simple. As a result, the only state in the nation that was able to use that provision to any real purpose was Arkansas. The issue became moot when federal policy changed to allow more TANF program beneficiaries to become automatically eligible for Food Stamps.

Page 4, lines 11 through 13, would remove language that requires North Dakota to impose a shorter lifetime limit than 60 months if a TANF applicant came to North Dakota from a state that imposed a shorter lifetime limit. The United States Supreme Court declared a similar California law unconstitutional as an impediment on freedom to travel from state to state. We have been advised by the North Dakota Attorney General that this law would not withstand a similar challenge. We have never actually had occasion to apply this law.

Page 4, lines 20 through 22, would replace a reference to "training, education, employment, and management" with "temporary assistance for needy families," and would remove reference to a required effective date already past.

Page 4, lines 26 through 28, would change the details of the instruction for determining unemployment rates in Indian country. The unemployment data provided by Job Service North Dakota does not, and as a practical matter cannot, be associated only with Indian reservation lands, particularly in Rolette County, where a checkerboard of trust lands exists. These changes would provide for county-by-county employment data.

Page 5, lines 4 and 5, would remove language that allows us to approve, as work activities, only those activities that count in calculating federal work participation rates.

The current law was written at a time when the legislature foresaw great difficulty in meeting federally imposed work participation rates of 30% of the adult caseload in 1998, to 50% of the adult caseload in 2002. However, the federal work participation rate requirements allowed credit for caseload reduction. Because of substantial caseload reduction, North Dakota's "real" work participation rate requirement for federal fiscal year 2001 is approximately one percent.

The consequence of allowing only limited work activities has not been to assure compliance with federal work participation rate requirements. Rather, it has been to limit the types of activities in which hard-to-serve TANF participants may engage. By removing this narrow limit, we would be able to treat, as a work activity, virtually any activity that constructively moves a person in the direction of work preparedness. Examples might include participation in mental health services for a depressed individual, participation in services provided by a domestic violence organization for a victim of domestic violence, language activities for refugees, GED studies for individuals above age 20, or drug and alcohol treatment.

Page 5, lines 6, 8, and 15, would remove the requirement that sanctions for non-cooperation be "progressive." Progressive sanctions involve starting with a warning, continuing through reduction of the grant to eliminate the non-cooperating adults' portion, and eventually providing no grant at all. We have two reasons to be concerned about progressive sanctions. First, some TANF household members are immediately adamant in their refusal to cooperate. In such cases, there is no good reason not to immediately impose the sanction of termination of assistance. Secondly, we are discovering that a large

number of sanctioned participants actually don't know or understand what conduct is required of them for cooperation. This is the case in spite of our provision of carefully worded explanations of the reason for each sanction. We believe that some of these individuals are not really capable of understanding the written notices and others are essentially incapable of undertaking the tasks asked of them. We hope, through pilot projects that rely upon local knowledge and local efforts, to secure household participation and cooperation not through the use of sanctions, but through more constructive methods.

Page 5, lines 20 and 21, would replace a reference to "training, education, employment, and management" with "temporary assistance for needy families," and would remove a reference to an effective date already past.

Page 5, lines 23 through 25. This change would remove language that requires the department to seek the approval of the Secretary of Health and Human Services to develop and use a single application form. The Secretary of Health and Human Services does not have authority to provide such an approval with respect to the TANF program. And, with respect to the Medicaid program, the Secretary has pressured states to develop separate and specialized application forms for different Medicaid groups. Because we are confident the Secretary can never approve such a request, we recommend deletion of the requirement.

Page 5, line 26, removes a reference to an effective date already past. The Code Revisor would easily accommodate this change should both this bill and Senate Bill 2414 become effective.

Page 6, lines 14 through 16, specifically are intended to authorize demonstration projects such that TANF benefits and services might be different in one part of the state than another. The provision of services and

benefits under TANF is not required by federal law to be uniform throughout a state. For instance, a planned pilot to provide Job Opportunities and Basic Skills (JOBS) program services to unemployed non-custodial parents who have not paid required child support is reasonable. Providing those services statewide without first learning about the difficulties or advantages is not reasonable.

Section 5 of the bill was added in the House. This domestic violence provision started out as an Interim Committee bill, House Bill 1037. The House Human Services Committee heard testimony on House Bill 1037 that supported the language you now see in Section 5 of this bill. The House amended this bill so as to fold into it the domestic violence provisions of House Bill 1037. Section 5 would require the department to address domestic violence issues in the TANF program. The department has already implemented the domestic violence option, supported House Bill 1037, and supports Section 5. The fiscal note was requested due to the inclusion of the domestic violence provisions in this bill. It indicates no impact because passage of Section 5 would not require changes in the operation of TANF.

Section 5 would give a better explanation of our domestic violence waiver. It would recognize the serious impact domestic violence has on victims who are TANF recipients. The long term solution for domestic violence victims cannot merely be to extend assistance for an unlimited time. We must also do our best to provide avenues to self-sufficiency.

Section 6 of the bill would repeal sections 50-06-01.8, which originally authorized the TEEM demonstration project, and 50-09-26, which described the transition from AFDC to TANF. Copies of those sections are attached as Attachments C and D.

I'll try to answer any questions the Committee may have.

Presented by:

**Blaine L. Nordwall
Director, Economic Assistance Policy
ND Department of Human Services**

Prepared by the North Dakota
Department of Human Services
March 7, 2001

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1108

Page 2, line 14, replace "Section" with "If Senate Bill No. 2414 becomes effective, section"

Page 2, after line 30, insert:

"SECTION 4. AMENDMENT. If Senate Bill No. 2414 does not become effective, section 50-09-06.1 of the North Dakota Century Code is amended and reenacted as follows:

50-09-06.1. Application for foster care for children- Assignment of support rights. ~~Application for foster care for children must be made to the county agency in the manner and form prescribed by the state agency. The application must contain such information as the state agency may require. An application for foster care for children under this chapter is deemed to create and effect an assignment of all rights to support, which the a family member or foster child may have or come to have, to the state agency and county agency. The assignment:~~

1. ~~Is effective as to both all current and accrued child support obligations: and periods of eligibility;~~
2. ~~Takes effect upon a determination that the child is eligible for foster care for children: is limited to the total cost of benefits provided to the family or foster child;~~
3. ~~Terminates when the child eligibility ceases to receive foster care for children, except with respect to the amount of any unpaid support obligation accrued under the assignment unpaid at that time; and~~
4. ~~Is not effective as to any child subject to a benefit cap imposed under section 50-09-29."~~

Renumber accordingly

CHAPTER 14-07.1 DOMESTIC VIOLENCE

Note.

The heading for this chapter set out in the bound volume is incorrect. The correct heading is set out above.

Section	Section
14-07.1-01. Definitions	14-07.1-11. Arrest without warrant
14-07.1-02.1. Allegation of domestic violence -- Effect	14-07.1-15. Domestic violence and sexual assault prevention fund established
14-07.1-02.2. Foreign domestic violence protection orders -- Full faith and credit recognition and enforcement.	14-07.1-16. Grants -- Eligibility -- Conditions -- Limitation
14-07.1-06. Penalty for violation of a protection order	

14-07.1-01. Definitions.

1. "Department" means the state department of health.
2. "Domestic violence" includes physical harm, bodily injury, sexual activity compelled by physical force, assault, or the infliction of fear of imminent physical harm, bodily injury, sexual activity compelled by physical force, or assault, not committed in self-defense, on the complaining family or household members.
3. "Domestic violence sexual assault organization" means a private, nonprofit organization whose primary purpose is to provide emergency housing, twenty-four hour crisis lines, advocacy, supportive peer counseling, community education, and referral services for victims of domestic violence and sexual assault.
4. "Family or household member" means a spouse, family member, former spouse, parent, child, persons related by blood or marriage, persons who are in a dating relationship, persons who are presently residing together or who have resided together in the past, persons who have a child in common regardless of whether they are or have been married or have lived together at any time, and, for the purpose of the issuance of a domestic violence protection order, any other person with a sufficient relationship to the abusing person as determined by the court under section 14-07.1-02.
5. "Health officer" means the state health officer of the department.
6. "Law enforcement officer" means a public servant authorized by law or by a government agency to enforce the law and to conduct or engage in investigations of violations of law.
7. "Willfully" means willfully as defined in section 12.1-02-02.

Source: S.L. 1979, ch. 193, § 1; 1989, ch. 177, § 2; 1991, ch. 149, § 1; 1993, ch. 147, § 1; 1995, ch. 150, § 1; 1995, ch. 243, § 2; 1999, ch. 136, § 1.

Effective Date.

The 1999 amendment of this section by section 1 of chapter 136, S.L. 1999 became effective July 1, 1999.

Domestic Violence.

—Found.

Former husband's conduct constituted do-

mestic violence; the former wife was placed in fear for her safety as a result of the former husband's phone calls and verbal statements, which caused her to lock the doors and windows and request extra police patrol and caused her to become nauseated. *Lovcik v. Ellingson*, 1997 ND 201, 569 N.W.2d 697 (1997).

50-06-01.8. Department to seek waiver to establish training, education, employment, and management program — Waiver may be terminated — Program characteristics — Cooperation with governmental bodies — Interim rulemaking.

1. The department of human services shall seek, from appropriate federal officials, authorization to establish a demonstration project to combine the benefits provided under the state's aid to families with dependent children, temporary assistance for needy families, fuel assistance, and food stamp programs, pursuant to title IV-A of the Social Security Act, as enacted before August 22, 1996 [42 U.S.C. 601 et seq.], title IV-A of the Social Security Act, as enacted August 22, 1996 [42 U.S.C. 601 et seq.], the low-income home energy assistance program [42 U.S.C. 8621-8629], and the Food Stamp Act [7 U.S.C. 2011-2027].
2. Subject to the approval of the legislative council, the department of human services may terminate any waiver secured under subsection 1, or the demonstration project described in subsection 1, if necessary or desirable for the statewide implementation of the training, education, employment, and management program, or otherwise.
3. The training, education, employment, and management program established under this section must provide for uniform and consistent treatment of income and assets in determining eligibility; provide for the creation of a uniform method of budgeting and computing benefits, a consistent certification period for the receipt of benefits, and uniform reporting requirements; provide for necessary child care to allow a participant to meet educational and employment goals; and provide for universal employment and training to assist individuals in becoming self-sufficient. The training, education, employment, and management program may be administered notwithstanding the requirements of section 50-01.2-03, subsections 17 and 19 of section 50-06-05.1, chapter 50-09, and section 50-11.1-11.1, relating to the administration of the temporary assistance for needy families, fuel assistance, and food stamp programs. The training, education, employment, and management program may require any participant to cooperate with child support enforcement efforts.
4. The department of economic development and finance, job service North Dakota, county social service boards, and any other state agency determined appropriate shall cooperate with the department to ensure the success of the program. Local government agencies are encouraged to cooperate with the department.
5. Rules adopted to implement the demonstration project may be adopted as interim final rules without a finding that emergency rulemaking is necessary, and the interim final rules may take effect on a date no earlier than the date of filing with the legislative council of the notice of proposed adoption of a rule required by subsection 4 of section 28-32-02.

Source: S.L. 1995, ch. 459, § 1; 1997, ch. 51, § 37; 1997, ch. 404, §§ 51, 52; 1999, ch. 50, § 68. section 68 of chapter 50, S.L. 1999 became effective August 1, 1999.

Effective Date.

The 1999 amendment of this section by

50-09-26. Transition to training, education, employment, and management program. In counties in which a demonstration project established under section 50-06-01.8 is operating, the state agency shall supervise and direct county administration of temporary assistance to needy families, in the form of the training, education, employment, and management program. In all other counties, the state agency shall supervise and direct county administration of temporary assistance to needy families, substantially in the form of the aid to families with dependent children program established under 42 U.S.C. 601 et seq., as amended before August 22, 1996 [49 Stat. 627 et seq.], provided that the requirements of 42 U.S.C. 601 et seq., as amended by section 103 of Pub. L. 104-193, 110 Stat. 2112 et seq., as amended, are met. Beginning January 1, 1998, the state agency shall convert temporary assistance to needy families cases, previously administered substantially in the form of aid to families with dependent children cases, to administration in the form of the training, education, employment, and management program. After July 1, 1998, or as soon thereafter as may be feasible, the state agency shall supervise and direct county administration of all temporary assistance to needy families in the form of the training, education, employment, and management program.

Source: S.L. 1997, ch. 404, § 73.